

# REVIEW DRAFT

## BEFORE THE CITY COUNCIL CITY OF ASHLAND, JACKSON COUNTY, OREGON

December 15, 2020

In the Matter of Planning Action PA-L-2020-00009	)	FINIDNGS OF
Relating to Ordinance No. 3195, Amending Chapters	)	FACTAND
18.2.3, 18.2.5, 18.5.8, and 18.5.9 of the Ashland Land	)	CONCLUSIONS OF
Use Ordinance Regarding Conversion of Multi-Family	)	LAW
Rental Housing into for For-Purchase Housing,	)	
Affordable Housing Standards, and approval Standards	)	
for Zone Changes and Annexations.	)	

### PURPOSE:

The ordinance amendments are proposed for a variety of reasons including provision of a clear and predicable methodology for calculating maximum rent and purchase prices for covered affordable housing units; incentivizing affordable housing production through removing barriers to coordination between non-profit and for-profit housing developers; achieving a mixture of unit types commensurate with community housing needs; and improving administrative efficiency and effectiveness of the affordable housing program.

The purpose of the findings in this document are to demonstrate that the ordinance amendments proposed in PA-L-2020-0009 are consistent with Statewide Planning Goals (Goals), Oregon Revised Statutes (ORS), Oregon Administrative Rule (OAR) requirements, and the City of Ashland Comprehensive Plan (Plan).

### PUBLIC HEARINGS:

A public involvement process was undertaken to understand the existing housing and demographic conditions within the community, and to develop and refine the affordable housing standards within the Ashland Land Use Ordinance. In total there have been six (6) public meetings, including two (2) stakeholder meetings with non-profit and market rate housing providers. Through this process members of the general public, occupants of affordable housing units, appointed Commissioners, and the City Council have informed the development of the land use ordinance amendments contained in Ordinance No. 3195.

The Housing and Human Services Commission held a public hearing on September 24<sup>th</sup>, 2020, and a study session on July 23, 2020. The Planning Commission held a public hearing on October 27<sup>th</sup>, 2020 and held a study session on March 10,2020. The City Council held a public hearing on November 17<sup>th</sup>, 2020 and held a study session on July 20,2020.

Newspaper notices were published in accordance with AMC 18.5.1.070.D.3 in the Ashland Tidings on October 16, 2020 prior to the October 27<sup>th</sup> Planning Commission public hearing and the November 17<sup>th</sup> City Council public hearing and first reading of the ordinance. Notice of a proposed change to land use regulations within the Ashland Land Use Ordinance was sent to the Oregon Department of Land Conservation and Development on September 8, 2020.

### **REVIEW CRITERIA**

The decision of the City Council together with the recommendation by the Planning Commission was based on consideration and findings of consistency with the following factors.

- A. Consistency with City of Ashland Requirements for Legislative Amendments in AMC 18.5.9.020.B
- B. Consistency with City of Ashland Comprehensive Plan and other applicable City of Ashland Goals and Policies
- C. Consistency with Oregon land use laws.

### **EVALUATION AND COUNCIL FINDINGS:**

The City Council considered the public testimony and written comments provided at the public hearing.

The City Council finds the proposed amendments to the Ashland Land Use Ordinance in Ordinance No. 3195 are supported by the minutes from the Housing and Human Services Commission and Planning Commission public hearing minutes, the Planning Staff Report dated October 27, 2020, public comments received, staff presentations, and other material in the record.

- A. ***Consistency with City of Ashland Requirements for Legislative Amendments in AMC 18.5.9.020.B.***
- B. Type III. It may be necessary from time to time to make legislative amendments in order to conform with the Comprehensive Plan or to meet other changes in circumstances or conditions. The Type III procedure applies to the creation, revision, or large-scale implementation of public policy requiring City Council approval and enactment of an ordinance; this includes adoption of regulations, zone changes for large areas, zone changes requiring comprehensive plan amendment, comprehensive plan map or text amendment, annexations (see chapter 18.5.8 for annexation information), and urban growth boundary amendments. The following planning actions shall be subject to the Type III procedure.
  - 1. Zone changes or amendments to the Zoning Map or other official maps, except where minor amendments or corrections may be processed through the Type II

- procedure pursuant to subsection 18.5.9.020.A, above.
2. Comprehensive Plan changes, including text and map changes or changes to other official maps.
  3. Land Use Ordinance amendments.
  4. Urban Growth Boundary amendments.

AMC 18.5.9.020.B permits legislative amendments to meet changes in circumstances and conditions. The ordinance amendments to the Ashland Land Use Ordinance (ALUO) simplify methodology by which affordable housing rents and purchase prices are determined, allow greater flexibility in siting and design of affordable housing units required through annexations and zone changes, clarify that provision of affordable housing on a site is not subject to certain density requirements, and simplifies the annexation process for residential developments. These changes are intended to remove barriers to development of qualified affordable housing development to help increase housing options.

The Council finds that the affordable housing standards established in 2006 are no longer reflective of existing housing market conditions, household demographics, and development constraints within the City and Urban Growth Boundary, and that the ordinance amendments will assist in facilitating the development of needed housing.

The City Council finds and determines that the Ordinance No. 3195 amendments to Chapters 18.2.3, 18.2.5, 18.5.8 and 18.5.9 are consistent with the requirements for Legislative Amendments in AMC 18.5.9.020.B.

***B. Consistency with the Ashland Comprehensive Plan and other applicable City of Ashland Goals and Policies***

The City's Comprehensive Plan was acknowledged by the State of Oregon. The City follows the post-acknowledgement plan amendment (PAPA) process to update the Plan with new state and regional regulations as necessary and relies in part upon these prior state review processes to demonstrate compliance with all necessary requirements.

The ordinance amendments of PA-L-2020-00009 are consistent with the Ashland Comprehensive Plan. The Housing Element of the Ashland Comprehensive Plan was amended and acknowledged in 2019 and includes the following goals which are applicable to the ordinance amendments:

*Goal 1: Ensure a range of different dwelling types that provide living opportunities for the total cross section of Ashland's population.*

The Council finds that the ordinance amendments provide greater flexibility in the siting and housing types permissible for affordable housing units. These changes will better provide for a mix of housing types that are attractive and affordable to a diversity of ages, incomes, household sizes, and household types.

*Goal 2 : Support the creation and preservation of housing that is affordable to low and moderate income households and that is commensurate with the incomes of Ashland's workforce.*

The Council finds that the ordinance amendments relating to the required terms of affordability (60 years for multi-family rentals, and 30 years ownership units) encourages the preservation of affordable housing to avoid the net loss of safe, healthy, affordable housing. The Council finds that the ordinance amendments provide greater opportunities for needed rental housing that is affordable to households earning 80% the Area Median Income (AMI), and that the flexibility provided to allow a 30 year term of affordability for affordable ownership units, and fixed rate appreciation for calculating resale prices, provides greater opportunities for ownership housing for households earning 80%, 100% and 120% AMI.

The Council finds that the ordinance amendments relating to the eligible transfer of land to a non-profit affordable housing provider will facilitate cooperation between for-profit and non-profit affordable housing providers in developing low- and moderate-income units in Ashland.

*Goal 3: Encourage the development of housing in ways that protect the natural environment and encourage development patterns that reduce the effects of climate change.*

The Council finds that the ordinance amendments relating to calculating the requisite affordable housing density of a development, to allow exclusion of environmentally sensitive areas, allows a development to fit the topography and generally follow the concept that density should decrease on physically and environmentally constrained lands. The City of Ashland's adopted *2017 Climate Energy Action Plan* further identified that regulation of new housing development to be more resilient to climate change impacts was considered beneficial to the community and preservation of natural areas supports the resilience of the community. The ability to transfer a site's allowable density onto developable portions of a property further maximizes existing land resources, and conserves habitat and environmentally sensitive areas.

*Goal 4: Forecast and plan for changing housing needs over time in relation to land supply and housing production.*

The Council finds that the existing requirement that residential annexation proposals demonstrate that there is currently less than a 5-year supply of land within the City Limits as a criteria of annexation can create an obstacle to annexing land within the UGB for housing. The Council finds removing this requirement, and clarifying that provision of affordable housing satisfies a public need, will facilitate annexation of residential lands within the Urban Growth Boundary to provide for needed housing. Removal of this requirement was a recommendation of the Ashland Housing Strategy Implementation

Plan which was presented to the City Council in May of 2019 which explained that the 5-year supply requirement could contribute to higher land costs and greater difficulty in locating sufficient land area for larger housing developments.

**C. Consistency with Oregon land use laws.**

**Statewide Planning Goal 1 -**“Citizen Participation” *“To develop a citizen involvement program that insures the opportunity for citizens to be involved in all phases of the planning process.”*

The actions taken by this ordinance do not amend or affect Ashland’s state acknowledged citizen involvement program. Therefore, Statewide Planning Goal 1 does not directly apply to these City actions. The City’s citizen involvement program was adopted into the Ashland Land Use Ordinance (Chapter 18.5.9) which includes a formal land use review procedure with public notification, meetings and hearings. The public engagement actions for the land use regulation changes were completed consistently with the acknowledged citizen involvement program to ensure that citizens had opportunities to be involved in the process. Therefore, the amendments are consistent with Goal 1. Based on the information contained within the record, and facts and findings in support of the proposed land use ordinance amendments, the City has conducted the planning process in compliance with Ashland’s adopted review procedures and in compliance with statewide planning Goal 1.

**Statewide Planning Goal 2:** “Land Use planning” This goal is to establish a land use planning process and policy framework as a basis for all decisions and actions related to use of land and to insure an adequate factual basis for such decisions and actions. The City of Ashland Comprehensive Plan and its implementation measure, the Ashland Land Use Ordinance, was adopted by the Ashland City Council after public hearings and acknowledged by the Department of Land Conservation and Development. Opportunities for review and comment by citizens and affected governmental units were provided during preparation, review, and revision of the plan and implementing ordinances. The land use ordinance amendments are integrated and consistent with the planning process and policy framework; specifically, the amendments further compliance with existing policies to support the inclusion of affordable housing created through annexations and zone changes. Therefore, the amendments are consistent with Goal 2.

**Statewide Planning Goal 3:** “Agricultural Lands” The areas affected by the land use ordinance amendments are located within the City’s Urban Growth Boundary. The area is currently designated for urban development and will remain as such. No agricultural lands will be affected by the amendments. Therefore, Goal 3 is not applicable.

**Statewide Planning Goal 4:** “Forest Lands” The areas affected by the land use ordinance amendments are located within the City’s Urban Growth Boundary. The area is designated for urban development. Moreover, the affected areas do not contain any designated forest lands. Therefore, Goal 4 is not applicable.

**Statewide Planning Goal 5:** “Open Spaces, Scenic and Historic Areas and Natural Resources” The land use ordinance amendments do not directly authorize any development inconsistent with the aesthetic nature of the sites, there is no impact on such open space, scenic, or historic resources. The amendments proposed primarily address the type of housing, period of affordability, and methods for calculating affordable rents and ownership amounts. As such the nature of development and potential impacts upon open space, scenic and historic resources would be unchanged from the existing standards. Further, as no Historic Resources are identified within the areas outside the City Limits, yet within the urban growth boundary, amendments to the Annexation standards will have no impact on historic resources. Therefore, the land use ordinance amendments are consistent with Goal 5.

**Statewide Planning Goal 6:** “Air, Water and Land Resources Quality” Because the proposed amendments relate to uses already allowed under the existing zoning ordinance, the land use ordinance amendments will not serve to increase the waste already anticipated within the affected areas. The findings concerning the City of Ashland’s Comprehensive Plan Environmental Element are incorporated herein by this reference. Therefore, the land use ordinance amendments are consistent with Goal 6.

**Statewide Planning Goal 7:** “Areas Subject to Natural Disasters and Hazards’ The areas affected by the land use ordinance amendments include some identified Natural Hazards areas including steep slopes, floodplains, wildfire areas, and other physically constrained lands. The City already has acknowledged ordinance standards relating to development in these areas, and the land use ordinance amendments relating to the affordable housing standards do not authorize, or exempt, any development inconsistent with these natural hazard standards. The findings concerning the Natural Hazard Element are incorporated herein by this reference. Therefore the land use ordinance amendments are consistent with Goal 7.

**Statewide Planning Goal 8:** “Recreational Needs” The land use ordinance amendments do not authorize any development inconsistent with the recreational needs of the community, region, or state. Therefore, the land use ordinance amendments are consistent with Goal 8.

**Statewide Planning Goal 9:** “Economic Development” The land use ordinance amendments relate to the development and annexation of residential lands, and do not affect the availability of land suitable for industrial and commercial development. The findings concerning the Economic Element are incorporated herein by this reference. Therefore, the land use ordinance amendments are consistent with Goal 9.

**Statewide Planning Goal 10:** “Housing’-- *“To provide for the housing needs of citizens of the state.”* The City’s acknowledged Comprehensive Plan is required to be consistent with the State of Oregon’s Goal 10, which specifies that each city must plan for all needed housing types (OAR 660-015-0000(10)). The statewide housing goal further specifies that each city must plan for and accommodate needed housing types:.

*“...plans shall encourage the availability of adequate numbers of needed housing units at price ranges and rent levels which are commensurate with the financial capabilities of Oregon households and allow for flexibility of housing location, type and density.”*

The State requires each city to inventory its buildable residential lands, project future housing needs, and provide the appropriate types and amounts of land within the urban growth boundary necessary to meet those needs. The City of Ashland has an acknowledged Housing Needs Analysis (2012) and Buildable Lands Inventory (2019) which provide a factual basis for needed housing types and available land supply. The City already has acknowledged zoning ordinance standards relating to residential development including provisions for housing density, setbacks, parking requirements, lot coverage, types, and development in environmentally of physically constrained areas. The land use ordinance amendments relating to the affordable housing standards do not amend these general residential development standards or authorize development inconsistent with these established requirements.

The City Council finds that land use ordinance amendments are supported by the adopted Housing Element of the City of Ashland Comprehensive Plan (2019) which sets forth local goals and policies that are consistent with Goal 10.

**Statewide Planning Goal 11:** “Public Facilities and Services” Existing City water and sewer infrastructure and treatment facilities will not be affected by the land use ordinance amendments, nor will their ability to serve surrounding properties be affected, because the amendments do not authorize any uses not already allowed by the zoning ordinance. The findings concerning the Public Services and Utilities Element are incorporated herein by this reference. Therefore, the land use ordinance amendments are consistent with Goal 11.

**Statewide Planning Goal 12:** “Transportation” The land use ordinance amendments are consistent with the City’s Comprehensive Plan and Transportation System Plan because they do not adversely affect any transportation facility since they relate only to uses of types already allowed. The findings concerning the Transportation Element are incorporated herein by this reference, Therefore, the land use ordinance amendments are consistent with Goal 12.

**Statewide Planning Goal 13:** “Energy Conservation” The land use ordinance amendments do not change any land use patterns and development already allowed and therefore will not have any effect on Energy Conservation. The findings concerning the Energy Element are incorporated herein by this reference. Therefore, the land use ordinance amendments are consistent with Goal 13.

**Statewide Planning Goal 14:** “Urbanization” The proposed land use ordinance does not decrease the density of housing to be developed within the Urban Growth Boundary. Development proposals which propose to increase the amount of affordable housing to be provided are eligible for an increased density bonus, which accordingly does not tend to

promote the expansion of the Urban Grown Boundary. The findings concerning the Comprehensive Plan Land Use Element, Housing Element and Urbanization Element are incorporated herein by this reference. Therefore, the amendments are consistent with Goal 14.

**Statewide Planning Goal 15:** “Willamette River Greenway” The affected areas are not located within or adjacent to the Willamette River Greenway. Therefore, Goal 15 is not applicable.

**Statewide Planning Goal 16:** ‘Estuarine Resources’ The affected areas are not located within the or adjacent to a designated estuarine resource. Therefore, Goal 16 is not applicable.

**Statewide Planning Goal 17:** “Coastal Shorelands” There are no coastal shorelands within the vicinity of Ashland, therefore, Goal 17 is not applicable.

**Statewide Planning Goal 18:** “Beaches & Dunes” There are no designated beaches or dunes within the vicinity of Ashland, therefore, Goal 18 is not applicable.

**Statewide Planning Goal 19:** “Ocean Resources” There are no designated ocean resources within the vicinity of Ashland, therefore, Goal 19 is not applicable.

