

**CITY OF  
ASHLAND**  
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:**

Michael Dawkins  
Haywood Norton  
Kerry KenCairn  
Lynn Thompson  
Lisa Verner  
Doug Knauer

**Staff Present:**

Bill Molnar, Community Development Director  
Brandon Goldman, Planning Manager  
Derek Severson, Senior Planner  
Michael Sullivan, Administrative Assistant

**Absent Members:**

Eric Herron

**Council Liaison:**

Paula 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 Alameda 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*