

DATE: January 28, 2021
TO: City of Ashland and Department of Land Conservation and Development
FROM: Sadie DiNatale, ECONorthwest
SUBJECT: Ashland Housing Capacity Analysis: Meeting Notes from the Joint Planning Commission and Housing and Human Services Commission Meeting

Ashland Housing Capacity Analysis

Joint Housing and Human Services Commission and Planning Commission Meeting Notes

The City of Ashland's Planning Commission and Housing and Human Services Commission (HHSC) met virtually on January 28, 2021 (4:30 PM – 6:30 PM) for a joint study session regarding Ashland's Housing Capacity Analysis. ECONorthwest facilitated the meeting, using the City of Ashland's Zoom account. The City of Ashland recorded the meeting.

Meeting presenters and attendees included: Beth Goodman, Sadie DiNatale, Brandon Goldman, Bill Molnar, Linda Reid, Heidi Parker, Jackie Bachman, Liz Hamilton, Linda Reppond, Echo Fields, Chris Mahan, Rich Rohde, Leda, Gina DuQuenne, Paula Hyatt, Lisa Verner, Lynn Thompson, Haywood Norton, Alan Harper, Roger Pearce, and Michael Dawkins.

Notes outlined below provide a high-level summary of the meeting, organized by agenda item. Notes are focused on Committee member's thoughts and feedback.

Overview of the Project

Beth Goodman provided a brief overview of the project, discussing the purpose of the project and the primary components of the project.

Overview of the Housing Capacity Analysis and Discussion of Key Assumptions

Beth Goodman provided an overview of the Housing Capacity Analysis, presenting the results of the updated buildable lands inventory as well as key housing market characteristics, socio-economic trends, and affordability factors.

Comments and questions from the Commissioner's included:

- When talking about rental cost burden and income, what data are you looking at? ECONorthwest uses data from the U.S. Census Bureau which considers gross rent and utility costs and household income. Similarly, cost burden for homeowners considers mortgage payment, property taxes, and household income.
- The data shows what people think understand to be true: that there is not enough affordable, rental housing in Ashland. As we go forward, are we going to consider programs and other ways to address Ashland's housing issues? Yes, but it depends on what actions the community is willing and able take. Options include regulatory

changes, housing programs to support residents and residential development, funding tools, etc. This project will propose some strategies the City could take to address its housing needs, but ultimately the City will need to implement what they think is right for the community.

- Can a copy of the PowerPoint presentation be provided? Packet materials and PowerPoints for all meetings of this project are all available online: www.Ashland.or.us/HCA2021.

Beth Goodman continued to present Ashland's housing forecast for the 2021 to 2041 period, including the forecast of housing need by income and by housing type (displaying two different housing mix scenarios). Then, Goodman presented Ashland's preliminary land sufficiency analysis results for the two housing forecast scenarios.

Comments and questions from the Commissioner's included:

- Ashland anticipates growth in senior housing as well as growth in duplex, triplex, and quadplex housing types. Plex housing types often have stairs and are not always accessible housing options for seniors. Should the analysis support these kinds of housing types? The analysis is also looking at single-family housing, including cottages and other types of housing which can be single-story. Some multifamily housing may also have elevators. Encourage a wide variety of housing is important to meet a wide range of the community's housing needs; however, the Planning Commission can be cognizant of accessibility issues when they are approving new developments.

Discussion: Strategic Issues and Actions

Beth Goodman discussed the factors that influence housing development. Then, Goodman introduced Ashland's draft strategic priorities to address the city's housing needs.

Comments and questions from the Commissioner's included:

- Some of the data is depressing because Ashland has a lot in in-migration and many households cannot afford to live and work in Ashland. Ashland has a tremendous need for more affordable housing, given its unhoused communities and issues around housing displacement due to wildfire damage. The City needs to look at its land use practices and policies to identify new ways of supporting affordable housing.
- Ashland has lack of affordable housing and the City needs to work with developers to address this issue. Many people in Ashland are rent burdened and utility costs are increasing. Many people – especially younger people – cannot afford to live in Ashland because rent and utilities are so expensive. Land in Ashland's transit triangle should be used wisely, such as for vertical housing. Ashland needs to incentive builders and developers to build affordable housing in Ashland.
- A strategy that may provide a large impact include use of housing trust fund and Community Development Block Grant (CDBG) funding to incentive lower-income

housing. Need more money in housing trust fund (need to identify more sources) to continue to incentivize this. Ashland could look to implementing a Construction Excise Tax on new development. The City could also consider an inclusionary zoning strategy for lands newly entering the UGB or lands that received a zone change.

- Ashland should continue to do innovative development at the planning level to open up opportunities. (Ashland’s cottage housing ordinance is a recent example of this). Ashland should look at policies that provide developers with more flexibility, such as allowing property owners to add a second kitchen to an existing unit. Ashland could begin building vertically, evaluating creative ways to incentivize development through code changes, and evaluating funding sources to build infrastructure that supports housing development.
- The market price of land in Ashland is so expensive. How can we explore economies of scale on single lot? Consider height requirements.
- Are there policies that Ashland can further explore, such as capping rent that is overly burdensome? Ashland needs to help renters as the cost of rent continues to escalate.
- Ashland should focus on all types of housing – affordable and middle-income housing types. Ashland could evaluate strategies to address UGB areas with very costly infrastructure needs and/or challenging development patterns. Ashland could address “low hanging fruit” by increasing residential densities, decreasing parking requirements, and increasing lot coverage ratios in areas that could redevelop (such as along transit corridors).
- Ashland has been large lots with single-family detached housing. As people’s lives and household compositions change, Ashland could consider a public campaign to encourage residents to convert their larger homes into smaller multifamily opportunities. This could increase housing in the community, including more affordable housing. Ashland could also encourage property owners to develop attached and detached accessory dwelling units. Ashland also needs to support tiny homes and manufactured homes. Construction excise tax could be a double-edged sword—could this tool be targeted to luxury homes as to not pose additional barriers to the development of affordable housing.
- In-migration from California is a challenge to keeping Ashland affordable. Could Ashland consider an inclusionary zoning policy, like the kind that California imposes? Ashland should focus on the transit triangle and the New Normal Neighborhood – why is nobody developing there? The City should not just consider opportunities for the future, but they should look back and evaluate measures recently implemented to gauge if they worked or not. Parking is a problem, but if you mess with the standards, parking can also become a problem.
- Ashland should consider an inclusionary zoning policy, similar to California’s.
- Consider opportunity for seniors who are living alone in large homes. There may be opportunities to divide large homes into apartments (duplexes, triplexes). Ashland

could consider a model implemented in Netherlands, where students are paid to live with seniors. Ashland needs to address impact due to the wildfires and fire safety measures. If Ashland looks to expanding the UGB or supporting infill, strategies are need to address transportation infrastructure. This might not be largely impactful, but Ashland could consider sure an excise tax on second homes or seasonally vacant homes.

- Ashland could explore the home conversion suggestions previously described and the construction excise tax.
- Ashland should address homelessness.
- Ashland has made incremental steps in the right direction. It would be interesting to estimate the impact of all of the recent incremental actions adopted over the last five or so. The Planning Commission has seen an uptick in smaller units (some concern about this continuing to limit opportunities for families).
- Ashland should consider processes for community involvement, such as breakout sessions with the public to reduce NIMBY-ism. The City should reach out to people that are not the usual suspects, such as people under 60 and students.

Discussion: Open House

Beth Goodman mentioned that due to the COVID-19 pandemic the planned public meeting will instead be developed as an on-line virtual open house which will include a survey to gather feedback from residents and stakeholders.

Comments and questions from the Commissioner's included:

- Distribute the survey to the school board and parent teach association. Ask these groups to promote the survey to their members.
- Distribute the survey to various groups and use of ordinary language.
- Consider a survey question about people housing preferences (including desire for a home with a yard).
- The community may have great ideas to address Ashland's housing needs, but unless we can find developers to build it, the community will continue to struggle meeting its needs. The survey should be distributed to development community.

Next Steps

As a next step, ECONorthwest will refine Ashland's Housing Capacity Analysis and Housing Strategy. The Planning Commission's next meeting about the Housing Capacity Analysis and Housing Strategy is scheduled for March 23, 2021 from 7:00 – 9:00 PM. HHSC's next meeting about the Housing Capacity Analysis and Housing Strategy is scheduled for March 25, 2021 from 4:30 – 6:30 PM.

The meeting concluded at 6:28 PM.