Note: Anyone wishing to speak at any Planning Commission meeting is encouraged to do so. If you wish to speak, please fill out a Speaker Request Form and place it in the Speaker Request Box by staff. You will then be allowed to speak. Please note that the public testimony may be limited by the Chair and normally is not allowed after the Public Hearing is closed.

### ASHLAND PLANNING COMMISSION REGULAR MEETING August 9, 2022

https://zoom.us/j/95214537630

- I. CALL TO ORDER: 7:00 PM via Zoom
- II. <u>ANNOUNCEMENTS</u>
- III. CONSENT AGENDA
  - A. Approval of Minutes
    - 1. June 14, 2022 Regular Meeting
    - 2. June 28, 2022 Study Session
    - 3. July 26, 2022 Study Session
- IV. PUBLIC FORUM
- V. OTHER BUSINESS
  - A. Climate Friendly & Equitable Communities (CFEC) Rulemaking Implementation Timeline
  - B. Climate Friendly & Equitable Communities (CFEC) Rulemaking Upcoming Parking Rule Changes
- VI. ADJOURNMENT





In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Community Development office at 541-488-5305 (TTY phone is 1-800-735-2900). Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to the meeting (28 CFR 35.102-35.104 ADA Title 1).

# ASHLAND PLANNING COMMISSION REGULAR MEETING

**Draft** Minutes June 14, 2022

I. CALL TO ORDER: 7:00 PM, via Zoom

Chair Haywood Norton called the meeting to order at 7:00 p.m.

Commissioners Present: Staff Present:

Michael Dawkins
Haywood Norton
Brandon Goldman, Planning Manager
Doug Knauer
Derek Severson, Senior Planner
Kerry KenCairn
Michael Sullivan, Administrative Assistant

Lisa Verner Lynn Thompson Eric Herron

Absent Members: Council Liaison: Paula Hyatt

### II. ANNOUNCEMENTS

Chair Norton began by welcoming Eric Herron to the Planning Commission

Community Development Director Bill Molnar informed the Commission that agenda item C, a presentation on Ashland's Characteristics, Demographics and Urban Form, had been removed from the agenda and would be discussed at the June 28, 2022 meeting.

Mr. Molnar made the following announcements:

- He confirmed that the Commission's annual retreat will be held on June 16, 2022. The Commission will meet at 8:30 a.m. at Moxie Café & Market before conducting site visits. The sites visited will be 329 Granite Street, the West Village Subdivision, and Clear Creek Drive. They will then reconvene at the Community Development and Engineering Services Building located at 51 Winburn Way.
- Staff was informed that the Oregon Land Use Board of Appeals (LUBA) had affirmed the City's decision to approve a Wireless Communication Facility at 351 Walker Ave. The appellants had identified four assignments of error on the part of the City which were ultimately dismissed by LUBA.

## III. CONSENT AGENDA

**Approval of Minutes** 

1. May 10, 2022 Regular Meeting

Commissioners Verner/Knauer m/s to approve the Consent Agenda. Commissioner Herron abstained due to the meeting taking place before his appointment to the Commission. Voice Vote: all AYES. Motion passed. 6-0.

- IV. PUBLIC FORUM None
- V. OTHER BUSINESS

A. Housing in E1/C1 Zones

### **Staff Presentation**

Senior Planner Brandon Goldman gave a presentation regarding an amendment regarding housing in E-1 and C-1 Zones. City Council had sent the proposed amendment back to the Commission with suggested changes. One of the suggested changes would be to allow mixed-use commercial buildings to convert up 100% rental housing on the ground floor with a Conditional Use Permit (CUP), and with the condition that they would return to commercial use at a later date (see attachment #1).

- Project Goals and Objectives
- Ordinance Development Timeline
- Ordinance Provisions
- Ordinance Applicability
- Employment Lands Need
- Council Hearing Direction
- Considerations
- Next Steps

### **Questions of Staff**

Commissioner Thompson voiced approval for the City Council's recommendations. She noted that one of the main obstacles to approving up to 100% rental housing in mixed-use buildings was the 2007 Economic Opportunity Analysis (EOA) issue of removing employment lands without conducting a new EOA beforehand. Commissioner Thompson asked if the City's Chamber of Commerce study would make a new EOA unnecessary. Mr. Goldman responded that it may be premature to consider whether the study conducted by the Chamber of Commerce would be sufficient to eliminate the need for another EOA. Mr. Molnar stated that staff had been in contact with the state regarding the ordinance, but it was unclear if a new EOA would be required. He noted that the state was supportive of the proposed amendment. Mr. Molnar added that mixed-use property owners would still have a great deal of flexibility in determining the percentage of employment housing on the ground floor, and that the new amendment would only apply if they passed the 65% mark. Commissioner Thompson inquired if the City Council would be able to adopt an ordinance if uncertainty remained around this issue. Mr. Molnar responded that the review period should provide sufficient time to determine if a new EOA is necessary.

Commissioner Dawkins inquired if the ordinance would only apply to new buildings, or if it would also include existing vacant commercial properties. Mr. Goldman responded that the ordinance would apply to any development wishing to utilize this provision, provided that the development not be more than ten acres or only one-story tall. However, an existing two-story building on a lot that is less than ten acres could utilize the provisions in the ordinance as previously recommended by the Commission. Commissioners Dawkins and Verner commended the presentation as a good summary of the work done by the Commission on this topic, and while also providing a good blueprint moving forward.

Mr. Molnar pointed out that 40% of the City's Employment and Commercial Zones do not allow for residential developments, so their uses would be unchanged. He added that not all developments, particularly those in commercial zones, choose to operate as mixed-use buildings. Commissioner KenCairn expressed concern over the difficulty of mixed-use buildings transitioning back to commercial once the time-frame had lapsed, and inquired if this ordinance would be driven by market-driven factors. Mr. Goldman responded that it would give developments far more flexibility in their use, but that there is no guarantee that these developments will expand their residential use as a result of the ordinance. Mr. Molnar added that staff is considering some flexibility in the ordinance, particularly by not imposing a term of affordability, and that the target is instead based on household income. This is due to some developers raising concerns over the financial feasibility of developments under deed restrictions that require specific terms.

Chair Norton commented that a CUP will be much easier to implement, which could appeal to potential developers. He added that a CUP could influence how future commercial buildings are developed in order to accommodate residential use. Chair Norton stressed the important of affordable housing in a community, and was encouraged by the City Council's approach to creating the necessary housing.

### B. Middle Housing Lot Division & Expedited Land Division Code Changes

### **Staff Presentation**

Senior Planner Derek Severson provided a presentation regarding Senate Bill 458, which include changes to Middle Housing Lot Divisions (MHLD) and Expedited Land Division codes. He gave a brief background on House Bill 2001 and Senate Bill 458 on MHLDs and their implementation. Under SB 458 Expedited Land Divisions would not be considered land use actions, and as such could not be appealed to the Planning Commission. Instead, an initial administrative decision could be appealed to a referee/hearings officer, and would not be subject to appeal to LUBA. The noticing area for Expedited Land Divisions will be reduced to 100ft, with a final decision needing to be made by the City within 63 days, unless extended by the City Council. This is in contrast to the current 120 day decision period for land use actions (see attachment #2).

#### **Questions of Staff**

Commissioner KenCairn inquired if staff's decision to not include existing Accessory Residential Units (ARUs) and duplexes in the code change was a strategy to keep them as rentals. Mr. Severson responded that it should be considered, and that parking should also be taken into account in those discussions. Commissioner KenCairn voiced support for retaining their rental status, but commented that whether an ARU or duplex can be rented or sold should not be based on when it was developed. Mr. Molnar stated that this discussion has been ongoing since the City adopted its first Accessory Dwelling Unit (ADU) ordinance, and that the state seems to be offering flexibility in how to adopt the new code changes.

Commissioner Knauer asked how much of the City's housing stock would be affected by the code changes and if staff has a targeted number of rental units in the City that they are attempting to reach. Mr. Goldman responded that the City contains 47% rental and 53% ownership units, but that many rentals are detached single-family dwellings that could be converted into ownership units. He commented that some of those rental units would not be able to be converted and sold because they would not be able to separate its utilities from the main dwelling, or because they would not comply with fire safety requirements.

Commissioner Thompson noted that, when the duplex ordinance was first considered, it was decided that detached and attached structures could be defined as duplexes. She asked what would be required for an ARU to be converted into a duplex in order to be sold, and also what the new code said about vertical duplexes. Mr. Severson stated that they will likely see applications to convert an ARU into a duplex as long as the building meets the requisite criteria. He stated that cities would not be required to allow vertical duplexes, but that they could be discussed by the Commission. Mr. Molnar added that vertical duplexes would likely not be permitted because they would share the same lot space.

Chair Norton inquired if staff had received any applications for dwellings to be converted into a duplex since the provision for duplexes had been passed. Mr. Severson stated that he was not aware of any. Chair Norton speculated on the number of buyers who would purchase a Single Family Residence (SFR) with the purpose of selling part of it as a duplex, and asked staff what the parking requirements would be for an SFR. Mr. Severson responded that parking could take up no more than a 25ft wide paved area, or 25% of the front yard, whichever is greater. He added that no cover for parking would be required.

#### D. Election of Officers

Chair Norton stated that both offices of the Commission, Chair and Vice-Chair, are up for election. He added that he had been Chair for the past two years, and that no member can be Chair for more than three. Chair Norton also informed the Commission that a significant amount of support and insight from staff would be imparted to whomever is Chair of the Commission.

Commissioner Thompson/Dawkins m/s to elect Commissioner Norton as Chair. Voice Vote: ALL AYES. Motion passed. 7-0.

Commissioner Thompson/Dawkins m/s to nominate Commissioner Verner as Vice-Chair. Voice Vote: ALL AYES. Motion passed. 7-0.

V. <u>ADJOURNMENT</u> Meeting adjourned at 8:25 p.m.

Submitted by, Michael Sullivan, Administrative Assistant



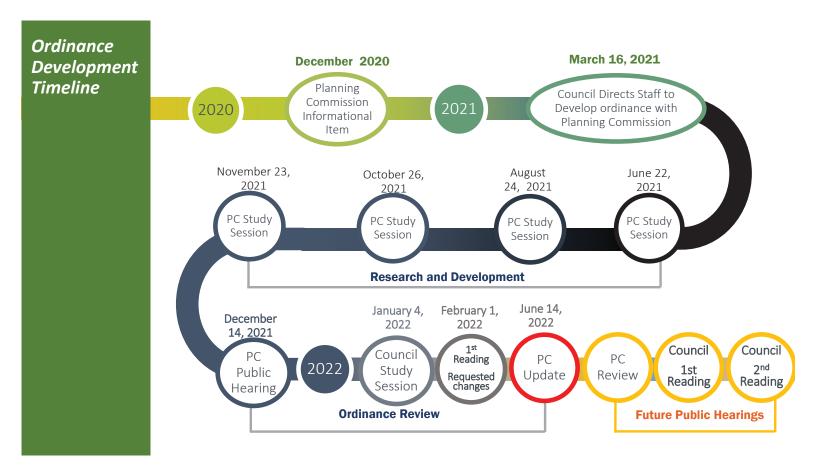
# Project Goal and Objectives

## **Project Goal:**

Provide more flexibility in the employment zones to respond to fluctuations and changes in the economy and demand for housing.

## **Project Objectives**

- Maintain an inventory of employment parcels in a variety of sizes and locations to encourage new business development.
- Increase the supply of moderately-priced rental and for-purchase housing.
- Jumpstart redevelopment in areas that have trouble attracting projects and/or are in proximity to public transit and walking distance to daily service needs, such as groceries, shops, parks, etc.)

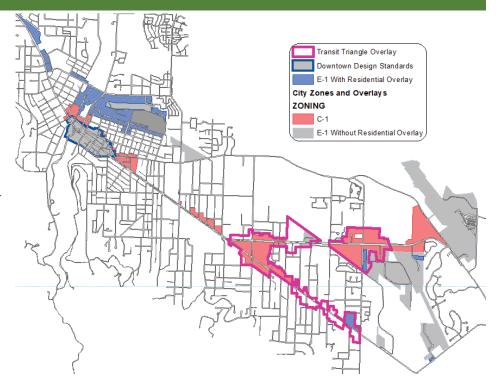


# **Ordinance Provisions**

- Nearly doubles the allowance for ground floor residential
  - currently 35% ground floor residential allowed in mixed use buildings
  - proposed 65% allowance for ground floor residential.
  - currently all stories above the ground floor can be residential
- Residential density caps in C-1, C-1-D, and E-1 removed
  - Encourages a variety of housing types
  - No change in the maximum size of buildings.

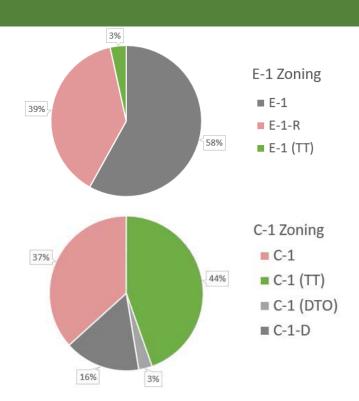
# **Ordinance Applicability**

- Amendments apply in C-1 zones (outside of downtown) and E-1 zones with residential overlay.
  - buildings that are 2 or more stories
  - lots that are less than
     10 acres in size

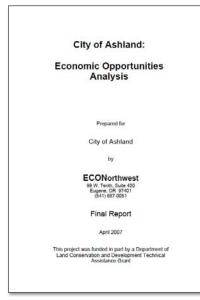


# **Ordinance Applicability**

- E-1 zone: 272.6 total acres
  - o 114.3 acres with Residential overlay
  - o 158.3 acres without Residential overlay
- C-1 zone: 175.3 acres total acres
  - o 95.5 acres within the Transit Triangle
  - o 79.7 acres outside of the Transit Triangle
    - 6.1 acres of this amount are within the downtown overlay
- C-1-D zone: 34.13 acres
  - o Proposed Amendments do not apply



# **Employment Lands Need**



- The 2007 EOA forecasted more employment growth than has occurred over the last 15 years.
- The 2007 EOA projected Ashland would have 15,220 jobs by 2027. Recent employment data shows there are 10,237 jobs in the Ashland UGB (2019).
- The 2007 EOA stated that about 30% of employment growth will not require consumption of vacant land.
- Employment growth in residential areas continues to increase as more people work from home.
- The Fregonese analysis concluded that in consideration of the proposed ordinance the supply of employment lands would likely remain sufficient to accommodate employment growth.

# Council Hearing - Direction

Council held First Reading of the draft ordinance on February 1, 2022 and postponed the item recommending the following:

Postpone the item until the end of May 2022 to give staff time to analyze the economic information that comes forward from the Chamber Study

Revert this item back to the Planning Commission to specifically have a conditional use permit on the 35% that would be commercial to be used as residential rental only between 80-100% AMI revertible upon expiration of lease between 5–10-year period.

# Considerations

# Council Recommendation issues to Consideration:

- Approval Process?
  - Conditional Use
  - Special Permitted Use
- Rental Affordability Targets?
  - 80-100% AMI
- Term of affordability?
  - 5-10 years

### Alternative Code Provisions for discussion:

- The 35% of the ground floor area, required to be commercial, could allow *affordable rental housing* as a Special Permitted Use
- Affordable to renters earning <u>80%</u> the Area Median Income or less.
- The 35% ground floor area shall be constructed to be commercial ready, allowing conversion to commercial use upon termination of use as affordable rental housing.
- No minimum or maximum term of affordability.
- Require affordable rental occupants be income qualified by the City at any change in tenancy.
- Require a deed restriction clarifying the 35% ground floor area cannot be used as market rate housing.

# **Next Steps**



- 1. Receipt and review of the Economic Diversification study from the Ashland Chamber of Commerce.
- 2. Planning Commission review of potential code options, including an opportunity for public comment.
- Forward recommendations to the City Council for consideration at the continuation of First Reading.

# Middle Housing Land Divisions



- Background
- First Draft of Middle Housing Land Divisions & Expedited Land Divisions Code Amendments
- Next Step: Initiate a legislative amendment

6/14/2022 PC Meeting

# Legislative Timeline



- House Bill 2001 Middle Housing
  - effective August 8, 2019
- Senate Bill 458 Middle Housing Land Divisions
  - effective January 1, 2022
- Cities required to amend local code
  - by June 30, 2022 or implement directly from Senate Bill
     458

# HB 2001 Requirements



- 1. Have to allow duplexes on residentially-zoned lots that allow development of detached single-family dwellings
- 2. Approval process and standards used for duplexes must not be more restrictive than those applied to detached single-family dwellings
- Jurisdictions cannot require off-street parking or owneroccupancy requirements for accessory residential units (ARUs)

6/14/2022 PC Study Session

# With HB2001 Code Changes...



# Duplex

- 2 units on 1 lot, in attached <u>or</u> detached structures
- 2 on-site parking spaces required
- On-street parking credits not permitted
- Permitted with approval of building permit

# Accessory Residential Unit (ARU)

- Must meet size limits (50% of GHFA & <500 s.f. for MFR, <1,000 s.f. for SFR)
- No on-site parking spaces required
- Permitted with approval of building permit

# Middle Housing Land Divisions

and building code compliance.



Applies to any lot that allows Middle Housing under ORS 197.758 (i.e. HB 2001). Draf	t is written to focus on duplexes.
MHLD must result in exactly one dwelling per lot, except that common areas may be tract.	e located on a separate lot or a shared
☐ Separate utilities are required for each dwelling unit.	
<ul> <li>□ Easements are required to be provided for:</li> <li>✓ Pedestrian access</li> <li>✓ Common areas</li> <li>✓ Driveways and parking areas, if shared</li> <li>✓ Utilities</li> </ul>	
□ An MHLD proposal must meet the requirements of the Oregon Residential Special duplex is being divided, there must be firewall construction between the two units.	lty Code. For example, if an attached
☐ In a typical land division, the land division is approved, infrastructure installed and being reviewed and issued for construction. MHLDs could occur prior to submission after a middle housing development is approved for development, or after it is const of allowing concurrent review of building permits and the land division, but in any camiddle housing development (either proposed or built) that complies with the buildidevelopment code.	of an application for building permits, tructed. SB 458 gives cities the option ase, MHLD applications must include a
	6/14/2022 PC Meeting
SB 458 Limitations	ASHLAND
Cities may require	
☐ Submittal of Tentative & Final Plats for Approval	
☐ Review for Oregon Residential Specialty Code Compliance	
☐ Right-of-Way Dedication & City-Standard Street Frontage Im	provements
Cities may not	
□ Apply <i>any</i> approval criteria other than the approval crite applications for an MHLD — i.e. the allowable criteria inclu	•

# **Expedited Land Divisions Procedure**



- Cities are required to apply the Expedited Land Division (ELD) process from ORS 197.360 to 197.380 to Middle Housing Land Divisions (MHLDs) to streamline review. The ELD process is outlined below:
  - Submittal requirements are consistent with typical land divisions.
  - Completeness review must occur by the City within 21 days of application submittal.
  - Notice is given to properties within 100 feet of the site, to utility providers and to applicable neighborhood association(s).
  - There is a 14-day comment period
  - A decision must be made by the city within 63 days after a complete application is submitted, unless extended by the Council under limited circumstances. This is in contrast to the 120 days typically allowed for land use actions.
  - An ELD is not considered to be a land use decision, and would not be heard by the Planning Commission.
  - The Staff Advisor makes the initial administrative decision, and any appeals go to a referee who cannot be a city employee or city official, but could be a hearings officer.
  - Only the applicant and any person or organization who files written comments in the time period specified in the bill
    may appeal. An appeal must be filed within 14 days of mailing the Notice of Decision. A \$300 deposit to cover costs
    must be paid with the appeal submittal, and the referee may levy additional fees to cover hearing costs up to \$500.
  - The city-appointed "referee" decides any appeal decision—often this is a city's Hearings Officer who must issue a decision within 42 days of the appeal being filed. The decision of the referee is the final local decision on the MHLD application. Any appeals of the referee's decision go to the Oregon Court of Appeals rather than to the Land Use Board of Appeals (LUBA).

6/14/2022 PC Meeting

# **Decision Points**



- If there is discretion under state law, should the Middle Housing Land Division procedure apply to those duplexes permitted prior to House Bill 2001?
  - Broader application of the allowance for MHLDs would create additional ownership opportunities, but at the expense of existing, established rental housing.
- If allowable under state law, should the Middle Housing Land Division procedure apply to accessory residential units as well as duplexes?
  - Senate Bill 458 is not clear with regard to its applicability to ARUs.
  - DLCD quidance issued at the time the bill passed indicated the MHLD procedure would not apply to ARUs.
  - Some other cities are allowing ARUs to be divided off using the MHLD procedure in their draft codes.
  - As with older duplexes, applying the allowances for MHLDs to ARUs would create additional ownership opportunities, but at the expense of existing, established rental housing.

# Items for Next Draft



- Question of ARU's & Older Duplexes
- References in other areas of the code
- Definitions
- Administrative details notice templates, fees
- Hearings officer

4/27/2021 PC Study Session

# Legislative Amendment



- Initiate a planning application for a legislative amendment
  - √ To amend Ashland Land Use Ordinance by adding provisions for Middle Housing Land Divisions and Expedited Land Divisions as required by Senate Bill 458 from the 2021 Regular Session of the Oregon Legislative Assembly

# **Next Steps**



- ☐ Planning Commission Public Hearing
- ☐ City Council Study Session
- ☐ City Council Hearing/1st Reading
- ☐ City Council 2<sup>nd</sup> Reading

4/27/2021 PC Study Session

# ASHLAND PLANNING COMMISSION STUDY SESSION

**Draft** Minutes June 28, 2022

I. CALL TO ORDER: 7:00 PM, via Zoom

Chair Haywood Norton called the meeting to order at 7:03 p.m.

Commissioners Present: Staff Present:

Michael Dawkins

Haywood Norton

Kerry KenCairn

Bill Molnar, Community Development Director

Brandon Goldman, Planning Manager

Michael Sullivan, Administrative Assistant

Lynn Thompson Lisa Verner Doug Knauer Eric Herron

Absent Members: Council Liaison:

Paula Hyatt

### II. ANNOUNCEMENTS

Community Development Director Bill Molnar made the following announcement:

• The appeal of the Commission's denial of PA-T2-2022-00037, 165 Water Street has been postponed at the request of the appellant. An extension for the appeal was granted by the City Council.

## III. PUBLIC FORUM - None

### IV. DISCUSSION ITEMS

A. Ashland Characteristics, Demographics and Urban Form Presentation

Mr. Molnar informed the Commission that the City Council had held two special sessions in May, 2022 to discuss the City's general fund and provide information on the biennial budget, and the characteristics of the City. He gave a brief history on the City's growth management, and the physical constraints that define the City's Urban Growth Boundary (UGB).

## **Staff Presentation**

Planning Manager Brandon Goldman gave a presentation on the characteristics, demographics, and urban form of the City. He stated that staff had been working with City Manager Joe Lessard to identify areas of note, such as tourist spots and natural environments, that give character to the City. He added that the City is also known for its schools and vibrant art scene. Mr. Goldman summarized the demographics of the City as: low but steady population growth; an aging population over the national trend; high housing costs; majority of households comprise 1-2 individuals; one-in-five households having children; and an increasing divide between low-income and high-income households and their ability to purchase a house (see attachment #1).

Mr. Goldman summarized the future buildable land within the City Limits. He pointed out that there are 475 buildable acres for potential residential properties within the City Limits and UGB, and that the City is currently at 80% buildout for residential units. He stated that staff identified Limited Capacity Developable Residential Lots as properties with a maximum building potential of one or two additional dwellings. He added that a total of 500 lots were identified to fit this criteria, for a potential total of 597 additional dwelling units on those properties. Mr. Goldman informed the Commission that there were 185 net acres available for Commercial, Employment, and Industrial use, and that the development rate of Commercial lands in the City is 1/5<sup>th</sup> the estimate provided by the 2007 Economic Opportunity Analysis.

Mr. Goldman pointed out several districts to be considered as Opportunity Districts along the central transit route through the City, which could provide additional business and housing growth. These areas were identified as the Downtown District, for

entertainment and cultural buildings; the University District for education and customer service buildings; and the Croman Mill District for future employment and mixed-use residential buildings. Mr. Goldman noted that the Rogue Valley Transportation District has indicated that it would reroute transit lines to include the Croman Mill District once it has been established. Mr. Goldman stated that these Opportunity Districts could have many benefits from a land-use perspective, including promoting mixed-use and economic development, reducing traffic congestion and increasing pedestrian activity, and reducing vehicle emissions and limiting urban sprawl into surrounding farmland. Mr. Goldman stated that staff had identified three potential zones to be used for urban reserve areas and future growth, and included the northside of East Main Street, Tolman Creek Road and Siskiyou Boulevard, and the Billings Farm.

### **Questions of Staff**

Commissioner Thompson commented that the presentation displaying residential land does not factor in the possibility of second units on a property in the form of Accessory Residential Units (ARUs) or duplexes. She added that, with the increase in residents working from home, that the potential for commercial developments only in Commercial Zones or being limited to traditionally commercial buildings. Mr. Goldman agreed, and responded that staff had been conservative in its estimates of future growth. He elaborated that some of the graphs included had been based on a 2019 study of the City's buildable land inventory, which preceded the state's requirement that medium-sized cities allow ARUs or duplexes on any lots that allow a single-family residence. Commissioner Thompson asked how this could affect the results of a study that attempts to quantify the City's potential for additional residential units. Mr. Goldman responded that not all single-family lots could accommodate an ARU or be converted into a duplex, and therefore an exact number is difficult to ascertain.

Commissioner Thompson inquired about the status of the Imperatrice Ranch that had been considered as a site for affordable housing in the past. Mr. Goldman responded that the 640 acre property had originally been purchased by the City in order to be used as part of a waste-water treatment facility. It has since been identified as a potential surplus property, but no decision has been made. The property is located outside of the UGB, so its development capacity is limited by what is permissible by the County, and is unlikely to be used for affordable housing unless the UGB is expanded to encompass the property. Commissioner Thompson questioned if the property could instead be used as an urban reserve area, to which Mr. Goldman responded that any urban reserve areas would need to be contiguous with the City Limits. Mr. Molnar stated that the Imperatrice Ranch property would be extremely difficult to incorporate into the UGB, and that there are more efficient areas for expansion. He added that staff and City Council are examining zoning amendments to the Railroad District and the Croman Mill Site as areas to expand city services.

Commissioner Dawkins inquired if Interstate 5 (I-5) created the same physical barrier in regards to annexation that railroads have caused. Mr. Molnar responded that he would need to reexamine a decision handed down by the Oregon Land Use Board of Appeals (LUBA), but that railroads are typically privately owned and still pose a barrier to annexation. Mr. Molnar stated that railroads are not considered a public right-of-way, but that he believed a local or state highway would not inhibit the City's contiguous expansion.

### B. Food Truck Discussion

Mr. Molnar informed the Commission that there was renewed interest in the City revising its ordinances regarding food trucks and easing their permitting process. He remarked that the Commission had made some changes several years ago to provide flexibility for short-term food trucks, but that any long-term placement of a food truck currently requires a Conditional Use Permit (CUP) which could take up to 45 days to complete.

## **Staff Presentation**

Mr. Goldman began by identifying different types of food trucks, as a different application process will likely be required for each. These included:

- 1. Food Trucks placed in surplus parking areas.
- 2. Food Cart Parks would provide seating, restrooms, be semi-permanent and could be moved if the property-use changed.
- 3. Street Trucks access from the sidewalk for customers and would use the public right-of-way.
- 4. Private Plaza Areas for use in large open spaces, such as the Oregon Shakespeare Festival, and could provide seating and host a variety of food truck options.

5. Special Events – temporary use, such as block parties, weddings, and could provide on-site catering.

Mr. Goldman detailed how vacant and underused properties could be used by food trucks without impacting any existing on-site uses. He showed various sites in the city that could accommodate food trucks, such as Russ Johnson Tire, which has been vacant for a number of years, and the Grower's Market, which already hosts food trucks once a week. Mr. Goldman drew attention to several points that required deliberation before approval could be considered, including signage, trash and recycling, fire safety and accessibility, and permit processing.

## **Questions of Staff**

Commissioner Verner inquired if food trucks could operate on Lithia Way across from Plaza West. Mr. Goldman responded that the City's ordinance relating to streets currently prohibits commercial activities in streets and public right-of-way, so it would need to be changed before proceeding. He added that food trucks could be a good opportunity for entrepreneurs to begin their business and eventually transition to a brick and mortar restaurant.

Commissioner KenCairn if the limited application of special event food trucks would be to prevent them from becoming a permanent fixture. Mr. Goldman responded that special event food trucks would only be used for large, temporary events, because a reoccurring events could more heavily impact the area. Commissioner KenCairn stated that the success of a food truck is based on its reliability, and that she supported not assigning permanent locations for food trucks, but instead providing opportunities for them to operate consistently without requiring building space. Mr. Goldman agreed, adding that other cities have instituted term limits before a food truck would need to change locations. This would limit the impact on the area and also allow food truck vendors to reach a variety of markets.

There was general support from the Commission to allow greater flexibility and access for food trucks within the City. Commissioner Knauer commented that food trucks are an important business in Philadelphia and other areas, and that he believes that they are underutilized in the City. Commissioner Thompson emphasized that she appreciated the impacts associated with food trucks and why they currently require a CUP, but endorsed allowing them greater flexibility. Commissioner Thompson expressed concern over food trucks taking up valuable parking, particularly in the downtown area, but generally endorsed the suggestions from staff.

Commissioner Herron recommended that the Commission prioritize allowing greater flexibility for CUP's before addressing permanent food truck permits, as those would take more time to consider. He commented that food trucks could provide additional dining options for areas of the City with fewer restaurants, and added that some restaurant owners might not be in favor of allowing food trucks near their businesses.

Mr. Molnar pointed out that establishing a more flexible permitting process could decrease code compliance issues with unpermitted food trucks, and that an increasing number of cities are making more allowances for food trucks. Mr. Goldman added that the long permitting process will often prohibit food trucks from being used at special events, and a more streamlined process could increase their use for such occasions. Councilor Hyatt agreed with Mr. Goldman and conveyed how food courts have helped create a greater sense of community in Bend. She endorsed the potential change to the ordinance and expressed a desire to see this brought before the City Council.

Chair Norton outlined the advantage of developing a greater permitting system for food trucks is establishing concrete criteria they operate under, such as signage and garbage disposal.

### V. ADJOURNMENT

Meeting adjourned at 8:26 p.m.

Submitted by, Michael Sullivan, Administrative Assistant



# ASHLAND

## Ashland's Characteristics

- High quality of life
- Tourist destination
- Beautiful natural environment
- Charming historic neighborhoods
- Strong local schools
- Vibrant arts and cultural amenities
- Support for local business

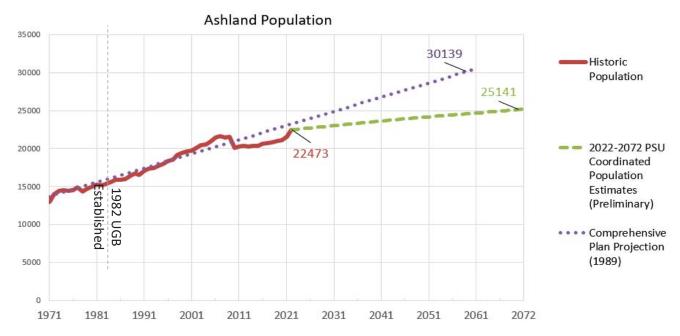
## Demographics

- Limited Population Growth
- Aging population
- Small household sizes
- High housing costs

## **Urban Form**

- Compact urban form within existing City Limits.
- Key Activity Centers
- Urban Growth Boundary
- No urban reserve areas
- Aging Housing Stock



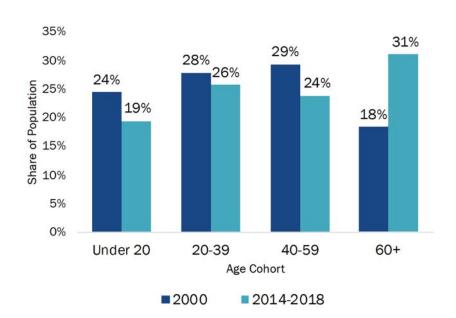


Population growth rate projected to slow over the next 50 years

Limited Population Growth

Population Growth by Age, Ashland, 2000 to 2014-2018

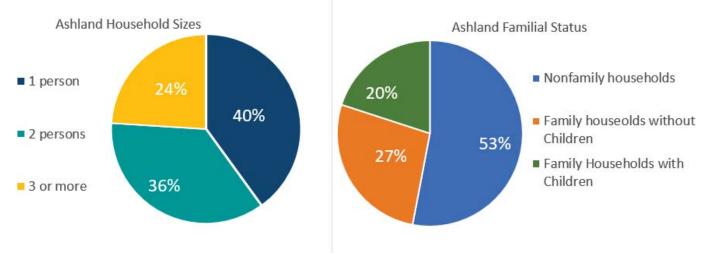
Source: U.S. Census Bureau, 2000 Decennial Census Table P012 and 2014-2018 ACS, Table B01001.



Ashland's population is increasingly made up of older individuals

# Household Size, Ashland, Jackson County, and Oregon, 2014-2018

Source: U.S. Census Bureau, 2014-2018 ACS 5-year estimate, Table B25010.

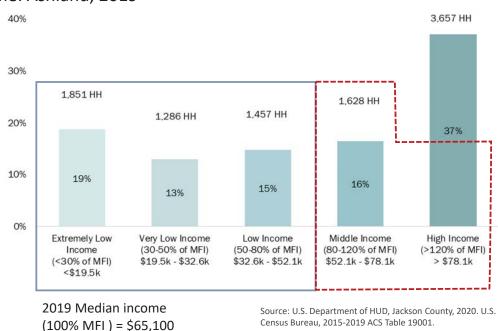


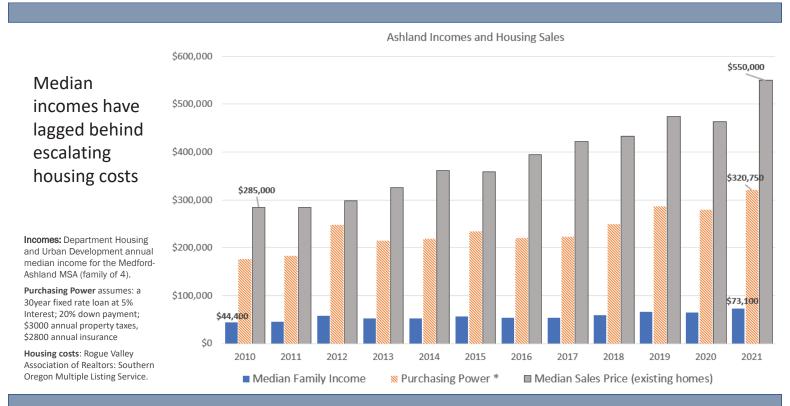
3/4<sup>ths</sup> of households are comprised of just 1 or 2 people, and only 1/5<sup>th</sup> of households have children present.

Small household sizes

## Share of Households by income: Ashland, 2019

- Nearly ½ of the households in Ashland are low income and spend over 30% of their incomes on housing costs.
- The cost of housing ownership is increasingly unaffordable for middle and high-income households earning 165% the area median income or less.



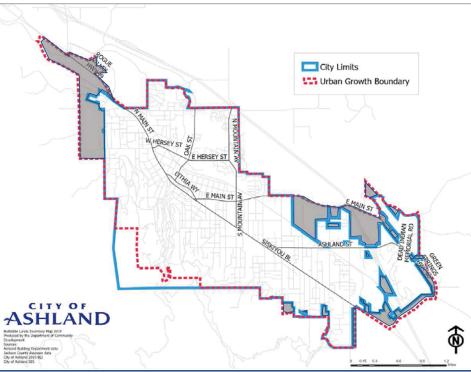


**High Housing Costs** 

# Demographics Summary

- Ashland has experienced slow population growth which is expected to continue.
- Ashland's population is aging
- Ashland's average household size is only 1 or 2 people.
- Increasing divide between higher and lower income households.
  - · Only high asset households can afford to purchase homes
  - Middle-income low-asset households being displaced.
  - A median cost home in Ashland (\$550,000 in 2021) requires a household income of over \$120,000 a year, or 165% the median family income.
  - Middle-income households, young professionals and recent college graduates may seek to relocate to areas with lower housing costs.



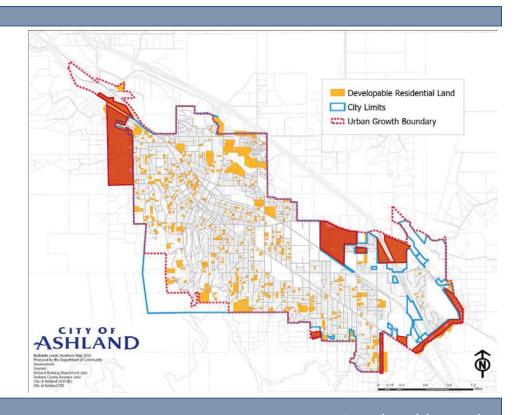


Developable Lands

# Developable Lands

Residential = 475 net buildable acres

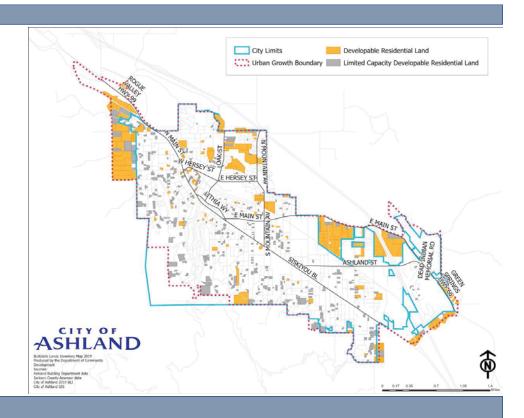
- 11081 existing housing units within Ashland (2020 Census)
- The City and UGB combined are effectively at 80% buildout for residential units.
- 2754 housing unit capacity remaining (2021-2041 HCA)
  - 1454 units within the existing City Limits
  - 1300 units outside the City Limits and within the UGB, requiring annexation to be developed.



## Developable Residential Lands

"Limited Capacity Developable Residential Lots" are those properties with a maximum development potential of one or two additional dwellings.

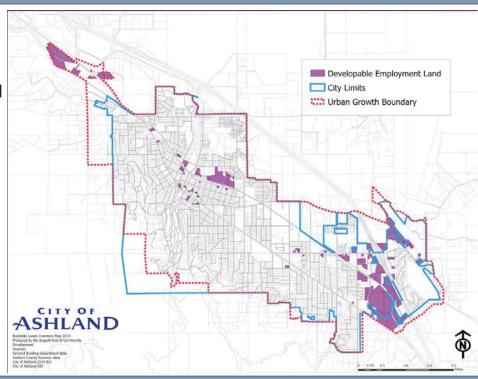
There are a total of 500 lots that meet this criteria, with a total potential of 597 additional dwelling units on these properties.



# Developable Lands

Commercial/Employment/Industrial 185 net buildable acres available

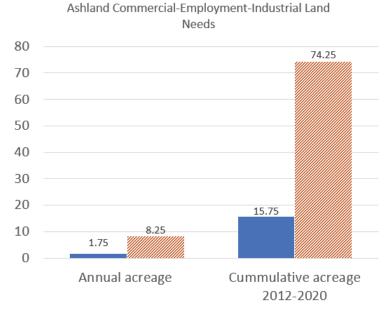
- Development of Employment Lands typically consumes less than 2-acres per year.
- 30% of future employment growth can occur through redevelopment of previously developed properties.



# Developable Lands

Commercial/Employment/Industrial 185 net buildable acres available

 Development of commercial lands in Ashland has been at a rate of approximately 1/5<sup>th</sup> of the estimate provided in the 2007 Economic Opportunities Analysis



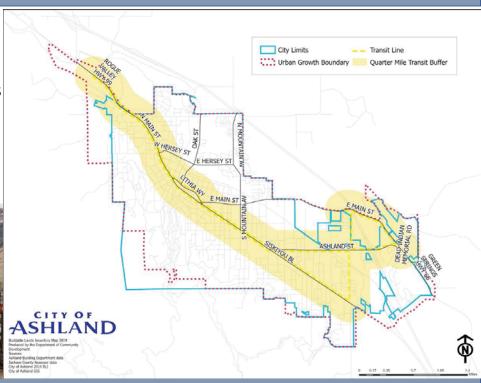
- Actual Commercial and Employment Land Developed
- **2007 EOA Estimated Land Need**

**Developable Lands** 

## Current opportunities

- Housing and Business development along Transit Routes
- Climate Friendly Areas
- Housing Production Strategies
- City and University Collaboration





**Transit Corridors** 

# Key Activity Centers (Opportunity Districts)

## Entertainment

Downtown District Historic district, arts, culture, entertainment



## Education

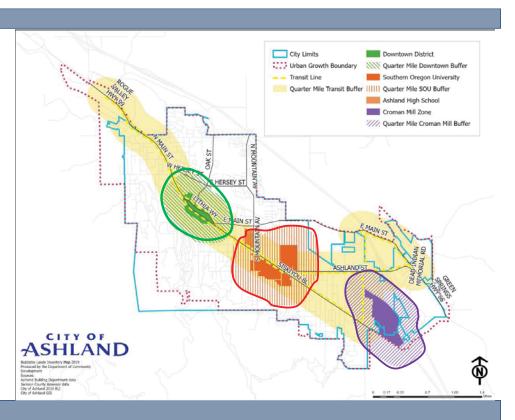
University District Education, student housing, professional services, retail and restaurants



## **Future Employment**

Croman Mill District Local businesses, Office, light industrial, mixed use residential

(Under current Croman Mill District Plan)



# Activity Centers: Transit Supportive Development

## **Land Use benefits**

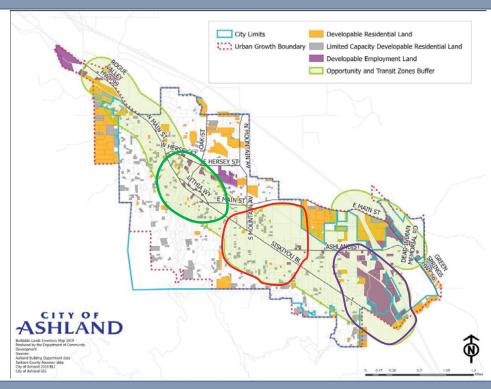
- mixed-use development
- Promote economic development

## **Transportation benefits**

- reducing congestion
- increasing pedestrian activity

## **Environmental benefits**

- Reduce vehicle emissions
- reducing urban sprawl onto farmland
- Sustainable and resilient community

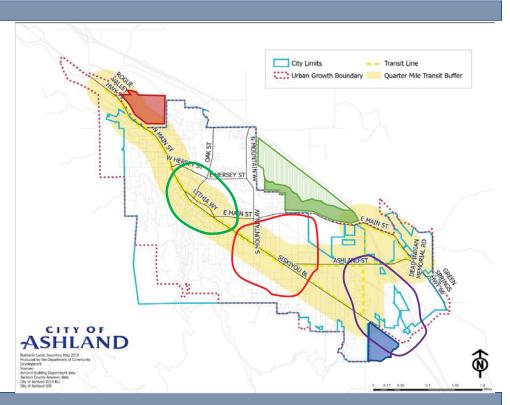


# Future Growth (next 40+ years)

Evaluate opportunities for future expansion of Ashland's UGB

Potential areas for future inclusion as *urban reserve* areas:

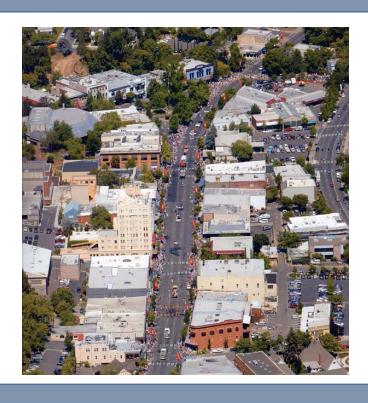
- Northside of E. Main St.
- Tolman Creek/Siskiyou Blvd
- Billings Farm



**Developable Lands** 

# **Urban Form Summary**

- Efficient "compact" urban form
- 80% residential built-out in UGB
  - City limits is 90% built-out
- 20+ year supply of Commercial & Employment lands (includes Croman Mill District)
  - Slower employment growth than was projected in 2007
- Limited UGB expansion opportunities









# Food Trucks





Individual Food Trucks

Solo Venders located in underutilized parking spaces on commercial properties.



Variety







## Variety

## Food Truck Parks

Often known as food truck "parks" or "courts": Semipermanent food truck centers with multiple vendors, often with shared seating and restrooms







## Variety

Street Vendors Food Trucks located on the street and accessed from the public sidewalk.



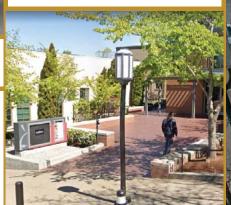




Depending on the scale of Public or Private plazas, they can accommodate Food Trucks, Food Carts, and customer seating.

Outdoor eating space is presently one allowable element satisfying the Plaza Space Standards within the Detail Site Review Zone. (18.4.2.040.D.2.c.vi).







## Variety

Plaza Areas

## Variety





## Special Events

Temporary Use – Pop-up for special events such as employee appreciation events, private catering, holiday celebrations.







Vacant and Underutilized Properties





Currently vacant properties, and underutilized areas, offer an opportunity for the temporary or intermittent placement of food trucks or parks without impacting any existing uses.





- Location
- Trash & Recycling
- Signage
- Circulation
- Permitting Process





- Policy Considerations
- Ordinance Development
- Public Hearings and Adoption

## ASHLAND PLANNING COMMISSION STUDY SESSION Draft Minutes July 26, 2022

I. CALL TO ORDER: 7:00 PM, via Zoom

Chair Haywood Norton called the meeting to order at 7:03 p.m.

Commissioners Present: Staff Present:

Michael Dawkins

Haywood Norton

Kerry KenCairn

Lynn Thompson

Bill Molnar, Community Development Director

Brandon Goldman, Planning Manager

Derek Severson, Senior Planner

Michael Sullivan, Administrative Assistant

Lisa Verner Doug Knauer

Absent Members:Council Liaison:Eric HerronPaula Hyatt

### II. ANNOUNCEMENTS

Community Development Director Bill Molnar made the following announcement:

- The City Council will be discuss allowing staff and the Commission to explore more allowances for food trucks at their August 2, 2022 meeting. City code requires this step and it is expected to be a formality.
- Beth Goodman from ECONorthwest will be providing the Council with an update on the Housing Production Strategy (HPS) at their August 15, 2022 meeting.
- Staff is expected to provide an early draft ordinance for food trucks to the Commission in August. The
  Commission should expect to discuss housing in Employment Zones in August, as well. The Commission will
  review the annexation and site review of the Highway 99 project after the Land Use Board of Appeals reversed
  the Commission's approval of said project. The Commission will then advise the Council on the consistency of
  the application with annexation standards before the Council makes a final determination. The Commission
  should anticipate a full docket in September and October.

Chair Norton drew attention to a memo distributed to the Commission from the City. This memo spoke to the City's potential decision to relegate some standing commissions to ad hoc commission status, where they would only meet when necessary. He expressed concern with losing the tree Commission's expertise in reviewing planning actions, as the Commission has relied on this expertise in the past. Mr. Molnar stated that he had spoken with City Manager Joe Lessard about the Commission's reliance upon the Tree Commission in terms of technical expertise, and that staff is currently discussing ways to keep the Tree Commission involved.

### III. PUBLIC FORUM

**David Runkel:** Mr. Runkel expressed concern with KDA Homes' plans to expand the Mountain Meadows development. His concerns included: the proposed housing density; limited ingress and egress areas; potentially congested traffic in narrow streets and alleys; and environmental concerns. Mr. Runkel and many of his neighbors have sent letters voicing their concerns to staff and the Commission.

**Daniel DeRoux:** Mr. DeRoux echoed Mr. Runkel's concerns, emphasizing the danger that narrow and potentially congested streets would cause emergency vehicles, making any necessary evacuations difficult. He stated that these could create dangerous or life-threatening conditions, particularly in light of the Almeda Fire. He added that he and his neighbors have no objection to the development itself, merely the proposed density and the resulting traffic issues.

### IV. DISCUSSION ITEMS

### A. Ashland Housing Production Strategy Update – ECONorthwest Presentation

Planning Manager Brandon Goldman informed the Commission that the HPS was now halfway through its 15 month development process. There have been three advisory committee meetings which were attended by Commissioners KenCairn and Verner.

### Presentation

Beth Goodman from ECONorthwest provided the Commission with a summary of the HPS's findings and potential strategies that have been developed thus far. First they examined the City's housing needs as it relates to income, and how the HPS could be used to support development of new housing for certain income levels, specifically those households earning 50% or less of the Median Family Income (MFI) of Jackson County. Ms. Goodman stated that their data indicated that approximately 36% of City households are extremely low to very low income, even if their income levels were to increase. Additionally, those of middle income households could not afford to purchase a house, but could afford market-rate rentals.

Ms. Goldman related how looking at cost burden was important in determining housing need. A household is considered cost-burdened if it spends 30% or more of its income on rent, or were severely cost-burdened if they spent 50% or more of their income on rent. Their data showed that 63% of Ashland's renters were cost-burdened, and 35% were severely cost-burdened. Fewer homeowners are cost-burdened, though 31% were still considered to be cost- or severely cost-burdened.

Ms. Goodman detailed how the City's housing needs differed by groups, particularly the homeless population. Over 800 people were homeless in Jackson County per a 2021 Oregon Housing and Community Services study, with 10% of those being from Ashland. She pointed out that certain groups were more likely to be homeless, including racial or ethnic groups, individuals over 65, and people with disabilities.

Ms. Goodman lauded the City's existing policies to address its housing needs, and provided a further list of actions that could be taken. She noted that the City is not required to follow any of these initiatives, but it would be required to address any necessary accessibility standard changes. The initiative list recommended to the City include:

- Encourage development of low- and moderate-income affordable rental housing
- Increase opportunities for affordable homeownership
- Encourage development of income-restricted affordable housing units
- Preserve existing supply of low- and moderate-income affordable housing

Ms. Goodman also recommended that the City consider multiple funding sources to enact these initiatives, including the establishment of a Construction Excise Tax (CET), Urban Renewal, and identifying additional funds to support the Affordable Housing Trust Fund. Ms. Goodman strongly recommended that the City consider utilizing Urban Renewal funds because of its flexibility to assist new developments and necessary infrastructure (see attachment #1).

#### **Questions and Deliberation**

Mr. Goldman cautioned the Commission against attempting to develop more code changes than can be accomplished over the HPS's eight-year period. He recommended that the Commission consider strategies that would have the greatest impact over the long-run or are considered a high priority.

Commissioner Thompson inquired how ECONorthwest had acquired its data regarding income in Jackson County, and expressed concern that the MFI of the City was lower than that of both Eagle Point and Central Point. Ms. Goodman responded MFIs were self-reported on a census sent to county residents, and that it should be noted that Ashland has a high number of college students which could affect the findings. Commissioner Thompson wondered what the implications of using income as a metric for gauging MFI were when considering the increasing number of seniors in the City. This could result in a high number of people reporting a low income, while holding onto a significant amount of accumulated wealth. Ms. Goodman agreed that those in the middle-income might have more accumulated wealth, but stated that those reporting less than \$20,000 MFI were likely accurate. She stated that these findings were also corroborated by the reported number of cost-burdened homeowners, and that this is a pattern seen in other cities experiencing similar housing needs.

Commissioner KenCairn expressed concern that the Historic District could be adversely affected by code changes proposed by ECONorthwest which would allow the development of higher density housing in R-3 Zones. Ms. Goodman responded that the presentation had not yet been updated, but that Commissioner KenCairn's concerns had been included in the HPS.

Commissioner Verner requested more information regarding land banks and trusts. Mr. Goldman gave a brief history of land trusts that existed in the City. The Housing Commission had worked closely with the City Council at the time to create the Ashland Community Land Trust, a non-profit organization, in the early 2000s. The organization used Community Development Block Grants (CDBG) and other funding sources to purchase properties, and then developed affordable housing on those properties. The organization retained ownership of the land, and provided a viable way for homeowners to purchase a house without being subjected to rising land costs. Rogue Valley Community Development was another non-profit that had existed to develop the land trust model in order to provide affordable housing. Neither organization was able to keep up with rising land costs and have since dissolved, and the housing units that were land trusted went to two other non-profit organizations who maintain the leases on the land. There is no organization that is actively pursuing the acquisition of properties to add to a land trust, but NeighborWorks Umpqua has indicated that this could be a valuable model and has shown interest in creating a new lease-hold agreement that could be implemented for the acquisition of additional parcels.

Commissioner Thompson questioned how land trusts could be a viable strategy if past organizations had been forced to dissolve. Mr. Goldman responded that Ashland Community Land Trust was a volunteer organization, unlike NeighborWorks Umpqua which can seek out funding outside the boundaries of the City. Ms. Goodman described land trusts as one of the few ways to create affordable homeownership, but pointed out that they don't create a large number of units because of the cost barrier. She then described a land bank as the City's acquisition of parcels over time for the purpose of developing affordable housing. Ms. Goodman suggested a CET and Urban Renewal grants as a good source of funding for such endeavors. She concluded by relating how Hood River had assembled several parcels of land and then selected a developer who proposed the development of mixed-income housing as a way to address its housing needs. She noted that Hood River is considering a general obligation fund to provide the capital necessary for the project and to fund similar developments to further alleviate its housing needs.

Commissioner Thompson inquired if land trusts were used as rentals or for purchase. Ms. Goodman responded that it is typically used to increase homeownership, but that it would be at the City's discretion. She pointed out that Eugene had used publicly owned land for income-restricted affordable housing developments.

Commissioner Knauer remarked that he would be hesitant to utilize the Urban Renewal funding program for any of these initiatives. Ms. Goodman responded that Urban Renewal has changed over time, and that the technical term for it is now Tax Increment Financing. A city would select a blighted area needing Urban Renewal and would freeze its tax base for a 20 year period. As new development occurred in that area the property taxes generated would increase and result in a tax increment. The developments funded by this tax could be used for market-rate housing or income-restricted housing, but she cautioned that the funding should largely be utilized for projects that would generate additional tax revenue. The goal would be to attract new developments in the area, which would increase the tax revenue and assist in funding the project. Ms. Goodman mentioned that this program would not cause school districts to miss out on new funding because they would be reimbursed by the state.

Chair Norton voiced concerns over using Urban Renewal funding in the City, particularly due to the City's low levels of blight. He suggested that the private properties and private developers be entrusted with creating needed housing. Chair Norton highlighted the need to get feedback from developers in order to ascertain the best way to encourage development. Ms. Goodman responded that the HPS would be getting feedback from developers as a next step, and recommended that the Commission not reject Urban Renewal without further study. Commissioner Knauer asked if Urban Renewal would lead to displacement, and Ms. Goodman emphasized that this form of Urban Renewal was different than past models and would not cause displacement.

Commissioner Thompson remarked that the difficulty in creating manufactured home parks would be the lack of a viable location in the City. Ms. Goodman clarified that the development of manufactured home parks would likely not be possible in the City, particularly due to the fact that very few developers build them in Oregon. Commissioner Thompson asked if there was any prediction of how much the recent state required code changes would alleviate the City's housing needs, namely the duplex and Accessory Dwelling Unit (ADU) ordinances. Ms. Goodman replied that ADUs and duplexes would not significantly improve the City's residential inventory. She elaborated that existing developments would be unlikely to increase housing or be converted into quadplexes.

Ms. Goodman impressed upon the Commission that there would be no simple fix to the City's housing needs, and that any changes would be incremental. She added that any significant changes would likely not be seen within their lifetime. Mr. Goldman added that the Snowberry project off of Clay street was the result of wide variety of factors over an extended period of time, and no one fix would have led to the development of that neighborhood. Mr. Molnar reminded the Commission that the recent Housing Capacity Analysis (HCA) found that land available for housing lay outside the city limits and the Urban Growth Boundary (UGB). He noted that one element that these areas had in common was their lack of expensive infrastructure, and recommended that the Commission not dismiss Urban Renewal as a potential funding source. Ms. Goodman stated that she strongly recommended that the Commission consider Urban Renewal.

Commissioner Verner asked if a CET would work in the City. Ms. Goodman responded that it had worked well in Medford and that there was not reason it could not work in Ashland. She noted that Medford conducted extensive outreach to gather feedback from developers before enacting their CET, and recommended similar outreach. She pointed out that the City could set the tax at any level for commercial and industrial developments, but cautioned that it not be set unreasonably high in order to not repel businesses.

Chair Norton supported keeping Urban Renewal on the list of viable funding strategies, especially if freezing the tax base was a firmly established facet of that plan. Commissioner KenCairn pointed out that Talent, Phoenix, and Medford appeared to be using Urban Renewal to great effect. Ms. Goodman explained that Urban Renewal was one of the only flexible funding sources for this type of project.

### V. ADJOURNMENT

Meeting adjourned at 8:26 p.m.

Submitted by, Michael Sullivan, Administrative Assistant





# Ashland: Housing Production Strategy

Planning Commission Meeting #2 July 26, 2022



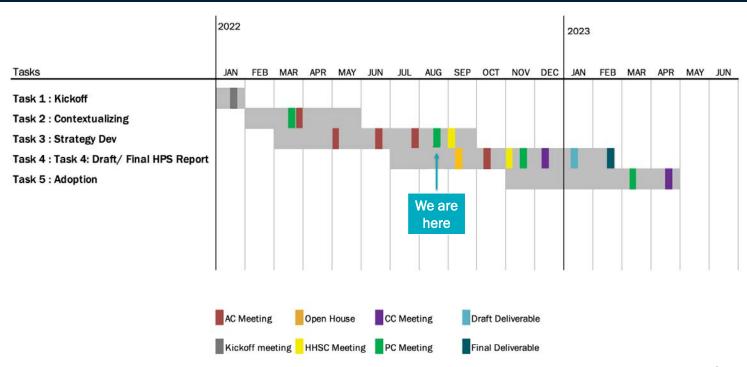
# Tonight's Discussion...

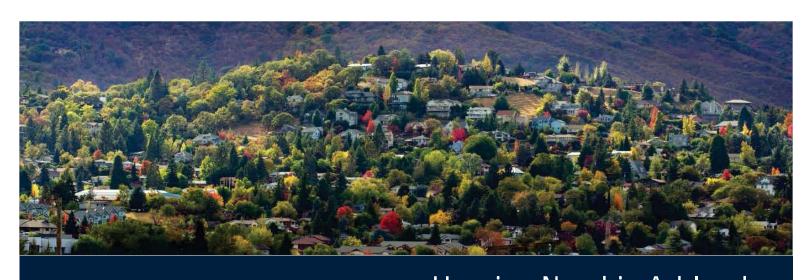
- Housing Need in Ashland
- Initiatives Approach to Strategies
- Strategies to Accommodate Housing Need
- Next Steps





# Project Schedule and Primary Tasks









3

# Financially Attainable Housing

HUD's Median Family Income (MFI) for <u>Jackson County</u> in 2020 is \$73,100



Employment Department. .

Median Home Sale Price in Ashland: \$549,900

A household would need to earn between \$140,000 and \$157,000 (192% if MFI) to afford these prices.

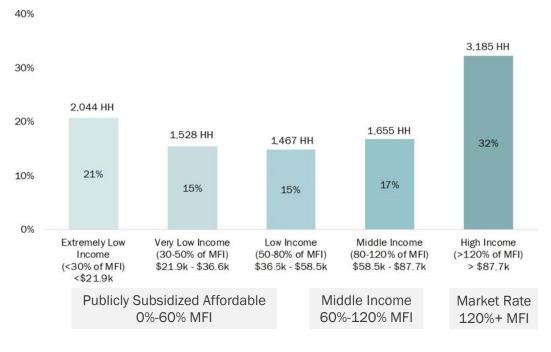
Median Gross Rent in Ashland: \$1,085

A household would need to earn about \$44,000 or 60% of MFI to afford this rent.

Source: U.S. Department of Housing and Urban Development, Jackson County, 2020. Oregon

5

# Share of Households by Income Level, Ashland

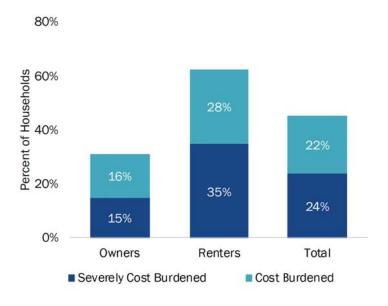


This chart is based on the HUD MFI for Jackson County and the ACS household income distribution for Ashland.

Source: U.S. Census Bureau, ACS 2015-2019, Table B19001; HUD, FY 2021 MFI.

# Housing Need in Ashland

#### Housing Cost Burden by Tenure, Ashland, 2014-2018



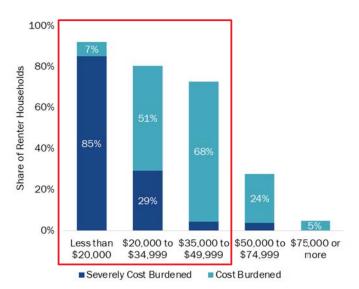
- About 63% of Ashland's renters, and 31 % of homeowners, were cost burdened or severely cost burdened.
- About 35% of Ashland's renters were severely cost burdened, meaning they paid 50% or more of their gross income on housing costs.

Source: U.S. Census Bureau, 2014-2018 ACS Tables B25091 and B25070.

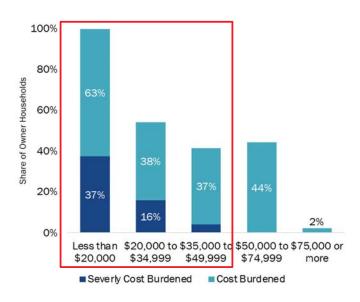
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# Cost Burden by Tenure and Income, 2015-2019

Cost Burden by Income for **Renter** Households, Ashland, 2015-2019



Cost Burden by Income for **Owner** Households, Ashland, 2015-2019

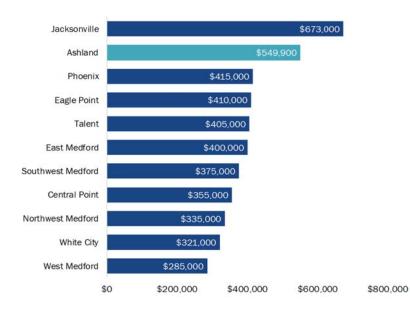


Source: U.S. Census, American Community Survey 2015-2019

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# **Increasing Housing Costs**

Median Home Sale Price, Ashland and Comparison Cities, November 2021 – January 2022

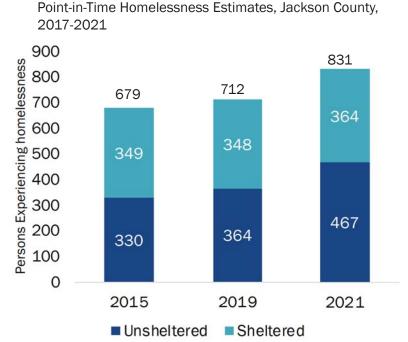


The median price of a home in Ashland increased 33% from \$415,000 in the November 2018 to \$550,000 in November 2021.

9

# Housing Needs Often Differ by Group

- People experiencing homelessness:
  - Temporarily or chronically
  - Alone or with children
  - Ashland: about 10% of Jackson County's population of people experiencing homelessness
- Racial or ethnic groups
- People over 65 years old
- People with disabilities



Source: Oregon Housing and Community Services.

Note: OHCS reported two counts in 2021 – estimated and reported counts. This is the estimated counts.

# **Existing Policies to Address Ashland Housing Needs**

#### **Affordable Housing Programs:**

- Reduced / Waived Building Permit fee, Planning fees, or SDCs
- · Density Bonuses
- Affordable Housing Trust Fund
- · CDBG funds
- Land Trusts
- Public Land Disposition
- · Parcel assembly
- · Inclusionary zoning for annexations/ certain zone changes
- Tenant Rights (Ordinance 2939)

#### **Market-rate Housing Programs:**

- · Middle housing code
- ADU code update removed barriers
- Live-Work housing or Mixed-use housing in commercial zones
- Zoning provisions to encourage density
- SDC Financing Credits

Vertical Housing Tax Credit





4.4







Strategies to Accommodate Housing Need in Ashland



# **Initiatives Approach**





- Encourage development of low- and moderateincome affordable rental housing. This initiative seeks to increase the housing options for unregulated rental households earning between 60% and 120% of MFI (\$43,900 to \$87,700).
- Increase opportunities for affordable homeownership. This initiative seeks to increase the housing options for homeownership for households earning less 120% of MFI (less than \$87,700).
- Encourage development of income-restricted affordable housing units. There are limited options available in Ashland that are affordable to households with income of less than 60% of MFI (\$43,900). This initiative supports development of housing affordable in this income group.
- Preserve existing of low- and moderateincome affordable housing. This initiative seeks to increase the housing options for households earning less than 120% of MFI (less than \$87,700).

		Initiative Name				
Actions	Purpose	Encourage development of low- and moderate- income affordable rental housing	Increase opportunities for affordable homeownership	Encourage development of Income- restricted affordable housing units	Preserve existing supply of low- and moderate- income affordable housing	
Evaluate participating in or establishing a land bank.	Provide a pipeline of land for future development and control the type of development that may occur on that land.					
Evaluate opportunities to participate in a land trust.	Support affordable housing development by holding land in perpetuity and selling or leasing the housing on the land at below-market rate prices.					
Host educational events with the Housing and Human Services Commission	Education around housing issues is important to preventing and addressing housing discrimination, ensuring rights are protected, and connecting residents with housing resources.					
Develop an equitable housing plan	Address identified impediments to fair housing such as: limited community awareness about fair housing protections and resources, instances of discrimination in housing transactions, and a lack of affordable				3 <b>.</b>	
Broaden definition of dwelling unit	Broaden the types of units allowed in residential districts and allow for greater flexibility of housing type, to achieve the mix of housing types needed to meet Ashland's 20-year housing needs.					
Disallow SFD in High Density R-3 Zone	Preserve this zone for higher-density housing.					
Maintain quality and support development of a new manufactured home park	Preserve and support development of new manufactured home parks.					
Increase development capacity of MFR dwellings	Allow for a wider range of development will help ensure there are development opportunities for needed housing types.					

		Initiative Name				
Actions	Purpose	Encourage development of low- and moderate- income affordable rental housing	Increase opportunities for affordable homeownership	Encourage development of income- restricted affordable housing units	Preserve existing supply of low- and moderate- income affordable housing	
Implement the Multiple Unit Property Tax Exemption (MUPTE) to support multifamily or affordable housing	Offer an incentive for preservation and development of housing for low- to moderate-income households.					
Preserve and improve existing low-cost, unregulated, rental housing	Support needed repairs for low-cost unregulated housing without displacing tenants.					
Explore the potential of Inclusionary Zoning	Support development of income-restricted housing that includes services with a goal of ending chronic homelessness.					
Work with partners to support development of additional permanent supportive housing	Requires developers of multifamily housing with 20 or more units to provide a certain percentage of low-income housing.					
Evaluate opportunities to improve energy efficiency and reduce GHG emissions during housing development	Housing that is developed with energy-efficient processes, uses energy-efficient materials, and operates in an energy efficient way over time can help the City meet its Climate and Energy Action Plan goals and can lower-long term energy costs.					
Funding Sources				1		
Establish a Construction Excise Tax	Construction Excise Tax (CET) is one of few options to generate additional locally-controlled funding for affordable housing.				, <b>■</b> ,	
Evaluate using Urban Renewal	Provides a flexible funding tool that can support many of the key strategies identified in the Housing Production Strategy.				2.	
ldentify additional funds to support the Affordable Housing Trust Fund	Affordable housing trust funds are public sector tools used to provide direct financial resources to the development of affordable housing for low-income households.				§ <b>■</b> .	

# Questions for the Planning Commission

- Are the actions included in this presentation the appropriate actions to address unmet housing need in Ashland?
- Are we missing any actions that should be included in the HPS?
- Should we remove any of the actions from the list to include in the HPS?
- Are there actions that we need to do additional research or refinement on to better fit them to address Ashland unmet housing needs?







# Next Steps

<b>-</b>	Kickoff Jan 2022	Contextualized Housing Need Feb – May 2022	Strategies Mar - Sept 2022	Draft HPS  Jul - Feb  2022 - 2023	Final HPS & Adoption Nov - Apr 2022 - 2023
TECHNICAL ANALYSIS	Project Kickoff	Analyze housing need & anti displacement considerations	Identify policy gaps & potential strategies  Evaluate strategies  Engage housing producers & service providers	Compile and have public review of the report	Adopt the strategy
OUTREACH		Presentation to PC AC meeting #1	AC meetings (3)     HHSC presentation     PC work session     Interviews     w/developers or     service providers (8)	AC meeting #5     HHSC presentation     PC work session     CC presentation      Open House	PC presentation     CC presentation
DELIVERABLES	Summary of major tasks     Project schedule	Engagement preparation     Housing need & antidisplacement memo	3 memos summarizing existing / potential measures     Summary of developer interviews	Draft HPS report	Final HPS report

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# Climate Friendly & Equitable Communities (CFEC) Rulemaking Implementation Timeline



# Memo

**DATE:** August 9, 2022

TO: **Planning Commission** 

FROM: Derek Severson, Senior Planner

RE: Climate Friendly & Equitable Communities (CFEC) Rulemaking

Implementation Timeline

The Land Conservation & Development Commission (LCDC) adopted new Climate Friendly & Equitable Community (CFEC) rules at its July 2022 meeting.

#### **Background**

As was previously discussed, in 2007 the Oregon state legislature adopted a goal of reducing Oregon's greenhouse gas emissions by 75 percent by 2050 as this level of reduction was necessary to avoid catastrophic impacts to our environment, communities, and economy. 15 years later, Oregon is off track in meeting this goal, and the state is experiencing wildfires increasing in size, severity and timing, and record heat waves. Oregon is particularly off-track in reducing pollution from the transportation sector, which is responsible for at least 38 percent of greenhouse gas emissions. On its current path, Oregon will only reduce transportation pollution by about 20 percent by 2050. In seeking to avoid more weather events, more wildfires, more ocean acidification, and more record heat waves, the Governor directed state agencies to initiate a rulemaking effort to promote cleaner vehicles, cleaner fuels, and less driving.

The "Climate Friendly & Equitable Communities" rulemaking which was just completed seeks to reduce greenhouse gas emissions from automobiles in Oregon's eight metropolitan areas by reducing driving and encouraging walking, biking and transit, as well as by supporting greater usage of electric vehicles. This is to be accomplished through the creation of more pedestrian friendly areas with compact, mixed-use development to be called "climate friendly areas" or CFAs. The rulemaking includes changes to parking mandates; prioritizing investments in high quality, connected and safe pedestrian, bicycle and transit networks; and changing the methodology used in transportation planning including the standards used to determine the success or failure of a roadway.

#### Climate Friendly Area (CFA) Study pursuant to OAR 660-012-0315

The rules adopted July 21st require that cities within Oregon's eight metropolitan areas identify CFAs which would accommodate "30 percent of the total identified number of housing units necessary to meet all current and future housing needs." CFAs are to have a minimum residential density requirement of 15 dwelling units per net acre with minimum building heights of no less than 50 feet/four stories, or demonstrate that alternative measures will achieve 20 dwelling units and 20 jobs per net acre; and include limits on what minimum parking requirements can be applied. Parking mandates will not be allowed at all within ½-mile of frequent transit where most CFAs are likely to be located, and will also not be allowed within ½-mile of CFAs themselves unless parking management policies are enacted and parking for multifamily units is unbundled.



Tel: 541-488-5305

Cities will first conduct a study of likely CFAs and after analysis to ensure that the identified areas can accommodate the targeted housing needs, a report of the study's findings will be sent to the Department of Land Conservation and Development (DLCD). Cities and counties are to use the study process to identify the most promising area or areas to be chosen as CFAs, but are not required to subsequently adopt and zone every studied area as a CFA.

To facilitate the CFA study, DLCD will be providing technical assistance funds for consultants to support both the technical analysis necessary in identifying likely CFA's, and the associated public engagement process. For Ashland, the Rogue Valley Council of Governments (RVCOG) will be conducting the technical analysis and 3-J Consulting, Inc. will be conducting the public engagement process as well as a required anti-displacement analysis of the identified CFAs. These same consultants will likely be conducting similar work for most if not all communities in the Rogue Valley, so there are likely to be some efficiencies gained by having a single consistent approach across the region.

#### Climate Friendly Area (CFA) Codes pursuant to OAR 660-012-0320

Once likely CFAs have been identified, which must occur by December 31, 2023, the next step for cities will be to adopt a Climate Friendly Element to the Comprehensive Plan along with updated Comprehensive Plan maps to include the identified CFAs and to revise land use codes accordingly. The city will need to prepare supporting findings as wells as identify on-going and newly added housing production strategies to promote affordable housing within CFAs. Transportation System Plans will need to be made consistent with the new rules at their next update. This second step is to be completed by December 31, 2024. (It is anticipated that state funding will again be available to fund consultants for both the technical work and public outreach process for the map adoption and code amendments.)

#### Implementation Timeline

The LCDC-adopted timeline for CFEC-related tasks is below:

CFEC Parking Minimums (Parking I) by December 31, 2022

CFEC Electrical Vehicle Conduit Requirements by March 31, 2023

CFEC Parking Minimums (Parking II) by June 30, 2023

Climate Friendly Areas (CFA) Study consultant work through June 30, 2023

[Technical Assistance by Rogue Valley Council of Gov'ts]

CFA Public Engagement Process consultant work through June 30, 2023

[Technical Assistance by 3J Consulting, Inc.]

Final CFA Study report due to DLCD by December 31, 2023

CFA Transportation Modeling by June 30, 2024

CFA Designation, Maps & Code Amendments consultant work through June 30, 2024

[Consultants still to be determined based on available Technical Assistance funds.]

CFA Designation, Maps and Code Amendments Adoption by 12/31/2024

#### **Staff Recommendations**

This item is strictly informational, and is provided to give an overview of items that are likely to be coming to the Planning Commission with some frequency over the next two-and-a-half years.

#### **Attachments**

One-Page Overview of Climate Friendly Areas (from DLCD)

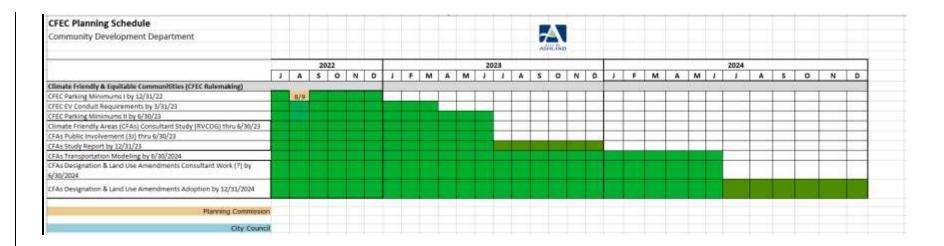
Climate Friendly & Equitable Community Rulemaking Overview (from DLCD)

Climate Friendly & Equitable Community Rules Implementation Guide (from DLCD)



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#### **Climate Friendly Areas**

As part of the Climate Friendly and Equitable Communities rulemaking, the Department of Land Conservation and Development (DLCD) is considering rules to facilitate the development of walkable, mixed-use neighborhoods in Oregon's eight metropolitan areas. Because the Portland Metro region has implemented similar requirements, climate friendly area rules will operate differently in that region, reinforcing the region's Climate Smart Communities program.



#### What is a Climate Friendly Area?

A climate friendly area is an area where residents, workers, and visitors can meet most of their daily needs without having to drive. They are urban mixed-use areas that contain, or are planned to contain, a greater mix and supply of housing, jobs, businesses, and services. These areas are served, or planned to be served, by high quality pedestrian, bicycle, and transit infrastructure to provide frequent, comfortable and convenient connections to key destinations within the city and region.

#### Why are Climate Friendly Areas important?

A key component of Oregon's plan to meet our climate pollution reduction and equity goals is facilitating development of urban areas in which residents are less dependent upon the single occupant vehicle. Before the automobile became common in American life, cities grew more efficiently, with a variety of uses in city centers and other areas that allowed for working, living, and shopping within a walkable or transit accessible area. Over the last 100 years, the automobile and planning practices have served to separate activities, creating greater inequities within cities and widespread



dependence upon climate-polluting vehicles to meet daily needs. Climate friendly areas will help to reverse these negative trends, with some actions taking place in the short term, and others that will occur with development and redevelopment over time.

#### Proposed Rules: Metropolitan Cities to Designate and Plan for Climate Friendly Areas

The proposed rules will require cities (and some urbanized county areas) with a population over 5,000 within the seven metropolitan areas outside of Portland Metro to adopt regulations allowing walkable mixed-use development in defined areas within urban growth boundaries. Areas will be sized to accommodate a portion of the community's housing, jobs, and services. Local governments will determine where these areas will be located, but many of these areas will likely be established in existing downtowns that may currently allow for mixed uses and higher densities. Associated requirements will ensure high quality pedestrian, bicycle, and transit infrastructure is available within these areas to provide convenient transportation options.

The rules provide a process for local governments to first designate climate friendly areas, then later to adopt development standards for those areas. The rules provide some minimum requirements for climate friendly areas, with a set of clear and objective standards that may be adopted, or a process for local governments to craft their own standards. Cities of more than 10,000 will monitor housing production within these areas over time and develop strategies to facilitate desired development.

**Draft Rule Language** is available at: <a href="https://www.oregon.gov/lcd/LAR/Pages/CFEC.aspx">https://www.oregon.gov/lcd/LAR/Pages/CFEC.aspx</a>

#### **Questions?**

Kevin Young, Senior Urban Planner, kevin.young@dlcd.oregon.gov, 503-602-0238



# Climate-Friendly and Equitable Communities

#### Why this Rulemaking

In 2007, Oregon legislators adopted a goal to reduce Oregon's climate pollution by 75% by 2050. That's what the science calls for, if we're going to avoid catastrophic impacts to our environment, communities, and economy.

Fifteen years later, we're far off track in our efforts to meet those goals — and we're already experiencing real-world impacts of climate disruption, with increasing wildfires, in size, severity, and timing, and record heat waves that have cost Oregonians their homes, and their lives.

We're particularly off-track in reducing pollution from transportation, responsible for about 38% of Oregon's climate pollution. On our current path, Oregon will only reduce transportation pollution by about 20% by 2050. That means we're polluting far more than we hoped, meaning more extreme weather events, more wildfires, more ocean acidification, and more record heat waves. In response, Governor Brown directed state agencies to promote cleaner vehicles, cleaner fuels, and less driving.

Meanwhile, the State of Oregon is grappling with a troubling history and current patterns of inequity and discrimination, including in our land use, zoning, and transportation investment (and disinvestment) decisions. Wealth and health have been concentrated in the privileged, at the expense of others. This rulemaking aims to take some steps in redressing past harms.

# Climate Pollution Change (Light Duty Vehicles) We are here We are here Where we're headed (Trans, Plans, Investments) Oregon's adopted vision (Statewide Transportation Strategy) -80%

Oregon is dramatically off-track. If current trends continue, Oregon will release more than 4 times more transportation pollution than our goal by 2050.



Thousands of Oregonians have lost their homes in recent wildfires. Missing our climate goals will mean more extreme and more frequent weather events such as heat bombs, droughts, and wildfires.

#### **Rulemaking Overview and Desired Outcomes**

The Land Conservation and Development Commission launched the Climate-Friendly and Equitable Communities rulemaking in response to Governor Brown's order. It directed the Department of Land Conservation and Development (DLCD), Oregon's land use planning agency, to draft changes in Oregon's planning system for communities in Oregon's eight most populated areas (see map at right).

The rules require those communities to change their local transportation and land use plans to do more to ensure Oregonians have more safe, comfortable ways to get around, and don't have to drive long distances just to meet their daily needs.



The rules apply in Oregon's eight metropolitan areas shown above.

The rules also aim to improve equity, and help community transportation, housing, and

planning serve all Oregonians, particularly those traditionally underserved and discriminated against.

What does that mean on the ground? It means having some areas where rules don't get in the way of more walkable neighborhoods. The draft rules ask cities to designate climate-friendly areas, and to allow people to build taller buildings providing more housing. The rules don't require taller buildings, but make sure those buildings are allowed. In climate-friendly areas, a minimum density standard would help ensure transit can serve the neighborhood.

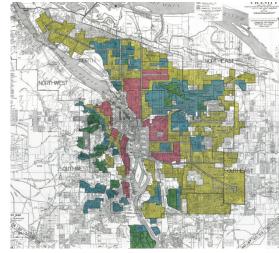
Other provisions of the rulemaking call for new buildings to support the growing electric vehicle transformation, reduce one-size-fits-all parking mandates, and increase local planning requirements to address critical gaps in our walking, biking, and transit networks. The rules ask communities to identify transportation projects needed so our climate goals could be met.

The rulemaking is mainly about letting climate-friendly development happen where people want to build it and the market calls for it. There's a lot of demand for housing where people can walk to where they want to go. While single-family homes will continue to be allowed and provide most housing, Oregonians have a diverse set of housing desires and deserve more affordable and climate-friendly choices. Those could better meet the changing shape of American households, as nearly a third of homes hold just one person. But again, people can choose what best meets their needs.

#### **Equitable Mapping, Engagement and Decision-Making**

One central outcome of this rulemaking is an increased emphasis on equity. The rulemaking has worked to integrate equity, starting with the rulemaking charge and title. Equity was key as DLCD attempted to have the composition of the advisory committee reflect the diversity of Oregon's communities, and equity was one of the first tasks tackled by the group.

The rulemaking advisory committee spent significant time at many of its meetings discussing equity, and developed an Equitable Outcomes Statement to guide the rulemaking drafting and implementation. The rulemaking conducted a racial equity analysis of the rules and an analysis on how the rules could be improved to serve people with disabilities. The committee subsequently reviewed a table listing how each item in the Equitable Outcomes Statement was or was not brought forth into the draft rules, and what next steps might be.



1938 Redlining map of Portland. Redlining allowed white people to build wealth through homeownership.

The rules define traditionally underserved populations to include Black and African American people, Indigenous people, People of Color, people with limited English proficiency, people with disabilities, low-income Oregonians, youth and seniors, and more. They require mapping of traditionally underserved populations, local consideration of a set of anti-displacement actions should decisions contribute toward displacement, centering the voices of underserved populations in decision-making, and regular reporting on efforts to engage traditionally underserved populations.

#### **Climate-Friendly Areas**

A climate-friendly area is an area where residents, workers, and visitors can meet most of their daily needs without having to drive. They are urban mixed-use areas that contain, or are planned to contain, a greater mix and supply of housing, jobs, businesses, and services. These areas are served, or planned to be served, by high quality pedestrian, bicycle, and transit infrastructure to provide frequent, comfortable, and convenient connections to key destinations within the city and region.

Why are climate-friendly areas important? A key component of Oregon's plan to meet our climate pollution reduction and equity goals is facilitating development of urban areas in which residents are less dependent upon the single occupant vehicle. Before the automobile became common in American life, cities grew more efficiently, with a variety of uses in city centers and



Oregon already has some climate-friendly areas, pleasant places to meet one's needs without needing to drive.

other areas that allowed for working, living, and shopping within a walkable or transit accessible area. Over the last 100 years, the automobile and planning practices have served to separate activities, creating greater inequities within cities and widespread dependence upon climate-polluting vehicles to meet daily needs. Climate-friendly areas will help to reverse these negative trends, with some actions taking place in the short term, and others that will occur with development and redevelopment over time.

The rules require cities, and some urbanized county areas, with a population over 5,000 within the seven metropolitan areas outside of Portland Metro to adopt regulations allowing walkable mixed-use development in defined areas within urban growth boundaries. The rules for the Portland Metro area support implementation of the region's 2040 Growth Concept. Areas will be sized to accommodate a portion of the community's housing, jobs, and services. Local governments will determine where these areas will be located, but many of these areas will likely be established in existing downtowns that may currently allow for mixed uses and higher densities.

Associated requirements will ensure high quality pedestrian, bicycle, and transit infrastructure is available within these areas to provide convenient transportation options. The rules provide a process for local governments to first identify potential climate-friendly areas, then later to adopt development standards for the areas best-suited for this purpose. The rules provide some minimum requirements for climate-friendly areas, with a set of clear and objective standards that may be adopted, or a process for local governments to craft their own standards. Cities of more than 10,000 will monitor housing production within these areas over time and develop strategies to facilitate desired development.

#### **Reforming Costly Parking Mandates**

Excess parking has a significant negative impact on housing costs, business costs, the feasibility of housing development and business redevelopment, walkability, air and water pollution, climate pollution, and general community character. Parking mandates force people who don't own or use cars to pay indirectly for other people's parking. Carless households tend to be the poorest households. Parking demand varies significantly



Parking uses a huge amount of high-value land. Off-street parking in downtown Corvallis in red.

from development to development, and about one-sixth of Oregon renter households own zero vehicles. Planning practices of the past have imposed a one-size-fits-all requirement everywhere, creating incentives to own more cars and drive more.

The rules encourage the diversity of parking needs to be met by the diversity of development. The rules would reduce or remove costly parking mandates for desired types of development, such as smaller housing types, small businesses, childcare facilities, multi-family housing, and historic buildings. The rules would completely remove parking mandates within one-half mile of frequent transit and three-quarters of a mile of rail stops, where parking demand is lower per unit.

The rules give communities options to improve parking management. Those who adopt best practice parking policies would get more flexibility. The rules require cities with over 100,000 population that choose to continue to mandate off-street parking to eventually charge at least 50 cents per day for 10% of on-street parking spots.

#### **Getting Ready for Oregon's Electric Vehicle Future**

Making our vehicles cleaner is a key part in meeting Oregon's climate goals. Oregon has a vision where 90% of new vehicles will be electric by 2035. To meet that goal, we need to ensure people can charge their vehicles. The most convenient place to do so is at home, but many Oregonians live in older multi-family homes that would be very expensive to retrofit.

Thus, the rules require *new* housing and mixed-use development with at least five units would include electrical conduit (pipes) to 40% of spots, ready for adding wiring and charging stations to support electric vehicles as the market expands.



Building a complete network of EV charging stations at commercial and multi-family housing locations could cut up to 11.9% of climate pollution

#### **Planning for a Future of Transportation Options**

DLCD and other state agency partners including the Oregon Department of Transportation will provide a range of new and amplified services to help meet greenhouse gas reduction goals, including grants, technical assistance, tools, and publications, to help local governments adopt plans that meet or exceed the state's greenhouse gas reduction goals.

Local governments in Oregon have been required to make coordinated land use and transportation plans for decades. The updated rules would require local governments in metropolitan areas to:

- Plan for greater development in transit corridors and downtowns, where services are located and less driving is necessary;
- Prioritize system performance measures that achieve community livability goals;
- Prioritize investments for reaching destinations without dependency on single occupancy vehicles, including in walking, bicycling, and transit;
- Plan for needed infrastructure for electric vehicle charging; and
- Regularly monitor and report progress.

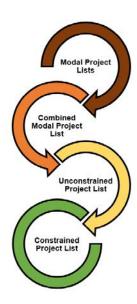


Transportation options are critical for everyone, but particularly the roughly one-in-three Oregonians who cannot drive.

#### **Planning to Meet Our Climate Goals**

DLCD's regional greenhouse gas reduction program allows areas to work together to consider statewide, regional, and local needs and issues. The flexible regional planning process allows communities to study economic development, fiscal impacts, resource use, pollution impacts, and the effects of different choices on the state, region, community, or households. The results are intended to help local government community members, elected and appointed leaders better understand issues and quantify the effect of potential policies as they review and update the area's long-range plans and make investment decisions.

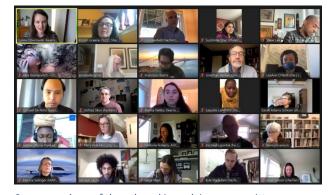
The rules would expand requirements for regional plans to meet the state's climate pollution reduction targets from the Portland metropolitan area to the next largest metropolitan areas in the state (Eugene-Springfield and Salem-Keizer) initially. Other metropolitan areas will be required to evaluate their local plans towards meeting the state's climate pollution reduction targets and amend their local plans towards meeting the target.



#### **Community Engagement**

We've heard from lots of Oregonians over the past eighteen months. We've heard from a 40-person advisory committee including representatives from all of Oregon's impacted eight urban areas, several people who are home builders, realtors, representatives of the trucking industry, affordable housing advocates, land use advocates, community-based and other community-serving organizations.

To supplement those deliberations, staff held two separate series of virtual community conversations in 2021 – five in the spring, and four in the fall. Staff have



Some members of the rulemaking advisory committee

hosted a series of nine technical work group meetings on specific topics, a series of practitioner meetings with local government staff in each region, and dozens of additional meetings with local elected officials, planning staff, and interest groups.

Upcoming conversations include events focused on what will be needed at the community level to support implementation and ongoing engagement strategies.

We've heard from hundreds of Oregonians who have attended one or more of the scores of meetings, community conversations, work groups, or practitioner meetings, and from hundreds of people who've submitted comments (<u>summary here</u>). Our rules are better for it, having continued to evolve and improve.

But the engagement won't end there – the rules require local governments to engage their communities as they make key decisions on how the rules apply locally. If you're interested in these issues, we encourage you to stay engaged.

#### **Implementing the Rules: Resources and Timelines**

Local governments are responsible for implementing the rules. Many of the rules take effect when a community next conducts a major update of its Transportation System Plan (TSP), a community's core document describing its transportation needs and future plans. The rules state most plans should be updated by December 31, 2029. The rules have Salem-Keizer and Eugene-Springfield areas on a schedule to do regional scenario plans and update their TSPs by the end of 2027.

The land use components of the rules have specific deadlines. Communities are asked to study potential Climate-Friendly Areas by December 31, 2023, and adopt Areas by December 31, 2024. Parking reform is scheduled to happen in two phases - the first at the end of 2022, and the second by June 30, 2023. Communities may ask for some flexibility around most of these dates.

DLCD is providing or working to find resources for local governments to do this work, along with our agency partners at the Oregon Department of Transportation (ODOT) and the Oregon Housing and Community Services Department. The Oregon Legislature provided \$768,000 to assist with implementation on land use, and ODOT has identified another \$18 million to assist with transportation plan updates.

#### **Learn More**

Information on how to get implementation updates via email and many additional materials can be found at <a href="https://www.oregon.gov/lcd/CL/Pages/CFEC.aspx">www.oregon.gov/lcd/CL/Pages/CFEC.aspx</a>

#### **Contact Information**

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# Climate-Friendly and Equitable Communities Implementation Guide



This document provides guidance for cities and counties within metropolitan areas that are expected to implement the Climate Friendly and Equitable Communities rules. The information provided in this document are **based on the rules adopted by the Land Conservation and Development Commission on July 21, 2022.** This guide is for information and is not determinative regarding the content or applicability of the adopted rules.

Pages 1-3 contain an overview of the implementation and reporting requirements of the rules. The table of implementation dates on pages 3-8 shows the year in which these requirements become applicable, grouped by metropolitan area. The task summaries on pages 9-12 outline the sections of the Division 12 rules that are involved with the major task groups.

Alternative Dates: Cities, counties, or Metro may, optionally, propose alternative implementation dates for some deadlines as provided in OAR 660-012-0012(3). Alternative dates would be submitted to the department, reviewed against criteria, and approved (or not) by the DLCD Director. Alternative compliance dates for Eugene-Springfield and Salem-Keizer metropolitan area would use this process and the work program process for scenario planning in OAR 660-044-0100. Rules whose implementation dates can be modified through this process are in italics in the guide.

**Division 12 Exemption:** The DLCD Director may grant a full or partial exemption from Division 12 to cities and counties with a population under 10,000 within the urban area (OAR 660-012-0055(7)). The exemption must be requested by the jurisdiction. Exemptions granted shall last for a specified period.

#### **Major Task Groups**

Requirements for the implementation of each task are outlined in the schedule. Details of the rules involved with each task are listed after the schedule table.

**CFA Study** – Study potential climate-friendly areas (CFA) (660-012-0315).

**CFA Codes** – Designate and make comprehensive plan, zoning map and code changes to implement climate-friendly areas (660-012-0320).

**Parking A** – For new development applications, apply reduced parking mandates near frequent transit and for certain development types

(code changes not mandatory; may apply 660-012-0430 and 0440 directly).

**Parking B** – Implement parking regulation improvements, and parking mandate reform (660-012-0400 through 0450).

**TSP Updates** – These rules only apply at the time of a major update to a transportation system plan (TSP).

**TPR Development Regulations** – Transportation Planning Rules (TPR) related regulations; required with major transportation system plan updates, no specific update timeline unless indicated. Implement commercial and residential land use regulations (660-012-0330), and bicycle parking (660-012-630).

HNA – Housing Needs Analysis (HNA) (Also known as a Housing Capacity Analysis, or HCA). Update required by OAR Chapter 660-008-0045 for cities over 10,000 population. HNA <u>within</u> Metro must be updated every 6 years; outside of Metro must be updated every 8 years.

HNA is an additional task that is not part of Climate-Friendly and Equitable Communities.

#### **Individually Applicable Rules**

Rules separate from the major task groups and with their own applicability date are listed below and in the schedule.

**EV Conduit** – Cities only; for new multifamily and multi-use development applications, require 40% of spaces have conduit to serve electric vehicle charging (OAR 660-012-0410); implement by March 31, 2023 per OAR 660-012-0012(5)(d); either directly apply state administrative rules or amend local development standards.

**Transportation Modeling** – transportation modeling or analysis used for a land use decision must comply with OAR 660-012-0210; decision must not increase VMT per capita; effective as of June 30, 2024 per OAR 660-012-0012(5)(a).

**Performance Standards** – Implement multiple transportation performance standards for plan amendments and development review per OAR 660-012-0215; effective as of June 30, 2025 per OAR 660-012-0012(4)(b).

Additional CFA Designations for UGB Expansions is required beginning June 30, 2027 (OAR 660-008-0010(3)).

**Note: TSP Update** and **TPR Development Regulations** apply to **all** jurisdictions in the table listed below. The proposed rules do not establish an implementation deadline if 'TSP Update' and 'TSP Development Regulations' are not shown in the schedule. They are **not** exempt from these requirements. A deadline for these tasks may be established through approval of alternate compliance dates.

#### **TPR Reporting**

OAR 660-012-0900 requires cities and counties outside of Metro to submit yearly reports. The reporting requirements are listed in the row of each metropolitan area (light blue background). The designation of major reports in this guide are based on expected dates of Regional Transportation Plan (RTP) updates. The timing of a major report will be as determined by actual RTP adoption (OAR 660-012-0900(5)). The reporting requirement applies to each jurisdiction individually, although jurisdictions may coordinate to submit one report for the metropolitan area. Inside Metro, annual reporting will be completed by Metro (cities and counties within Metro **not** required to submit individual reports).

#### **Population Growth**

Climate-Friendly Areas- OAR 660-012-0310(4)(a) and (b) specifies CFA compliance timelines for jurisdictions that surpass population thresholds of 5,000 or 10,000. Such jurisdictions must submit a **CFA Study** within 545 days of exceeding the population threshold, and adopt **CFA Codes** within 365 days of the deadline for submittal of the CFA Study. Additionally, OAR 660-008-0010(2) requires the designation of additional climate friendly areas as cities over 10,000 grow, in conjunction with required HNA updates.

**Parking** – OAR 660-012-0012(4)(f)(A) allows one year for jurisdictions that surpass population thresholds in OAR 660-012-0400 to comply with the parking rules to which they become subject.

	2022	2023	2024	2025	2026-2028	2029
Albany Area			TPR <b>major</b> report (5/31) <sup>1</sup>	TPR minor report (5/31)	TPR minor report (5/31) ( <b>major</b> in 2028)	TPR minor report (5/31)
Albany	Parking A	CFA Study EV Conduit Parking B	CFA Codes Transportation Modeling	Performance Standards	2028 HNA Additional CFA for UGB expansions after June 2027	TSP TPR Dev. Regs.
Benton County, Linn County, Marion County (fewer than 5,000 population inside UGB)			Transportation Modeling	Performance Standards		
Jefferson, Tangent, and Millersburg	Parking A	EV Conduit <i>Parking B</i>	Transportation Modeling	Performance Standards		

<sup>&</sup>lt;sup>1</sup> Next expected RTP updates: 2022: Central Lane, Corvallis; 2023: Albany, Salem-Keizer; 2024: Middle Rogue; 2025: Bend, Rogue Valley. TPR major report expected the year following adoption of RTP update. Future RTP updates expected every 4 years.

	2022	2023	2024	2025	2026-2028	2029
Bend Area			TPR minor report (5/31)	TPR minor report (5/31)	TPR minor report (major report 2026) (5/31)	TPR minor report (5/31)
Bend	Parking A	CFA Study EV Conduit Parking B	CFA Codes HNA Transportation Modeling	Performance Standards	Additional CFA for UGB expansions after June 2027, and with HNA Updates	TSP TPR Dev. Regs.
Deschutes County <sup>2</sup>			Transportation Modeling	Performance Standards		TSP TPR Dev. Regs
Central Lane		Scenario Plan work program (6/30) Scenario Plan (12/31)	TPR minor report (5/31)	TPR minor report (5/31)	Scenario Plan code amendments and TSP (12/31) TPR minor report (5/31) (major in 2028)	TPR minor report (5/31)
Coburg	Parking A	EV Conduit <i>Parking B</i>	Transportation Modeling	Performance Standards	TSP (2026) TPR Dev. Regs.	
Eugene Springfield	Parking A	CFA Study EV Conduit Parking B	CFA Codes Transportation Modeling	Springfield HNA Performance Standards	TSP (2026) TPR Dev. Regs. Eugene 2026 HNA Additional CFA for UGB expansions after June 2027	
Lane County <sup>3</sup>			Transportation Modeling	Performance Standards	TSP (2026) TPR Dev. Regs.	

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<sup>&</sup>lt;sup>2</sup> Deschutes Co. population within UGBs in the metropolitan area is >5,000. However, Parking A, Parking B, CFA Study, and CFA Codes are not assumed to be applicable because the county does not provide urban services to these areas (OAR 660-012-0310(3); OAR 660-012-0400(1)(b)).

<sup>&</sup>lt;sup>3</sup> Lane Co. population within UGBs in the metropolitan area is >5,000. However, Parking A, Parking B, CFA Study, and CFA Codes are not assumed to be applicable because the county does not provide urban services to these areas (OAR 660-012-0310(3); OAR 660-012-0400(1)(b)).

	2022	2023	2024	2025	2026-2028	2029
Corvallis Area			TPR <b>major</b> report (5/31)	TPR minor report (5/31)	TPR minor report (5/31) <b>(major</b> in 2028)	TPR minor report (5/31)
Adair Village	Parking A	EV Conduit <i>Parking B</i>	Transportation Modeling	Performance Standards		
Corvallis Philomath	Parking A	CFA Study EV Conduit Parking B	CFA Codes Transportation Modeling	Performance Standards	Corvallis 2027 HNA Additional CFA for UGB expansions after June 2027	TSP TPR Dev. Regs.
Benton County (fewer than 5,000 population inside UGB)			Transportation Modeling	Performance Standards		
Middle Rogue			TPR minor report (5/31)	TPR <b>major</b> report (5/31)	TPR minor report (5/31)	TPR <b>major</b> report (5/31)
Gold Hill Rogue River	Parking A	EV Conduit <i>Parking B</i>	Transportation Modeling	Performance Standards		
Grants Pass	Parking A HNA	CFA Study EV Conduit Parking B	CFA Codes Transportation Modeling	Performance Standards	Additional CFA for UGB expansions after June 2027	TSP TPR Dev. Regs.
Jackson County Josephine County (fewer than 5,000 population inside UGB)			Transportation Modeling	Performance Standards		

	2022	2023	2024	2025	2026-2028	2029
Rogue Valley			TPR minor report (5/31)	TPR minor report (5/31)	TPR <b>major</b> report (5/31)	
Ashland Central Point Eagle Point Medford Talent	Parking A	CFA Study EV Conduit Parking B Medford HNA	CFA Codes Transportation Modeling	Performance Standards	Central Pt 2027 HNA Ashland 2029 HNA Additional CFA for UGB expansions after June 2027	TSP TPR Dev. Regs.
Jacksonville Phoenix	Parking A	EV Conduit <i>Parking B</i>	Transportation Modeling	Performance Standards		
Jackson County (fewer than 5,000 population inside UGB)			Transportation Modeling	Performance Standards		

	2022	2023	2024	2025	2026-2028	2029
Salem/Keizer		Scenario Plan work program (6/30)	Scenario Plan (6/30)  TPR <b>major</b> report  (5/31)	Scenario Plan code amendments and TSP (6/25) TPR minor report (5/31)	TPR minor report (5/31) ( <b>major</b> in 2028)	TPR minor report (5/31)
Salem Keizer	Parking A	CFA Study EV Conduit Parking B	CFA Codes Salem and Keizer HNA Transportation Modeling	TSP TPR Dev. Regs. Performance Standards	Additional CFA for UGB expansions after June 2027	
Marion County	Parking A	CFA Study Parking B	CFA Codes Transportation Modeling	TSP TPR Dev. Regs. Performance Standards		
Polk County (fewer than 5,000 population inside UGB)			Transportation Modeling	TSP TPR Dev. Regs. Performance Standards		
Turner	Parking A	EV Conduit Parking B	Transportation Modeling	TSP TPR Dev. Regs. Performance Standards		

	2022	2023	2024	2025	2026-2028	2029
Portland Metro			TPR <b>major</b> report (5/31)	TPR minor report (5/31)	TPR minor report (5/31) (major in 2028)	TPR minor report (5/31)
•		0140, Transportation Sys o; OAR 660-012-0900(2),		rtland Metropolitan A	Area; OAR 660-012-0012	2(4)(d), Climate-
Metro UGMFP Region 2040 Centers [various jurisdictions]			Metro to establish requirements for adoption of Centers	Non-adopters to adopt Center boundaries and zoning		
Durham, Johnson City, Maywood Park, Rivergrove, King City, Wood Village	Parking A	EV Conduit <i>Parking B</i>	Transportation Modeling	Performance Standards		
Beaverton, Cornelius, Fairview, Forest Grove, Gladstone, Gresham, Happy Valley, Hillsboro, Lake Oswego, Milwaukie, Oregon City, Portland, Sherwood, Tigard, Troutdale, Tualatin, West Linn, Wilsonville (10k+)	Parking A	EV Conduit Parking B Beaverton, Fairview, Gresham, Happy Valley, Hillsboro Lake Oswego, Milwaukie, Portland, West Linn, Wilsonville	Transportation Modeling	Forest Grove <mark>HNA</mark> <b>Performance</b> <b>Standards</b>	HNA 2026: Sherwood, Troutdale, Tualatin; 2027: Gladstone, Cornelius, Tigard, Oregon City	
Clackamas County, Washington County	Parking A	Parking B	Transportation Modeling	Performance Standards		
Multnomah County <sup>4</sup>						

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<sup>&</sup>lt;sup>4</sup> Cities within Multnomah Co. have land use authority for unincorporated areas within UGB.

## **Task Summaries**

### **Parking A**

#### Reduced Mandates - OAR 660-012-0430 and OAR 660-012-0440

Effective date December 31, 2022 per OAR 660-012-0012(5)(e)— applies to development applications submitted after that date; either directly apply state administrative rules or amend local development standards

- o Reduced mandates for specific developments cannot mandate more than 1 space/unit for residential developments with more than 1 unit
- o No mandates for small units, affordable units, childcare, facilities for people with disabilities, shelters
- Reform near transit no parking mandates allowed within ¾ mile of light or heavy rail stations or ½ mile of frequent transit corridors

### **Parking B**

#### Parking Regulation Improvement - OAR 660-012-0405

By June 30, 2023 per OAR 660-012-0012(4)(f) - amend development standards

- Preferential placement of carpool/vanpool parking
- o Allow redevelopment of any portion of a parking lot for bike or transit uses
- o Allow and encourage redevelopment of underutilized parking for other uses
- Allow and facilitate shared parking
- Parking lots more than ¼ acre in size must install 50% tree canopy OR solar panels, solar/wind fee-inlieu, or green energy per OAR 330-0135-0010; requires street trees and street-like facilities along driveways
- o Adopt parking maximums in locations such as downtowns, regional or community center, and transitoriented developments.

#### Parking Maximums and Evaluation in More Populous Cities – 660-012-0415

By June 30, 2023 per OAR 660-012-0012(4)(f)

- Cities >100,000 population, or >25,000 population if in Portland Metro, set certain parking maximums in specified areas
- o Cities >200,000 population also:
  - Study use of on-street timed parking in CFA and transit areas (OAR 660-012-0435 & 0440)
  - Implement parking management before authorizing new 100+ stall parking garages
  - Implement TDM management strategies before authorizing new 300+ stall garages
  - Adopt design requirements so ground floor of parking garage convertible to other uses

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#### **Parking Mandate Reform**

Effective date June 30, 2023 per OAR 660-012-0012(4)(f)

Option 1 OAR 660-012-0420		Options 2 and 3 -012-0425 through 0450			
	Reduce parking burdens – adopt eight land use regulations related to reduced mandates based on factors such as shared parking, solar panels, parking space accessibility, on-street parking; unbundling of parking from rent for multifamily units near transit (OAR 660-012-0425)				
Repeal all parking	Cities with populations 100,000+ adopt on-street parking prices equivalent to at least 50¢/day per spot for 5%/10% of total on-street parking supply by September 30, 2023/2025 (OAR 660-012-0450; effective dates per OAR 660-012-0012(4)(g))				
mandates within the		g Reform Approaches e following (option 2 -or- option 3)			
jurisdiction	Policies to take effect no later than June 30, 2023 (effective date per OAR 660-012-0012(4)(f))				
	Option 2 OAR 660-012-0445(1)(a) - Adopt at least 3 of 5 policies below	Option 3  OAR 660-012-0445(1)(b) - Adopt regulations  minimizing or exempting required parking for 15  development types (summarized below)			
no additional action needed	<ol> <li>Unbundle parking for residential units</li> <li>Unbundle leased commercial parking</li> </ol>	No mandates for a variety of specific uses, small sites, vacant buildings, studio/one bedrooms, historic properties, LEED or Oregon Reach Code developments, etc.			
	3. Flexible commute benefit for businesses with more than 50	No additional parking for redevelopments/additions.			
	employees	Adopt parking maximums.			
	<ul><li>4. Tax on parking lot revenue</li><li>5. No more than ½ space/unit mandated for multifamily</li></ul>	No parking mandates within ½ mile walking distance of Climate-Friendly Areas.			
	development	Designate district to manage on-street residential parking.			

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#### **Climate-Friendly Areas**

#### **CFA Study**

OAR 660-012-0315 Due December 31, 2023 per OAR 660-012-0012(5)(b)

- CFA location and size standards per OAR 660-012-0310(2)
- >10,000 population
   Dwelling Unit Capacity of at least 30% of current housing needs analysis (OAR 660-012-0315(1); capacity calculated per methodology in OAR 660-012-0315(2)
- Population 5,000 -10,000
   Designate at least 25 acres of CFA (OAR 660-012-0315(3))
- Displacement analysis, fair and equitable outcomes plan, and narrative summary of public engagement (OAR 660-012-0315(4))

#### **CFA Codes**

OAR 660-012-0320 via OAR 660-012-0315(6)
Due Date December 31, 2024 per OAR 660-012-0012(4)(c)

#### Required for all CFAs:

- Allowed uses per OAR 660-012-0320(2)
- Inclusion of existing abutting residential and employment zones without zoning amendments per OAR 660-012-0320(3)
- Prioritization of public buildings, open spaces per OAR 660-012-0320(4)
- Block length maximums per OAR 660-012-0320(5)
- Address other development regulation requirements per OAR 660-012-0320(7)
- Eliminate mandates in and near climate-friendly areas or adopt parking management policies; unbundle parking for multifamily units (OAR 660-012-0435)

Housing and Employment Targets OAR 660-012-0320(8) or (9)

# Option A Residential minimum density standards and allowed building height not less than specified by OAR 660-012-0320(8)

Option B
Standards other than Option A
proposed by jurisdiction that achieve
target dwelling unit and employment
per acre

## Transportation System Plan Update

- TSP updates may use OAR 660-012-0015 if OAR 660-018-0020 is notice provided by December 31, 2022 (OAR 660-012-0012(2)(a)).
- Minor TSP updates need not meet all updated requirements if the updated portions of the plan meet new requirements, and OAR 660-018-0020 notice is provided by June 30, 2027 (OAR 660-012-0012(2)(b)).
- Compliance deadline for Eugene-Springfield and Salem -Keizer determined by OAR 660-044-0015 Scenario Planning.
- Cities and Counties over 5,000 population and outside the Portland metropolitan areas must adopt major TSP update by December 31, 2029 (OAR 660-012-0012(4)(a)).

#### Generalized Scope and Process

- Overall TSP update requirements (OAR 660-012-0100 and 0105)
- Public Engagement and Equity
  - TSP Planning Engagement generally (OAR 660-012-0120)
  - Equity and Underserved Populations (OAR 660-012-0125, identifying underserved populations; OAR 660-012-0130, Decision-Making with Underserved Populations; OAR 660-012-0135, Equity Analysis)

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- System Inventories and Existing Conditions
  - o General inventory requirements (OAR 660-012-0150)
  - Transportation System Planning Area (OAR 660-012-0110)
  - o Land use assumptions (OAR 660-012-0340)
  - Modal inventory requirements: Pedestrian (OAR 660-012-0505); Bicycle (OAR 660-012-0605); Transit (OAR 660-012-705); Streets and Highways (OAR 660-012-0805)
  - o Funding projections (OAR 660-012-0115)
- Goals, Targets, and Project Prioritization
  - VMT Targets base year and horizon year (OAR 660-012-0160)
  - o Adoption of Transportation Performance Standards (OAR 660-012-0215)
  - o Project Prioritization (OAR 660-012-0155)
- TSP Contents
  - Modal design and planning requirements: Pedestrian (OAR 660-012-0510); Bicycle (OAR 660-012-0610); Transit (OAR 660-012-710); Streets and Highways (OAR 660-012-0810)
  - Modal projects: Pedestrian (OAR 660-012-0520); Bicycle (OAR 660-012-0620); Transit (OAR 660-012-720); Streets and Highways (OAR 660-012-0820)
  - Transportation Options Planning (OAR 660-012-0145) transportation demand management, transit options and incentives
  - Enhanced review of select roadway projects (OAR 660-012-0830) for facilities that may increase driving capacity
  - o Prioritization framework (OAR 660-012-0155)
  - Unconstrained Project List (OAR 660-012-0170) combination of modal projects; must meet VMT per capita targets from OAR 660-012-0160; Project Prioritization Framework (OAR 660-012-0155)
  - o Financially-Constrained Project List (OAR 660-012-0180)
    - Created from unconstrained list per procedures in OAR 660-012-0180(3)
    - Sum of projects on list not to exceed 125% of funding available from OAR 660-012-0115

## **Transportation Planning Rule Development Regulations**

#### Land use requirements (OAR 660-012-0330)

Effective date per OAR 660-012-0012(4)(e) – TSP Adoption

- Neighborhood circulation (OAR 660-012-0330(3))
- Mixed use and commercial districts (OAR 660-012-0330(4))
- Slow streets for neighborhoods (OAR 660-012-0330(5))
- Auto-oriented land uses (OAR 660-012-0330(6))
- Allow for Low car districts (cities of 100k+, OAR 660-012-0330(7))
- Protection of transportation facilities (OAR 660-012-0330(8))

#### **Bicycle Parking (660-012-0630)**

Effective date – with OAR 660-012-0330 compliance at TSP Adoption (OAR 660-012-0330(4)(g))

[note – implementation of OAR 660-012-0330 and 660-012-0630 within a CFA is required upon adoption of CFA Zoning]

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# **OTHER BUSINESS**

# Climate Friendly & Equitable Communities (CFEC) Rulemaking Upcoming Parking Rule Changes



# Memo

**DATE:** August 9, 2022

**Planning Commission** TO:

FROM: Derek Severson, Senior Planner

RE: Climate Friendly & Equitable Communities (CFEC) Rulemaking

**Upcoming Parking Rule Changes** 

The Land Conservation & Development Commission (LCDC) adopted new Climate Friendly & Equitable Community (CFEC) rules at its July 21st meeting. Staff wanted to provide an update on these rules specifically with regard to parking, since the parking rules will have the most immediate impact, and to seek some feedback from the Commission as we consider implementation of the new rules.

#### **Background**

As part of the CFEC rulemaking, parking rules will change significantly in the new year in Oregon's eight metropolitan areas, and there will also be new rules in support of electric vehicle charging shortly thereafter.

In discussing the rule changes, the Department of Land Conservations & Development (DLCD) explains that excess parking has a significant negative impact on housing costs, business costs, the feasibility of housing development and business redevelopment, walkability, air and water pollution, climate pollution, and general community character. Statistics indicate that about one-sixth of Oregon renter households do not own a vehicle, and carless households tend to be the poorest households. Parking mandates force those who don't own or use cars to pay indirectly to subsidize other people's parking. The rulemaking proceeds on the assumption that parking rules must seek greater equity in this regard.

The new rules seek to have the diversity of parking needs met by the diversity of development, and would reduce costly parking mandates for desired types of development, such as smaller housing types, small businesses, and historic buildings, and would also reduce mandates in certain areas, where parking demand is lower per unit including climate friendly areas (CFAs) which will have a higher concentration of jobs and housing, and walkable areas already well-served by transit.

The rules seek to address the negative impacts of larger parking lots by requiring that they be designed to be pedestrian-friendly and include either solar power or trees, and also require that 40 percent of new residential parking spaces be capable of electric vehicle charging (with conduit and electric capacity, but without a requirement to provide wiring or chargers). Electric vehicles are a key part of meeting Oregon's climate pollution reduction goals.

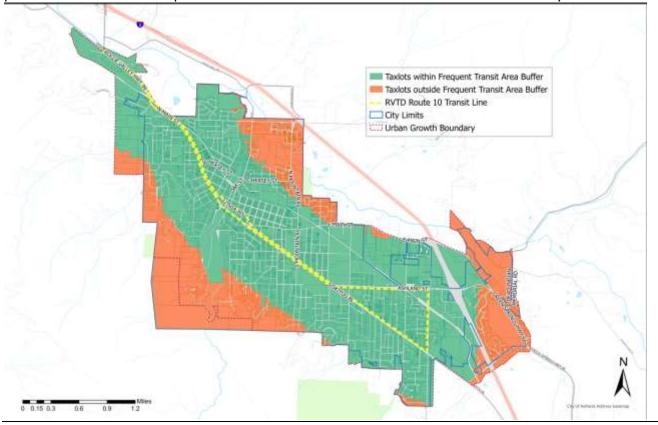
DLCD emphasizes that in the absence of parking mandates, developers are still likely to provide parking in an amount they believe will satisfy buyers, renters and lenders. Reducing or removing parking mandates will not eliminate parking, it will simply shift the responsibility for determining how much parking should be provided from the public sector to the private sector.



The first tier of new parking rules under the CFEC rulemaking will take effect December 31, 2022 and require:

- That cities may not mandate more than one parking space per unit for residential developments with more than one unit (OAR 660-012-0430).
- That cities may not mandate parking for small units (< 750 square feet), affordable units, publicly supported housing, single room occupancy houses, childcare, facilities for people with disabilities, and shelters (OAR 660-012-0430).
- That cities may not enforce parking mandates for developments within ½-mile of frequent transit corridors which include, "the most frequent transit route or routes in the community if the scheduled frequency is at least once per hour during peak service." RVTD's Route 10 serving Ashland has a scheduled frequency of once every 20 minutes during peak service hours. Route 10 includes North Main Street, East Main Street through the downtown, Siskiyou Boulevard to Ashland Street and the Transit Triangle bounded by Ashland Street, Tolman Creek Road and Siskiyou Boulevard (See Staff Exhibit S-1 below). This first tier of changes to allowable parking requirements within a ½-mile of Route 10 will eliminate the city's ability to require parking for roughly 80 percent of the tax lots in the city (OAR 660-012-0440).
- Requirements for electric vehicle charging infrastructure will require that new private multi-family residential or mixed-use developments with more than five units provide capacity and install conduit to support electric vehicle charging stations to serve at least 40 percent of all parking spaces, although chargers themselves will not have to be installed. This requirement takes effect on March 31, 2023 (OAR 660-012-0410/ORS 455.417) and will be implemented through state building codes.

**Figure 18.4.3.030.C.5 and Staff Exhibit S-1.** After December 31, 2022, off-street parking cannot be mandated in the area shown in green which is within ½-mile of RVTD's Route 10. This equates to 79.4 percent of tax lots and 69 percent of the land area within the Urban Growth Boundary.



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The second tier of parking rules takes effect beginning June 30, 2023, and provides three options for additional parking reforms. Essentially, cities must either repeal their parking mandates entirely or adopt a more complex series of reforms from the menu of options listed below:

Option 1 660-012-0420		Options 2 and 3 12-0425 through 0450			
Repeal	snaces by Sentember 30, 2023 and 10% by Sentember 30, 2025				
parking mandates	Option 2 enact at least three of:	Option 3			
	Unbundle parking for residential units     Unbundle leased commercial parking	No mandates for a variety of specific uses, small sites, vacant buildings, studios/one bedrooms, historic buildings, LEED or Oregon Reach Code developments, etc.			
no additional action needed	Flexible commute benefit for businesses with more than 50 employees	No additional parking for changes in use, redevelopments, expansions of over 30%.  Adopt parking maximums.			
	<ol> <li>Tax on parking lot revenue</li> <li>No more than ½ parking space/unit mandated for multifamily development</li> </ol>	No mandates within ½ mile walking distance of Climate-Friendly Areas.  Designate district to manage on-street residential parking.			

#### Implementation Timeline

As noted above, the first tier of the parking rule changes takes effect beginning December 31, 2022. Electric Vehicle Charging Infrastructure requirements take effect March 31, 2023. The second tier of new parking rules takes effect beginning June 30, 2023. Cities will either need to adopt new ordinances in keeping with the rulemaking or implement the new parking requirements directly from the Oregon Administrative Rules (OAR).

#### Staff Recommendations

Roughly 80 percent of tax lots within the Urban Growth Boundary, and 69 percent of the total land area, are within ½-mile of RVTD's Route 10. For those areas, the city will be unable to enforce any off-street parking requirements after December 31<sup>st</sup>. Beginning in June of 2023, the city will also need to remove off-street parking requirements in or near Climate Friendly Areas that are being identified as part of the CFEC rulemaking, and reduce parking required based on shared parking, solar panels, EV charging, car sharing, parking space accessibility, on-street parking and garage parking, and unbundle parking for multifamily residential near transit. There is a menu of additional options, as detailed above, and some



combination of these will need to enacted to further reduce off-street parking required (unless off-street parking requirements are eliminated entirely.

The areas where it will continue to be possible to require off-street parking – if Options 2 or 3 are selected - are primarily hillside residential zones well to the south of Siskiyou Boulevard, the North Mountain Neighborhood, Oak Knoll and the airport, and when existing development, physical constraints, and city-owned properties are considered in these area there is likely to be a very limited potential for additional development. The Planning Commission and Council will ultimately need to determine whether there is any benefit to retaining off-street parking requirements in these limited areas that are far from transit and outside of climate friendly areas, or if it would be more prudent to simply remove off-street parking requirements entirely (i.e. the state's Option 1).

In staff's view, wherever mandates are ultimately eliminated, any parking that is provided should continue to be designed and installed according to the following current standards:

18.4.3.050	Accessible Parking Spaces
18.4.3.060	Parking Management Strategies
18.4.3.070	Bicycle Parking
18.4.3.080	Vehicle Area Design
18.4.3.090	<b>Pedestrian Access and Circulation</b>

In addition, staff believes that existing parking maximums in AMC 18.4.3.030.B *which limit parking which is provided to no more than 110 percent of what is currently required* should be retained. The current parking maximums were adopted in order to limit the adverse impacts of large parking areas to the built and natural environments, and in staff's view the need for these limits remains.

Staff would appreciate Planning Commission feedback on preferable options for off-street parking requirements, retention of existing parking standards and parking maximums where possible, and any additional issues or concerns the Commission identifies.

## **Attachments**

Parking Reform Overview from DLCD

Parking & Electric Vehicles Overview from DLCD

- "Oregon Just Slashed Parking Mandates. Five Things That Might Happen Next" from Sightline
- "Less Parking Could Mean More Housing" from The Pew Charitable Trusts

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"A Business Case for Dropping Parking Minimums" from the American Planning Association's Planning Magazine, June 2022



## **Parking Reform Summary**

July 11, 2022



### **Rules Implementing**

OAR 660-012-0400 through 0450 (see also definitions in 0005 and deadlines and processes in 0012)

## Who do the rules apply to, and when is action needed?

The parking reforms apply to the 48 Oregon cities in Oregon's eight metropolitan areas (Albany, Bend, Corvallis, Eugene/Springfield, Grants Pass, Portland Metro, Rogue Valley, Salem/Keizer), and counties in these areas, with more than 5,000 people inside the urban growth boundary but outside city limits with urban sewer and water services (Clackamas, Marion, Washington).

Some of the rules take effect December 31, 2022; others require action by March 31, 2023 or June 30, 2023.

## Why reform costly parking mandates?

Parking mandates, also known as minimum parking requirements, are a one-size-fits-all approach that ends up hiding the costs of parking in other goods, from housing to business costs to wages. That means the costs of car ownership and use are subsidized, leading people to own more cars and drive more than they would if they were aware of the true costs. Providing 300 square-feet of parking lot for each car that wants a parking spot is a significant cost – in the thousands, and often tens of thousands, of dollars.

Because of the cookie-cutter approach of mandates, parking is often over-built, adding unnecessary costs, while pushing apart buildings and making areas less walkable. That means more driving, and more pollution.

A better approach, one that has been used by communities around the world for decades, is to let the free market provide parking where there is demand. Experience shows lenders usually require sufficient offstreet parking, and developers will build it, especially when the on-street parking is properly managed.

#### How do cities and counties amend their codes to meet the requirements in the rules?

The cleanest path to meet rules requirements is to update local zoning and development codes to meet the requirements in OAR 660-012-0405 through 0415, and repeal all parking mandates. The provisions of 0425 through 0450 do not apply to communities without parking mandates.

Many of the requirements in 0405 through 0415 may already be in city code, as some of those provisions have been required by the Transportation Planning Rules for many years.

If a community prefers to keep some mandates, the provisions in 0425 through 0450 reduce the mandates and the negative impacts of remaining mandates.

### Questions?

Evan Manvel Climate Mitigation Planner evan.manvel@dlcd.oregon.gov 971-375-5979

## Phase 1 - Reform Near Transit; Certain Uses by December 31, 2022

Apply to development applications submitted after December 31, 2022 (amend code or directly apply these rules)

**0430** Cannot mandate more than 1 space/unit for residential developments with more than 1 unit No mandates for small units, affordable units, child care, facilities for people with disabilities, shelters

**0440** No parking mandates allowed within ¾ mile of rail stations or ½ mile of frequent transit corridors

## Phase 2 — More Reform, Choose an Approach by June 30, 2023 or alternative date 0405 Parking Regulation Improvement

- Preferential placement of carpool/vanpool parking
- Allow redevelopment of any portion of a parking lot for bike or transit uses
- Allow and encourage redevelopment of underused parking
- Allow and facilitate shared parking
- New developments with parking lots more than ¼ acre in size must install 50% tree canopy OR solar panels; requires street trees and street-like facilities along driveways
- Parking maximums in appropriate locations (in existing TPR)

## **0410 Electric Vehicle Charging** \*due March 31, 2023

New private multi-family residential or mixed-use developments install conduit to serve 40% of units

## **0415 Provisions Specific to More Populous Cities**

• Cities >25,000 in metro or >100,000 outside set certain parking maximums in specified areas (additional provisions for 200,000+ population cities, i.e. Portland, are not listed here)

## 0420-0450 Three options for parking reform

Option 1 660-012-0420	Options 2 and 3 660-012-0425 through 0450		
Repeal	Reduce parking burdens – reduced mandates based on shared parking, solar panels, EV charging, car sharing, parking space accessibility, on-street parking, garage parking. Must unbundle parking for multifamily units near frequent transit. May not require garages/carports.  Climate-friendly area parking – remove mandates in and near climate-friendly areas or adopt parking management policies; unbundle parking for multifamily units  Cities pop. 100,000+ adopt on-street parking prices for 5% of on-street parking spaces by September 30, 2023 and 10% of spaces by September 30, 2025		
parking mandates	Option 2 enact at least three of five policies	Option 3 all of the below	
No additional action needed	<ol> <li>Unbundle parking for residential units</li> <li>Unbundle leased commercial parking</li> <li>Flexible commute benefit for businesses with more than 50 employees</li> <li>Tax on parking lot revenue</li> <li>No more than ½ parking space/unit mandated for multifamily development</li> </ol>	No mandates for a variety of specific uses, small sites, vacant buildings, studios/one bedrooms, historic buildings, LEED or Oregon Reach Code developments, etc.  No additional parking for changes in use, redevelopments, expansions of over 30%.  Adopt parking maximums.  No mandates within ½ mile walking distance of Climate-Friendly Areas.  Designate district to manage on-street residential	

## Improved Parking Management and Electric Vehicle Charging

The Climate-Friendly and Equitable Communities rules reduce costly parking mandates in Oregon's eight metropolitan areas, and support electric vehicle charging.

## Why Reform?

## Housing Costs, Pollution, Walkability, Equity, and More

Excess parking has a significant negative impact on housing costs, business costs, the feasibility of housing development and business redevelopment, walkability, air and water pollution, climate pollution, and general community character.

Parking mandates push uses apart, making areas less walkable. They also force people who don't own or use cars to pay indirectly for other people's parking. Carless households tend to be the poorest households. Parking demand varies significantly from development to development; about one-sixth of Oregon renter households own zero vehicles.

## Rules: Decrease Costly Parking Mandates, Particularly for Certain *Types* of Development and in Certain *Areas*

The rules encourage the diversity of parking needs to be met by the diversity of development. The rules would reduce costly parking mandates for desired *types* of development, such as smaller housing types, small businesses, and historic buildings. Rules would also reduce mandates in certain *areas*, where parking demand is lower per unit: areas with a higher concentration of jobs and housing, and walkable areas well-served by transit.

The rules give communities *options* to improve parking management. Those who adopt best practice parking policies would get more flexibility. The rules require *Oregon's most populous cities to do more* if they choose to keep costly mandates, by charging at least 50 cents per day for 5%, and eventually 10%, of on-street parking spaces. Good parking management reduces how much non-drivers subsidize those who drive.

The rules address *negative impacts of large parking lots* by requiring lots be designed to be pedestrian-friendly and include either solar power or trees. The rules also would require *40% of new parking spaces in multifamily housing have conduit for electric vehicle charging* (just conduit, not wiring or chargers). Electric vehicles are a key part of meeting Oregon's climate pollution reduction goals.

## Common Concerns: Parking with Disabilities, Parking Supply, and Areas of High Demand

The rules would not limit required parking for people with mobility-related disabilities.

Removing requirements to include parking in each development does not mean no parking will be built. Two decades of experience with lower parking mandates have demonstrated lender requirements and market dynamics usually result in parking being built.

However, just like today's parking rules, cities must sometimes deal with "spillover" parking, and where more people are trying to park than spaces exist. This calls for improved management of on-street parking spaces, not one-size-fits-all mandates. DLCD has publications, staff and grants to help with this.

Rules Language is available at www.oregon.gov/lcd/CL/Pages/CFEC.aspx

#### **Questions?**

Evan Manvel, Land Use and Transportation Planner, evan.manvel@dlcd.oregon.gov, 971-375-5979







## OREGON JUST SLASHED PARKING MANDATES. 5 THINGS THAT MIGHT HAPPEN NEXT

From more historic building renovations to smarter curbside parking management, two-thirds of Oregonians are about to experience the benefits of making more asphalt optional.



Author: **Michael Andersen and Catie Gould** (@andersem) on July 22, 2022 at 12:05 pm

On Thursday, Oregon approved the largest rollback to parking mandates in modern US history.

The unanimous vote by the state's land use commission came through an unusual channel: an administrative action, ordered by the governor, that breathed new ambition into the broadly written land use laws that have gradually shaped Oregon for 50 years.

The law in question gives the state board the power to set land use rules that, among other things, "minimize adverse social, economic, and environmental impacts and costs."

As Sightline has been arguing for decades, including in a new series over the last year, parking mandates create those costs. Lots of them.

Beginning January 1, 2023, Oregon is scheduled to do more to cut those costs than any other US state or Canadian province. In some situations—within a half-mile of relatively frequent transit, for homes of 750 square feet or less, and for homes meeting affordability targets—minimum parking mandates will no longer apply for jurisdictions within Oregon's eight largest metro areas. This doesn't prevent parking lots from being built, but it does remove the current prevailing requirements to construct a specific number of stalls: one stall per bedroom, for example, or three per 1,000 square feet of retail space.

Farther from transit, jurisdictions in the state's eight largest metro areas will have more flexibility in how to gradually make driving less necessary. In all, 48 cities and 5 counties representing about two-thirds of the state's population are subject to the reforms. By the end of June 2023, the affected cities and urbanized unincorporated areas will need to choose from a branching menu of options on how to manage parking. In every case, jurisdictions will be able to comply simply by making off-street parking fully optional.

The commission did decide to give the Portland metro area a bit of additional flexibility. Its regional government is allowed to come up with its own parking rules, but the state commission must sign off

that they are at worst equivalent to the statewide rules.

After several rounds of delays to the reform timeline, the Land Conservation and Development Commission (LCDC) unanimously voted Thursday for the sooner of two deadlines for putting the new rules in place.

"Science is dictating that we should be acting now," said Barbara Boyer, an LCDC member and family farmer outside McMinnville, Oregon.

The proposal had drawn support from a coalition of 41 organizations that advocate for affordable housing, the environment, local businesses, and better transportation.

The new parking rules are part of a larger package called "Climate-Friendly and Equitable Communities" that industry groups, including the Oregon Home Builders Association and Oregon Association of Realtors, oppose. Though those groups hadn't singled out the parking reforms for much criticism, they objected to other parts of the package. Meanwhile, various cities have also objected, arguing that the new rules are too prescriptive and would take considerable resources to implement.

But assuming these new rules survive legal challenge, people looking to build new homes and businesses, or dreaming of renovating an older building, can look forward to deciding for themselves how much parking their property needs. In many cases, it will be the first time since the 1950s that property owners are able to do so.

What will this mean for other Oregonians? Probably not much, for a while. But as the years go by, here are five things they might start to notice.

## 1. VACANT BUILDINGS WILL COME BACK INTO USE



Employees celebrate the opening of Atlas the Restaurant in a newly renovated historic building in Fayetteville, Arkansas. Until Fayetteville removed commercial parking mandates in 2015, it would have been illegal to use the building as a restaurant without special permission.

Photo: Atlas the Restaurant. Used with permission.

One of the most visible ways a passerby might notice the elimination of parking mandates is that formerly vacant buildings might quickly get a makeover. Even in small cities like Fayetteville, Arkansas, city leaders are keeping their local economy vibrant by eliminating parking requirements. Keep your eyes on these types of buildings:

**Historic properties:** Buildings constructed prior to parking requirements pose a particular problem for redevelopment. There is often no way these buildings can comply with modern parking mandates without a lengthy and expensive process to get an exception from the city. Oregon's new parking rules bring these buildings back into play.

**Change-of-use properties:** What can someone do with an office building left vacant by a pandemic? Maybe not much, if the parking lot is too small. For decades, cities' zoning codes have defined different parking ratios for nearly every type of business. For example, a retail store might require more parking than an office, and a restaurant more than a retail store. With parking requirements out of the way, business owners who want to adapt will find many more properties available.

# 2. BUSINESSES WILL START SHARING UNDERUSED PARKING LOTS

How does eliminating parking mandates benefit the numerous half-empty parking lots that already exist? Now freed from parking requirements, owners of these lots can start renting out extra space, creating a virtuous cycle that keeps money in the local economy.

These arrangements are already happening in Ecorse, Michigan, a suburb of Detroit, where parking mandates were eliminated in 2020. Nani Wolf, the planning and zoning administrator for the city, shared a recent example where a developer hoped to renovate a historic building as an event space. There was no parking on-site.

The town did not legally require any parking, but the developer didn't want to create a nuisance for neighbors. So Wolf helped connect the developer with an adjacent business with a large parking lot the new event-space owners could rent. "That made turning the obsolete building into a functional building possible," she said.

The cost-sharing helps on multiple levels. First, the new owner doesn't have to pay to construct new parking, saving them anywhere between \$10,000 to \$60,000 per space. It also lets neighboring businesses turn unused parking spots into rental income. This new market for parking spaces keeps money local, explained Wolf. Supporting and attracting new businesses is a top priority for Ecorse, which adopted a new zoning code after the town's top employer, US Steel, announced in late 2019 that its plant would cease operating.

## 3. PROJECTS WILL START CONSTRUCTION FASTER

Mixed-use construction in Portland. Photo: Truebeck Construction. (Creative Commons)

In a city with parking mandates, you'll be sure to find city planners hunched over their desks calculating how many parking spots each new building proposal requires according to the latest zoning code, then comparing that to the number of spaces in submitted plans. If the proposed building comes up short, there are sure to be follow up meetings with the developer, paperwork for variances, and often appearances before the zoning board or city council. That's if everything goes smoothly.

"Parking is always the first thing that comes up with people objecting to the project," said Nick Sauvie, executive director of the Portland-based affordable housing developer ROSE Community Development. When new development is politically contentious, a project might take months or years to win approval from neighborhood groups and public bodies.

A lot of this work can simply disappear once cities decide to get out of the business of inspecting parking lots. This can save time and money for both city staff and developers alike. As Oregon works to double its housing construction over the coming decades to alleviate its severe shortage of homes, reducing delays for things like parking will help.

# 4. CITIES WILL ACTUALLY START DOING SOMETHING ABOUT CROWDED CURBS

In the West End neighborhood of Vancouver, garage spaces sat empty despite chronic shortages of curb parking—until the city raised the price of street parking permits. Photo by Gordon Price of Viewpoint Vancouver.

Spending less time micromanaging private parking lots will still leave city planners plenty to do. Now, they'll be able to focus on a truly public issue: on-street parking.

In most of the United States and Canada, curbside parking is currently a free-for-all. If you can afford to show up alongside almost any street with a \$15,000 machine, you're allowed to occupy that real estate for almost as long as you like, free of charge—no matter if a nearby resident, worker, delivery van, or customer needs it more.

Parking mandates address this problem with the subtlety of a sledgehammer. Annoyed by crowded curbs? No problem, parking mandates say. We'll just make urbanization illegal.

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Oregon's new rules take away the sledgehammer and instead push into local hands a little box of precision tools: time limits, annual permits, meters, loading zones, disability priority spaces. Different tools will fit different situations. That's the whole point.

In some crowded places, meters and permits will also raise public money that can be used to improve walking, biking, or transit.

Meanwhile, in less crowded areas, the current free-for-all will continue to work just fine.

Because buildings take a while to build, Oregon cities will have at least a few years before the new rules have any actual effect on curbside parking. In the meantime, hope and expect that cities will start considering their options. The state land use agency says it's eager to help with both cash and technical information.

"This is where the real work really begins," state planner Kevin Young told the land use commission Thursday. "We're not going to be successful if local governments aren't."

## 5. MORE PARKING LOTS WILL GET BUILT

You read that right.

Despite all this, the Oregon of 2032 will probably have more parking spaces than the Oregon of 2022. The new rules put a few new costs and

But parking reforms like
Oregon's don't actually
presume that a better world

limits on the size of new lots and garages but mostly just within designated "climate-friendly areas." And because cars will remain extremely useful, parking spaces will keep getting built whether they're mandatory or not. is possible. Their work is deeper. They allow better worlds to be possible.



"I applaud the flexibility that this provides to the private sector to provide the parking where it's most needed," LCDC Chair Anyeley Hallova said Thursday.

To those of us who dream of quieter, cleaner, greener, freer cities whose public spaces have been fully reclaimed from cars, it can seem inadequate to just make parking optional. Meanwhile, to those of us who would feel imprisoned without cars and enough parking to make them useful, it can be hard to envision a world where cars are truly less necessary.

But parking reforms like Oregon's don't actually presume that a better world is possible. Their work is deeper. They allow better worlds to be possible.

To reduce dependence on the car, Oregonians still need to make it pleasant to walk and bike, to fund mass transit, to start neighborhood businesses, and to create homes and jobs near one another. If they can't, then today's parking reforms will have little effect one way or another.

Instead, what these reforms do is give Oregonians a better chance to do all those things. They give Oregonians new opportunities to succeed.



## Michael Andersen

**Michael Andersen**, senior housing researcher and transportation lead, has been writing about ways better municipal policy can help break poverty cycles, with a focus on housing and transportation, since 2007. His work before joining Sightline in 2018 included reporting and editing for print and web in Longview and Vancouver, Wash., and Portland, Ore. He and his wife live in Portland with their kid and cat, and park their car in the street. Find his latest research here, email him at michael [at] sightline [dot] org, and follow him on Twitter at @andersem.



## Catie Gould

**Catie Gould**, researcher, writes about climate and transportation policy. She brings a decade of experience in engineering and data analysis into Sightline's efforts to decarbonize our transportation system. Prior to coming to Sightline, she led advocacy work

for better bike and bus infrastructure in Portland and wrote about local transportation issues. Originally from rural Maine, Catie loves exploring new cities on bikes, camping, and reading. Find her latest research here. Email her at catie [at] sightline [dot] org, and follow her at @Citizen\_Cate.

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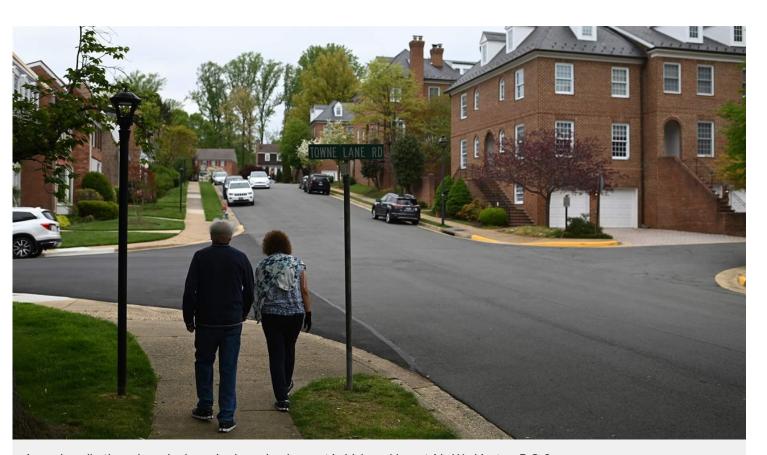
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## **Less Parking Could Mean More Housing**

STATELINE ARTICLE

June 8, 2022 By: Erika Bolstad Read time: 7 min



A couple walks through a suburban mixed-use development in McLean, Va., outside Washington, D.C. Spaces in parking garages can cost up to \$60,000 each to build, while a surface parking space can cost \$20,000—an expense often passed along to homebuyers and renters.

Matt McClain/The Washington Post via Getty Images

PORTLAND, Ore. — Citing environmental concerns and a lack of housing, an increasing number of cities and some West Coast states are reconsidering mandates that all homes, offices and businesses offer a minimum number of parking spots for residents, workers and customers.

Leading the effort is Oregon, which is poised in July to enact permanent statewide land use rules that would allow eight metro areas to eliminate minimum parking requirements for many homes and businesses. Not far behind is California, where the state Assembly in May passed legislation that could have a similar effect on some minimum parking rules statewide, if it's passed by the state Senate and signed into law.

Curtailing parking minimums represents a sweeping shift in American attitudes, particularly in California, a state that glorified and typified car culture—and its accompanying urban sprawl. But in both Oregon and California, eliminating

minimum parking mandates is seen as a way of encouraging compact, climatefriendly communities that address severe housing shortages by making it easier, safer and more affordable to live and work without a car.

The California legislation would prohibit local governments from imposing or enforcing a minimum parking requirement on residential, commercial or other development if the project is within a half-mile walk of public transit. It's sponsored by Democratic state Assemblymember Laura Friedman of Los Angeles.

"The biggest issue in Los Angeles is homelessness, and people don't necessarily jump to saying, 'Well, maybe the amount of parking that we're requiring in our housing projects has something to do with the cost of that housing,'" Friedman said. "And when you lay it out for them, people have a lightbulb moment where they go, 'Oh yeah, of course. That adds to what it costs to build housing."

As in much of the United States, housing shortages in both Oregon and California have led to high home prices, one contributor to the homelessness crisis. In Oregon, studies show the state is short an estimated 111,000 housing units for its existing population, and must build as many as 30,000 homes a year to catch up and to meet population growth. California Democratic Gov. Gavin Newsom's housing department has set a goal of building 2.5 million homes over the next eight years.

Parking lots aren't going away any time soon. But planners and developers have long understood that each parking space adds to building costs, and that parking for homes and businesses is overbuilt nearly everywhere.

One study of American parking trends by the Mortgage Bankers Association found "a lavish amount of parking" in U.S. cities outside of New York City. Parking spaces outnumber homes 27 to 1 in Jackson, Wyoming, the study found. In Seattle, there are 13 people per acre and 29 parking spaces per acre. And Des Moines, Iowa, has 83,141 households and 1.6 million parking spots.

Estimates vary, but many experts suggest that building individual parking spots starts at \$20,000 for those on surface lots and can cost upward of \$60,000 for underground garages, according to the Parking Reform Network, which tracks efforts nationwide to change the culture of parking. The cost of parking gets bundled into the cost of the home or business, or into rent. Parking also takes up space that could be used for housing, particularly in more walkable or bikeable neighborhoods with good access to mass transit.

Advocates for changes in minimum parking requirements, including Sightline, a left-leaning sustainability think tank, also point out that with denser neighborhoods, more people have access to public transit, which becomes more cost-effective and user-friendly because it can serve more people. Fewer surface parking lots means fewer heat islands, paved areas that absorb heat during the day and release it at night. And fewer cars on the road also means fewer greenhouse gas emissions. If the homes, apartments and businesses will be built anyway, advocates say, why not take an approach that weaves sustainability into housing and transportation planning?

"People understand the argument that we need to prioritize housing for people over parking for cars," Friedman said. "If we're going to have to choose one or the other, I'll choose the housing all day long. And it is a binary choice right now."

Doing away with parking minimums is an "easy, really low-hanging fruit to build on," said Tony Jordan, president of the Parking Reform Network, which is based in Portland. "It's very hard to implement other known strategies for housing affordability or for climate action or for reducing traffic if you're mismanaging your parking, or if you're requiring too much of it."

In Oregon, addressing minimum parking mandates is part of a larger set of rules issued by the state's growth management agency this year to slow greenhouse gas emissions and address an affordable housing crisis. The rules developed by the Department of Land Conservation and Development are the result of a 2020 executive order by Democratic Gov. Kate Brown directing state agencies to address greenhouse gas reduction goals adopted by the legislature to fight climate change.

Eight of the largest metro areas in the state, including Portland, must name or establish climate-friendly neighborhoods—typically city and town centers and corridors with high levels of transit. Portland already has rolled back many minimum parking mandates. The rules also require jurisdictions to permit dense housing and mixed-use development even as they limit car-centric land uses.

It's a "comprehensive, integrated approach," said Mary Kyle McCurdy, deputy director of 1000 Friends of Oregon, an anti-sprawl advocacy group with significant influence on land use and environmental matters in the state.

"If you have more compact, walkable, mixed-use areas and you eliminate or reduce those off-street parking requirements, people drive less," McCurdy said. "They might not need to own that second car. Or a car at all. And they certainly use it less often and drive fewer miles. So it's kind of a win-win all around on housing affordability and climate."

Yet many city and county officials outside of Portland remain skeptical, as do business and trade groups. Many cities called on Oregon's Department of Land Conservation and Development to hold off on officially enacting the parking and land use rules until they had more assurance of funding to help plan for the changes.

The Oregon Home Builders Association, the League of Oregon Cities and the Association of Oregon Counties along with the Oregon Home Builders Association, Oregon Realtors and the Oregon Restaurant and Lodging Association and the Farm Bureau all logged objections.

The Oregon Farm Bureau said its members are concerned that the climate-friendly policies will encourage, if not mandate, development patterns that fail to take into consideration how communities are connected through Oregon's road network. The policies may result in reduced road capacity, which could preclude trucks entirely, or increase congestion so much that the trucking industry "will no longer

be able to provide efficient and economic service," wrote Mary Anne Cooper, vice president of government and legal affairs for the Oregon Farm Bureau.

"Not only does freight need our state highway system to move goods, it also needs local streets to traverse the 'last mile' to get freight to its final destination," Cooper wrote. "At a time when our nation is dealing with a crippling supply chain crisis and greater potential for food insecurity nationwide, the congestion caused because of this will further increase delivery times and emissions due to idling in traffic."

The parking mandate discussion can be an entry point to difficult conversations about the effects of car-dominated American life on housing costs and the climate, said Daniel Herriges with Strong Towns, an advocacy organization that studies the effects of post-war North American development patterns.

Oregon's longstanding state laws addressing urban growth make it easier to enact statewide planning changes, but most shifts in parking policy are happening on a city, not statewide, planning level, Herriges said. Cities as disparate as Buffalo, New York; San Diego; Hartford, Connecticut; and Fayetteville, Arkansas, have embraced the movement, widely credited to the 2005 publication of "The High Cost of Free Parking" by the UCLA urban planning scholar Donald Shoup.

Fayetteville, which in 2015 ended minimum parking requirements on all commercial properties, appears to be the first city in the nation to have done so. The move came after planners noticed that minimum parking requirements made it challenging for investors to redevelop some long-vacant downtown properties, which sat on small lots in the city's walkable historic district, adjacent to the University of Arkansas.

When Fayetteville gave commercial property owners the ability to decide the minimum amount of parking necessary, the changes were "anticlimactic," said Jonathan Curth, the city's development services director, who inherited the program from the previous planner. There was no sudden downtown parking shortage—nor was there a rush on new development. Gradually, though, underused properties got turned into active businesses.

The city's zoning codes do have maximum parking: For example, developers who want to exceed them must justify their requests or compensate for the additional heat islands by planting more trees.

"It's hard for people to envision how else the process of getting around your city might look," said Herriges of Strong Towns. "You can see that very clearly in any American suburb today where you go to a Walmart store and the parking lot is bigger than the store itself. Everything about the way that store is configured, the way it's accessed, how it sits on its land, it's all sort of dictated by the parking. Even in urban areas, the form of development that happens in urban contexts is dictated by the parking."

And yet there's tremendous potential in changing parking habits, Herriges said, because it's the biggest determinant of American urban land use patterns. Doing away with parking minimums may be the biggest impediment to creating walkable,

urban places with more affordable housing options, he said. But it'll be a long time before it's the mainstream option.

"Most Americans drive to most places, and that's going to be true 20 years from now, there's just no way it isn't," Herriges said. "But we desperately need to make the alternatives more available to more people and at a price point that's available to more people. Parking is the biggest obstacle standing in the way of that."

#### STATELINE ARTICLE

June 8, 2022

Topics: Economy & Transportation
Places: Arkansas, California & Oregon



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PLANNING MAGAZINE

## A Business Case for Dropping Parking Minimums

In the smallest of towns and the biggest of cities, these new zoning reform policies help boost small businesses, promote housing development, and put people over parking.

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#### INNOVATIONS (/PLANNING/SECTION/INNOVATIONS/) PARKING



Changing parking minimums can support economic development and sustainability. Photo by eyfoto/iStock/Getty Images Plus.

### June 1, 2022

By JEFF SPIVAK

Auburn, Maine, is a quaint, picturesque river town dating back to the 18th century, with a Main Street historic district of Victorian-era homes. There's also a riverwalk, a hockey arena, and even a mall. But like lots of smaller towns all over America, COVID ravaged some of its businesses. A Ruby Tuesday restaurant closed. So did a locally owned brunch place. And a Chinese buffet. And a French café. And others.

Something had to be done to replace the restaurants and encourage new businesses.

So in June 2012, this city of 24,000 people eliminated all minimum parking requirements for commercial developments, thus reducing upfront costs for new businesses and expansions. It had an immediate impact. Later that autumn, the Olive Garden restaurant chain looked to open in Auburn and eyed the Ruby Tuesday's site, but the company wanted to build more square footage. Under the old parking regulations, Olive Garden would have had to supply more parking spaces. But now it didn't. The deal was done and approved.

"With COVID, we were searching [for] any way that could help businesses," says Eric Cousens, Auburn's longtime planning director. "This worked for us, and it's setting us apart from other communities."

Indeed, municipal parking reforms to reduce or eliminate parking minimums are such a major movement now across the U.S. that they're even spreading and taking off in small town America.

"It's such a small but significant step that any city can take to reduce development costs and encourage more commercial and residential growth," says Rachel Quednau, program director at a Minnesota-based nonprofit called Strong Towns that focuses on sustainable community initiatives such as parking reform. "I don't think there's any small town in America that doesn't want more businesses."

## 'A tidal wave'

To quantify the nationwide movement to reduce or eliminate parking minimums, a couple of advocacy groups — <u>Strong Towns (https://www.strongtowns.org/)</u> and the Portland, Oregon-based <u>Parking Reform Network (https://parkingreform.org/)</u>, made up of planning professionals — collaborated to <u>compile a list (https://parkingreform.org/resources/mandates-map/)</u> of all the North American cities that have implemented or proposed parking minimum reforms in certain districts (like a downtown) or citywide.

The early-adopter big cities that were at the forefront of the parking minimums movement are all there: Buffalo, New York; Minneapolis; Portland; San Francisco; Seattle. So are the most recent big cities to join the movement: Boston; Raleigh, North Carolina; San Diego. Overall, a recent version of the Strong Towns–Parking Reform Network list contained 73 cities with populations of at least 200,000 people.

Parking Reforms in Big and Small Towns



Places of all sizes are eliminating parking minimums, whether it's just downtown or throughout the whole city. An <u>interactive map</u> (<a href="https://parkingreform.org/resources/mandates-map/">https://parkingreform.org/resources/mandates-map/</a>) from the Parking Reform Network allows users to not just see where reforms are happening, but also click through to read the details about local parking regulations (users can submit data, too). Of the 200 or so communities on the map, more than half have populations of under 100,000.

The compilation of parking minimum reforms contained even more locales — more than 130 — with populations under 100,000. There are college towns, industrial cities, metropolitan suburbs, rural hamlets, retiree hubs, and resort communities. Some 40 states are represented, and Florida, Idaho, Minnesota, North Carolina, Ohio, and Washington have five or more communities on the list. It's a geographic cross-section of rural and suburban America.

"I've been surprised at how many there have been," says Tony Jordan, president and cofounder of the Parking Reform Network. "It's been a tidal wave."

Smaller cities may not have the same congestion issues or transit alternatives as big cities, but they're pursuing parking minimum reforms for some of the same reasons — to promote downtown and commercial development, reduce barriers to small business growth, and encourage more housing.

That potential is certainly what's led Cutler Bay, Florida, down the path of parking minimum reforms. A town of 45,000 people and eight senior living facilities, the <u>AARP "age-friendly" community (/planning/2020/dec/age-friendly-rural-planning/)</u> south of Miami has had a waiting list for senior units for years.

Town officials talked to developers about what was holding them back. One common refrain: parking costs. So, in 2019, the town reduced parking minimums for senior housing, cutting the requirements in half from two spaces per unit to one. This move immediately led to a 99-unit senior project proposal.

Now Cutler Bay is doubling down on parking reform. A new metro bus rapid transit line is being built on the edge of town, and in April 2022, the town council passed new reductions in parking minimums for mixed-use and multifamily developments in a special transit zone.

"This is the town's way of incentivizing development," says Town Manager Rafael Casals.

## Benefits of reforms

So what's so wrong with parking minimums, anyway?

Parking minimums tend to be controversial because they can be inconsistent and unpredictable. The requirements in one city aren't necessarily the same in another city. And some standards aren't always efficient, such as locales dictating two spaces per chair at a barber shop when a barber's chair can only hold one person at a time.

In today's age of environmental sustainability concerns, there's also more awareness about the spatial costs of parking — the fact that suburban parking lots can be larger than the square footage of the buildings they serve, and a string of downtown parking lots can look like a mouthful of missing teeth on the face of a walkable public realm. There can also be water quality costs, as rainfall lands on all that asphalt and then runs off into nearby waterways or storm sewers, taking oil and other surface contaminants with it.

Then there are the direct costs of building parking — estimated by industry analysts at roughly \$5,000 per surface space and up to \$50,000 per space in multilevel garages. This of course escalates the costs of real estate developments, sometimes to a point of making a project financially unfeasible.

"Parking requirements do so much harm," says Donald Shoup, FAICP, a distinguished urban planning professor at the University of California, Los Angeles, and a longtime evangelist for parking reforms, as the <u>author of several books on the issue (https://www.routledge.com/search?author=Donald%20Shoup)</u>. "They add costs to the building of housing, and they increase the usage of cars and greenhouse gas emissions. They seem to work against almost everything that planners want."



**With Minimums: Inefficiencies.** Locales dictate two spaces per chair at a barber shop when a barber's chair can only hold one person at a time. Photo by stefanamer/iStock/Getty Images Plus.



**With Minimums: Higher Costs**. Requirements can add roughly \$5,000 per surface space, according to the National Parking Association. Photo by ideabug/iStock/Getty Images Plus.

Even the National Parking Association (https://weareparking.org), the industry's trade group of parking operators, now supports reducing or eliminating parking minimums (https://weareparking.org/page/land-use-zoning) and instead favors allowing communities and developers to make market-based decisions on parking supply and demand.

But do parking minimum reforms actually produce their expected benefits? So far, there hasn't been much research on this topic, but some new studies have begun to be published that appear to answer that question with an emphatic "yes."

In Seattle and Buffalo, separate groups of academic researchers in 2020 and 2021, respectively, found that after policy changes concerning parking minimums, a large portion of developers did build less parking than previously required, and they particularly took advantage of the cost savings to build mixed-use projects. And in San Diego, another group of academic researchers in 2021 found that in the first year after parking reforms, proposals for affordable housing units <a href="https://cal.streetsblog.org/2021/05/19/parking-requirements-are-not-a-useful-bargaining-chip-for-increasing-affordable-housing/">https://cal.streetsblog.org/2021/05/19/parking-requirements-are-not-a-useful-bargaining-chip-for-increasing-affordable-housing/</a>) jumped fivefold.

Bottom line, these studies indicate that more commercial and residential development occurred after parking reforms than would have happened without the reforms.

As the Buffalo researchers — planning professors from the University at Buffalo — wrote in the Journal of the American Planning Association article "Minus Minimums" (/blog/9228532/driving-change-through-parking/) last year, "Cities of all types stand to benefit (https://www.tandfonline.com/doi/full/10.1080/01944363.2020.1864225) from undoing constraining parking policies of the past and allowing developers to transform parking lots into 'higher uses.'"

## **Smaller-city experiences**

But all that parking research so far is from bigger cities. Can the same impacts occur in smaller towns? A couple of experiences in different parts of the country are already showing it can.

The college town of Fayetteville, Arkansas, is believed to be one of the first cities in the U.S. to have eliminated parking minimums citywide, which it did in 2015 for commercial properties. In the seven years since, Fayetteville officials don't claim that it spurred a frenzy of new development or redevelopment. But they do maintain it led to some projects that likely wouldn't have happened otherwise.

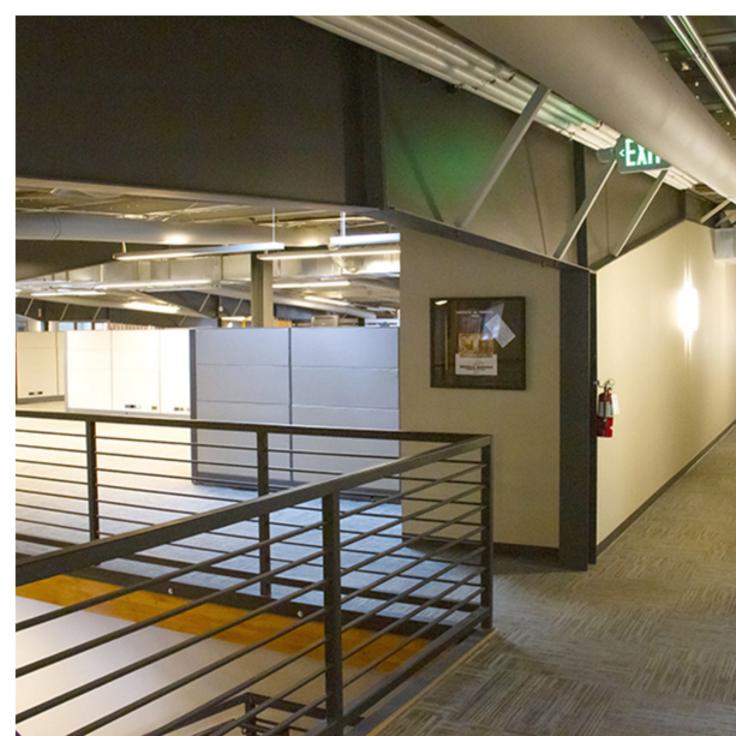
Take the Feed & Folly restaurant just off the downtown square. Its owners took over a building that had been vacant for decades, but the parking lot only had room for a half-dozen cars — some 30 less than the city's old parking regulations would have required. But under the new rules, it was able to open in 2020 while adding just a handful of parking spaces, and it instantly became a buzzworthy hotspot with its rooftop bar.

Similarly, Matthew Petty was on the Fayetteville City Council when the parking minimums reform was passed, and as a planning consultant and developer, he eventually wanted to take advantage of the rule change. He and his partners developed what's called 495 Prairie, a three-story project with nine apartments on upper floors, plus offices, a craft beer bar, and a smoothie shop at the street level. The project built just nine parking spaces — less than half of what would have been required before 2015.

"We wouldn't have been able to do mixed-use without the new parking policy," Petty says.



**Without Minimums: Vacant Buildings Occupied.** In Fayetteville, Arkansas, reducing the required spots from more than 30 to eight allowed one small business to turn a vacant building into a buzzy downtown hot spot. Photo courtesy of <u>Feed and Folly (https://feedandfolly.com/)</u>.



Without Minimums: Tax Revenue Increases. In Sandpoint, Idaho, dropping the minimums encouraged tech company Kochava (<a href="https://www.kochava.com/">https://www.kochava.com/</a>) to renovate an old lumber storage facility, resulting in a tax value assessment increase of more than \$2 million. Photo courtesy of Riley Emmer/Kochava.

A thousand miles from Fayetteville, a town in Idaho called Sandpoint experienced some of the same benefits from parking minimums reform.

Sandpoint is a resort town with less than 10,000 residents that swells with visitors who come for its lake, beach, and nearby skiing in pine forests. The town first did away with parking minimums for its downtown in 2009. Nine years later, it reduced the minimums citywide. Why? To make building renovations and redevelopments more affordable for small business startups.

Aaron Qualls, AICP, saw it all. From 2010 to 2021, he served as a planning commissioner, city planning director, and a city councilmember in Sandpoint, and he documented what he called "success stories made possible by parking reform." There was MickDuff's Brewery that remodeled an old library and Pend d'Oreille Winery that took over a vacant old furniture store. A tech startup renovated a dilapidated lumber supply building. And on and on — and Qualls says they wouldn't have happened under the old parking requirements, because local business startups often don't have extra capital to devote to parking.

"We've always assumed that more parking is better," says Qualls, now a project manager and planner for SCJ Alliance, an engineering and planning firm, "and what we found in Sandpoint is that's not always the case."

## The lesson: A flexible policy

The countrywide parking reform movement is, of course, not a single-issue crusade. Boston and San Diego have also established parking maximums, or limits on how many spaces a new development can provide in transit-accessible neighborhoods. Los Angeles and Washington, D.C., have technology-driven programs that adjust parking rates based on demand (/planning/2021/summer/8-ways-to-launch-your-parking-strategy/), like higher rates during the morning commute. And Chicago; Kansas City, Missouri; Philadelphia; and several other cities have allowed businesses and neighborhoods to repurpose on-street parking spaces into restaurant seating, parklets (/planning/2017/jul/parklets/), and other public gatherings during the pandemic. In many cases, those temporary changes are becoming permanent (/planning/2021/spring/our-post-pandemic-future-could-be-a-lot-less-car-centric/).

But parking minimums are by far the most popular form of parking reform — they're even spreading to state legislative efforts in California, Connecticut, and Oregon — and they're usually the focus of smaller-town policies.

In Jackson, Tennessee, an industrial hub of 68,000 people, leaders are trying to encourage more infill development. Eliminating parking minimums for commercial projects last October was "an easy decision," Mayor Scott Conger says, because it didn't require any government funding or subsidies.

Nevertheless, it's not always an easy plunge for smaller cities to take.

Proposals to reduce or eliminate parking minimums are sometimes met with skepticism and apprehension in smaller towns. There, people are used to parking right by a store's front door. "There still is trepidation in these communities," says Carl Schneeman, managing principal of Walker Consultants, a Minneapolis-based parking design and planning firm that works with cities of all sizes. "A lot of them simply fear a change."

And it usually turns out that such fears are overblown and don't come to pass. "Every time these reforms are put in, people go to meetings and say, 'This is going to be terrible.' And it never is," says Parking Reform Network's Jordan. "The sky doesn't fall."

If there's a lesson for how smaller communities can avoid or lessen such fears of parking minimums reform, it's by providing flexibility in the new policy. That is, don't necessarily apply the reduced parking standards to all types of properties or all parts of town. Be targeted in the approach.

That's what Auburn and Fayetteville did, applying reduced parking standards for commercial projects. Same with Cutler Bay, which lowered parking minimums first for senior housing only, then for mixed-use and multifamily developments in a transit zone. And the city of Alameda, California, was one of the latest communities to officially join the movement, <u>passing an ordinance (https://alameda.legistar.com/LegislationDetail.aspx? ID=5206101&GUID=429C9828-DBAE-483F-8696-D0D9B13E21A2)</u> that eliminated parking minimums citywide in November 2021.

In Alameda, the Planning Board for years had been passing parking variances to reduce parking spaces for new projects. So the decision to eliminate minimum standards simply reflected the community's evolving attitude toward parking, plus the realization that this city — an island without room to sprawl — needed more room to devote to new housing growth.

"We have space for people and more buildings," says Andrew Thomas, AICP, director of the city's Planning, Building, and Transportation department. "We don't have space for more automobiles that need to be stored.

"We've come a long way."

Jeffrey Spivak, a market research director in suburban Kansas City, Missouri, is an award-winning writer specializing in real estate planning, development, and demographic trends.

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