

ASHLAND PLANNING DIVISION STAFF REPORT

PLANNING ACTION: PA-L-2021-00011

APPLICANT: City of Ashland

ORDINANCE REFERENCES:

Ashland Comprehensive Plan Chapter VI Housing Element
Oregon Administrative Rules (Chapter 660, Divisions 7 and 8 and ORS 197.307).

REQUEST: Amendments to the Ashland Comprehensive Plan to Adopt the 2021 Housing Capacity Analysis as a Technical Supporting Document to Chapter VI [Housing Element].

I. Relevant Facts

A. Background

The Housing Capacity Analysis (HCA) includes an assessment of housing needs, residential land supply, and identifies a variety of strategies and actions for accommodating needed housing. The primary purpose of the HCA is to ensure that Ashland has an available land supply sufficient to accommodate our population's housing needs over the next 20 years.

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

In 2019 the Oregon State Legislature passed [House Bill 2003](#) which established a mandated deadline for Ashland to complete an update of the HCA by December 31, 2023. In May of 2020 the City Council authorized an application for State of Oregon funding assistance to update the City's [2012 Housing Needs Analysis](#) to comply with HB 2003.

The City of Ashland received a grant from the State Department of Land Conservation and Development (DLCD) to undertake an update of Ashland's 2012 Housing Needs Analysis. Following the award of a State Grant from the Department of Land Conservation and Development, EcoNorthwest Consultants and City staff began an analysis of Ashland's housing capacity in October 2020. The work by EcoNorthwest concluded with the completion of a hearings-ready draft of the Housing Capacity Analysis, and a Memorandum of Housing Strategies, in May 2021.

The Housing Capacity Analysis provides the City with a starting point for the future development of a Housing Production Strategy. A Housing Production Strategy shall be developed within one year of the updated HCA according to

HB2003, and will involve reviewing the recommended strategies and actions provided as Appendix A of the HCA, assessing whether additional strategies are necessary, providing more detail about each selected strategy, and setting an implementation schedule for specific actions to be undertaken by the City over the following eight year period.

Virtual Open House

From April 1st through April 15th the City of Ashland held a “virtual open house” in which Ashland residents could review information relating to Ashland’s housing market, demographics, land need, and needed housing types. The open-house also included a series of survey questions for respondents to provide their perspective on the community’s housing needs, preferences, and values. Approximately 400 people attended the open house and 267 people responded to the survey.

Ad-Hoc HCA Advisory Group

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

Commission Study Sessions

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

Public Hearings

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

The Planning Commission public hearing is scheduled for July 13, 2021, and the City Council public hearing and first reading is scheduled for August 3, 2021, Both public hearings have been publicly noticed in accordance with 18.5.1.070.D of the Ashland Land Use Ordinance, and the Department of Land Conservation and Developments requirements for legislative ordinance changes.

B. Policies, Plans and Goals Supported:

The amendment to the City of Ashland Comprehensive Plan to adopt the Housing Capacity Analysis as a supporting document to Chapter VI, Housing

Element, is necessary in order to provide a factual basis reflecting changes in land supply, household demographics, population projections, and housing market conditions.

Oregon Statewide Planning Goals - Goal 10 Housing

- *To provide for the housing needs of citizens of the state.*
 - *Buildable lands for residential use shall be inventoried and 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 Housing Capacity Analysis as presented included data and conclusions which assist in forecasting and planning for Ashland's future housing needs. This development of this data directly addresses the State Goal 10 planning requirement that each city 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 Buildable Lands Inventory (2019) and in combination with the 2021 Housing Capacity Analysis report, these technical documents provide a factual basis for assessing 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 or physically constrained areas. The adoption of the 2021 Housing Capacity Analysis does not implement any land use ordinance amendments relating to these general residential development standards or authorize development inconsistent with these established requirements.

The 2021 Housing Capacity Analysis further addresses Ashland Comprehensive Plan goals and policy identified in the Housing Element which was adopted in 2019:

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

Policy 23: Encourage development of vacant land within the City Limits, while looking to the lands within the Urban Growth Boundary to provide sufficient land for future housing needs.

C. Ordinance Amendments

The proposed ordinance adopts the City of Ashland 2021-2041 Housing Capacity Analysis as a Technical Report and Supporting Document of Chapter VI, [HOUSING] of the Ashland Comprehensive Plan.

The 2021-2041 Housing Capacity Analysis report includes a housing needs projection addressing housing types and price levels, residential needs analysis, buildable lands inventory and identification of measures for accommodating needed housing as described in Oregon Administrative Rules (Chapter 660,

Divisions 7 and 8) and Oregon Revised Statute 197.307.

AMC 18.5.9.020.B permits legislative amendments to meet changes in circumstances and conditions. The original 2012 Housing Needs Analysis, which was adopted on September 3, 2013 (Ord#3085), contains data and forecasts that were limited to specific time periods and conditions which are no longer representative of existing conditions within the City. The proposed amendment to Comprehensive Plan Housing Element, to include the 2021-2041 Housing Capacity Analysis report as a technical report, is consistent with the requirements for Legislative Amendments in AMC 18.5.9.020.B.

II. Procedural

18.5.9.020 Applicability and Review Procedure

Applications for Plan Amendments and Zone Changes are as follows:

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.

III. Conclusions and Recommendations

The 2021 HCA demonstrated that Ashland has enough land to accommodate its housing forecast between 2021 and 2041. Ashland can accommodate the expected growth of 858 dwelling units over the next 20-years with a surplus of capacity remaining. The analysis further concluded that over the 2021 to 2041 period, Ashland will need to plan for more multifamily dwelling units in the future to meet the City's housing needs. The summary of the report's conclusions are provided on pages 83-84 of the report.

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

The Housing Strategy appendix to the draft Housing Capacity Analysis (Exhibit B, Appendix A) provides the City with a starting point for the future development of a Housing Production Strategy. A Housing Production Strategy shall be developed within

one year of the updated HCA according to HB 2003, and will involve reviewing the recommended strategies and actions provided in this document, assessing whether additional strategies are necessary, providing more detail about each selected strategy, and setting an implementation schedule for specific actions to be undertaken by the City by the year 2030. It is through the preparation of the HPS that the specific implementation strategies to address Ashland's unmet housing needs will be identified.

Recommendations

Staff recommends approval of the ordinance adopting the 2021 HCA.

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

The Planning Commission's recommendations regarding the attached ordinance amendments will be presented to the City Council for consideration at the public hearing and First Reading scheduled on August 3, 2021.

Attachments:

- Draft Ordinance adopting the City of Ashland Housing Capacity Analysis, (2021),” as a Technical Report and Supporting Document of Chapter VI, [HOUSING] of the Ashland Comprehensive Plan.
- Exhibit A - Technical Reports and Supporting Documents
- Exhibit B -2021-2041 Housing Capacity Analysis
 - Appendix A - Housing Strategies
 - Appendix B - BLI (approved in 2019)
 - Appendix C – BLI Summary
- HCA Open house Survey Results 4/16/2021