



Council Study Session Meeting Agenda

ASHLAND CITY COUNCIL STUDY SESSION AGENDA

Monday, July 15, 2024

Council Chambers, 1175 E Main Street

Live stream via rvtv.sou.edu select RVTV Prime

HELD HYBRID (In-Person or Zoom Meeting Access)

Public testimony will be accepted for both general public forum items and agenda items.

Please complete the online [Public Testimony Form](#).

Please submit your testimony no later than 10 a.m. the day of the meeting.

I. CALL TO ORDER

II. PUBLIC FORUM

15 minutes – Public input or comment on City business not included on the agenda

III. Climate Friendly Area(s) Update

a. CFA Update Communication

IV. ADJOURNMENT

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the City Manager's office at 541.488.6002 (TTY phone number 1.800.735.2900). Notification 72 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 I).

***Agendas and minutes for City of Ashland Council, Commission and Committee meetings may be found at the City website, ashlandoregon.gov.





Council Study Session

Date: July 15, 2024

Agenda Item	CFA Update Communication
From	Brandon Goldman, Director of Community Development, Derek Severson, Planning Manager
Contact	brandon.goldman@ashland.or.us, derek.severson@ashland.or.us

SUMMARY

As Councilors are aware, in 2023 the state's Climate Friendly & Equitable Communities (CFEC) rulemaking required cities to study potential Climate Friendly Areas (CFAs) to accommodate 30 percent of future population in pedestrian friendly, mixed-use areas as a strategy for reducing greenhouse gas emissions. In 2024, cities are required to formally designate CFAs and update adopted maps and zoning ordinances accordingly. Ashland has received a grant from the Department of Land Conservation and Development (DLCD) and is working with 3J Consulting and EcoNorthwest to complete the state-mandated code work.

POLICIES, PLANS & GOALS SUPPORTED

Environmental resilience, including addressing climate change

By aligning with the CFEC rules, identifying CFA's and amending the associated zoning regulations and associated maps, these efforts set the stage for Oregon to meet its 2050 Greenhouse Gas reduction goals.

BACKGROUND AND ADDITIONAL INFORMATION

Consultant Selection

The Department of Land Conservation and Development approved a grant request for the City of Ashland's Climate Friendly Areas Code Update project. To spearhead this initiative, 3J Consulting has been selected as the primary consultant, with additional market analysis support provided by EcoNorthwest. Together, they will conduct comprehensive public engagement and draft the necessary code analysis to align Ashland's zoning and development standards with the Climate-Friendly & Equitable Communities principles.

Project Timeline

The timeline provided by DLCD in the contract with 3J Consulting stipulates that an adoption-ready code must be drafted by May 2025. This timeline differs from the Climate Friendly Areas (CFA) target completion deadline of December 2024 but reflects the extensive number of such projects being conducted simultaneously statewide and the State funding cycle. Given the late start on initiating these projects, and the extended timeline to complete adequate public engagement, an exception to the December 31st target completion date outlined in the State legislation may be needed to accommodate the additional time required. This exception would ensure that the comprehensive public engagement and thorough draft code analysis conducted by 3J Consulting and EcoNorthwest are not compromised, ultimately facilitating a more robust and effective implementation of climate-friendly and equitable community principles in Ashland.

Project Goals and Objectives:

- **Goal:** Draft updated zoning and development code and zoning maps for CFAs in Ashland.
- **Objectives:**
 1. Review recommendations from the Council-approved Phase 1 CFA Study by the Rogue Valley Council of Governments (RVCOG).
 2. Use a market feasibility study to inform CFA code regulations.
 3. Select CFAs to accommodate 30 percent of the city's future housing.
 4. Prepare adoption-ready zoning and development standards.
 5. Conduct public outreach to engage stakeholders.

Public Meetings and Community Outreach

The scope of work between DLCD and 3J Consulting for the Ashland Climate Friendly Areas (CFA) Code Update



Council Study Session

project outlines the following public meetings and engagement activities as recommended by the City Planning Division:

1. Stakeholder Interviews

- Five consultant-led interviews with development interest stakeholders to inform draft code audit and the market feasibility study (*to be completed in July 2024*).

2. Advisory Committees Public Meetings

- Virtual presentations and discussions with:
 1. Climate and Environment Policy Advisory Committee (CEPAC)
 2. Transportation Advisory Committee (TAC)
 3. Historic Preservation Advisory Committee (HPAC)
 4. Social Equity and Racial Justice Advisory Committee (SERJAC)
 5. Housing and Human Services Advisory Committee (HHSAC)

1. Public Community Meeting

- Open house or meeting to present the project scope, goals, findings, and general recommendations (Tentatively scheduled for 9/17/2024).
- One online survey to gather input from those unable to attend the public meeting.

1. City Study Sessions

Study Sessions to review final draft updates to City's zoning ordinance, zoning map, other development codes (as needed) and comprehensive plan. The Consultant will prepare presentations for and attend the two study sessions in person.

- Planning Commission Study Session
- City Council Study Session

1. Public Hearings (Land Use Legislative Amendments)

- Planning Commission public hearing to review proposed amendments and provide recommendations to Council
- City Council public hearing on final draft updates to City's zoning ordinance, zoning map, other development codes (as needed) and comprehensive plan.

The CFEC rules also require jurisdictions in Oregon's eight most-populated metropolitan areas to implement land use regulations that support compact, pedestrian-friendly, mixed-use development patterns in urban areas (i.e. not merely in the proposed CFAs). Cascadia Partners is working with DLCD to develop a 'Walkable Design Standards' guidebook to help these communities implement compliant regulations that meet the intent of the Oregon Administrative Rules (OAR) 660-012-0330 and OAR 660-012-0405(4). Cascadia is also developing a model code based on examples of best practices.

Jurisdictions will have broad latitude to adopt land use regulations covered in the guidebook and model code in whole or in part. Ashland's Planning Manager, Derek Severson, is serving on the State technical advisory committee, along with staff from the eight other metropolitan areas, to aid Cascadia Partners in developing the guidebook and model code, and Cascadia is also under contract with DLCD to help Ashland identify any specific changes needed to bring our land use regulations into compliance with the OAR. Staff and Cascadia have



Council Study Session

completed an initial audit of Ashland's land use code in light of the OAR and are working to identify potential code updates with the intention that these updates would be brought forward along with adoption of the CFA's and associated regulations.

In addition to the parking regulation changes that were part of the first round CFEC rules implemented, DLCD has a project underway with Studio Davis to develop a Parking Management Guide that would provide a roadmap for cities dealing with issues such as parking enforcement, implementing paid parking, creating parking benefit districts and parking lot design and landscaping. Ashland planning staff are part of the project management team for this project as well and are working with the consultant to finalize the guide which should be available to cities later this year.

FISCAL IMPACTS

Local adoption of CFA standards and zoning amendments is a State requirement. The State of Oregon Department of Land Conservation and Development is funding the consultant work and managing the grant administration for this project, Ashland's contributing match is in the form of staff time to support the consultant work and subsequent code adoption efforts.

SUGGESTED ACTIONS, MOTIONS, AND/OR OPTIONS

This is an informational update. No formal Council action is requested at this time. The questions below aim to guide the City Council in providing initial guidance to Planning Staff and the consultant team regarding key aspects of the Climate Friendly Areas (CFA) Code Update project.

1. **Deadline Extension Request:** Should the City formally request an extension to the December 31, 2024 deadline from DLCD to align with the consultant contract timeline? Factors to be emphasized in this request would be our efforts to ensure comprehensive public engagement and code analysis.
2. **Height Allowances in C-1 or E-1 Zones:** Should height allowances proposed for CFAs (maximum 50' or more) be applicable across all C-1 or E-1 zones, modifying the land use zoning code universally, or should these allowances be restricted to the CFA overlay zones? What are the potential impacts and benefits of each approach?
3. **Density Regulations in E-1/C-1 Zones:** Is it advisable to eliminate maximum density regulations in all E-1 and C-1 zones, or should this deregulation be limited to areas designated under the CFA overlay? The existing zones have maximum densities of 15 dwellings per acre in E-1, and 30 units per acre in C-1. The Transit triangle overlay area presently removes density maximums. What are the implications for housing diversity and community development under each scenario?
4. **Boundary Adjustments to Exclude Multifamily Residential Zones:** Should proposed CFA boundaries be adjusted to include or exclude adjacent developed multifamily residential zones. Including these residentially developed areas would bring CFAs closer to realizing the hoped for 30 percent of population. Excluding these areas would retain their existing standards and development patterns. The CFEC rules allow inclusion of adjacent multifamily areas provided they have at least a 15-dwelling units per acre density. R-2 districts currently have a 13.5-dwelling units per acre base density, and a maximum height of 35' or 2.5 stories. If such areas were to be included within the CFA boundaries Planning Staff and the consultants would need to evaluate whether any other regulatory changes for CFA designation would impact the existing character of these zones.
5. **New CFA zone or CFA overlay:** Does the Council have a preference between creating a new CFA zone and re-zoning the proposed CFAs, or creating a new overlay zone which could be applied to the underlying zones of each area? A new zone could simplify the application of the new rules, whereas a new overlay could be created and applied with less disruption to the existing regulations and processes.

REFERENCES & ATTACHMENTS

1. CFA Maps



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2. CFA Study_Aproved
3. Ashland CFA_3J Scope of Work
4. DLCD_CFA_Overview



Climate-Friendly & Equitable Communities

CLIMATE FRIENDLY AREA CANDIDATES

Ashland, OR

Legend

- Priority CFA Option
- Secondary CFA Option
- City Boundary
- Urban Growth Boundary

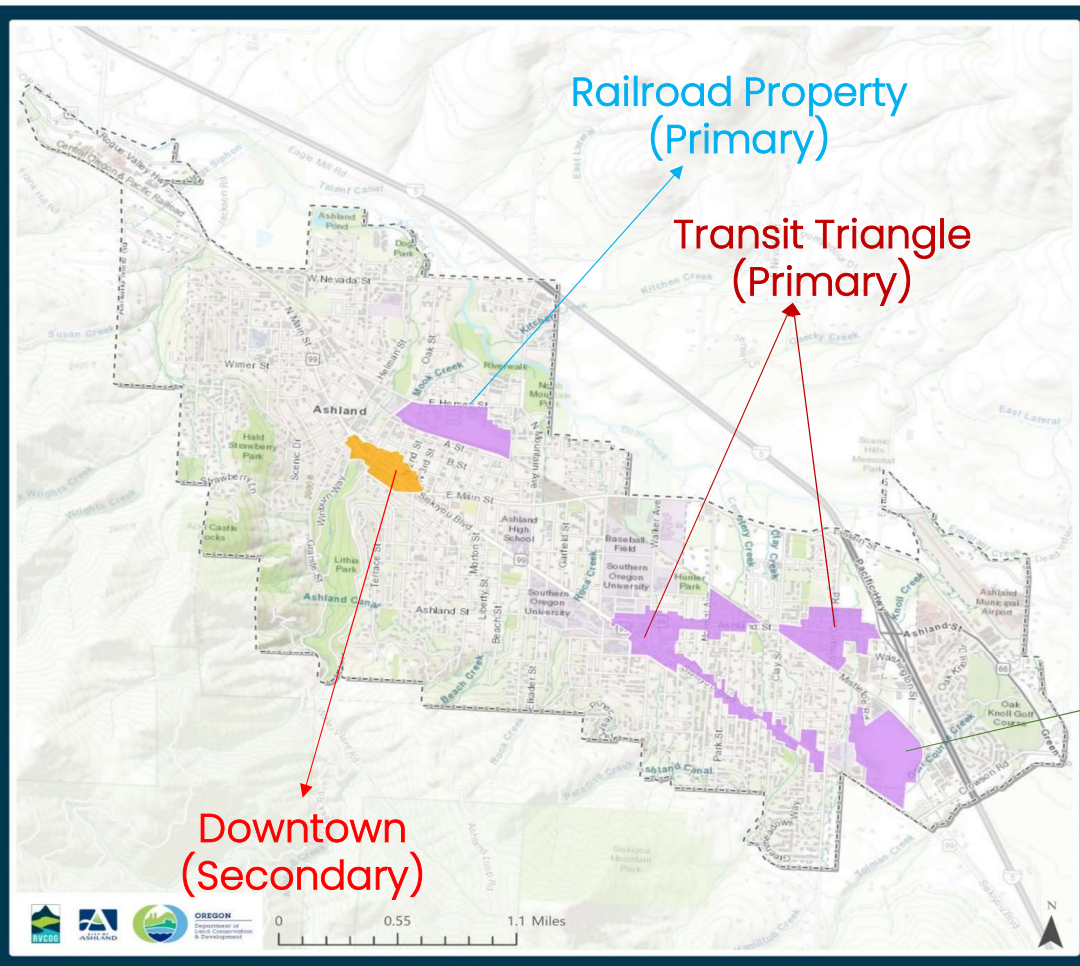


Rogue Valley
Council of Governments
155 N 1st
Central Point, OR 97502

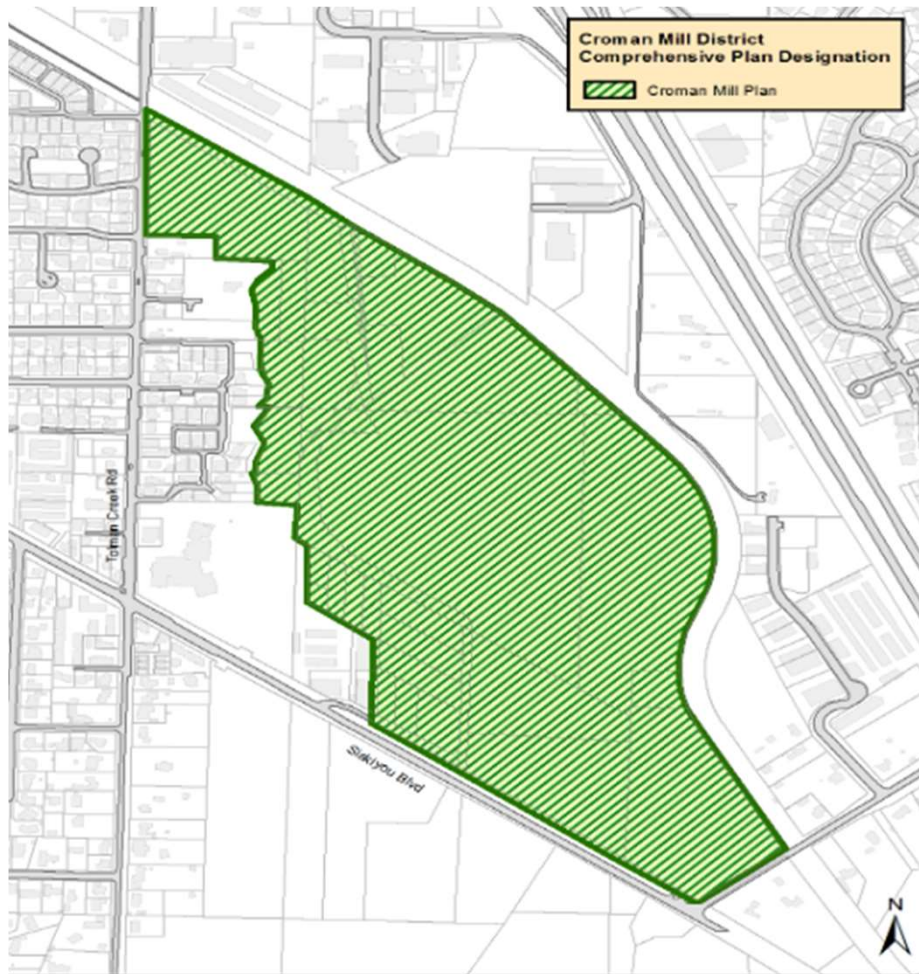
This map product is for planning purposes only and has not been prepared for, nor is suitable for legal, engineering, or surveying purposes.

Data: Jackson County, BLM, State of Oregon, ODOT, ESRI, USGS, EPA, Garmin, GeoTechnologies, Inc., METI/NASA, Maxar, USDA, HERE, Esri Canada

Created: E. Memmott, RVCOG, 2023



Candidate CFAs



- **Approx. 92 acres total**
- Masterplan Adopted 2008
- Remains Largely Undeveloped
- *Clean-Up Plan in process*
- Townmakers, LLC currently looking at code changes to develop approx. 65 acres.

By prescriptive methodology:

- **5,142 new dwelling units**
- 79 dwelling units per acre
- 148 percent of needed housing



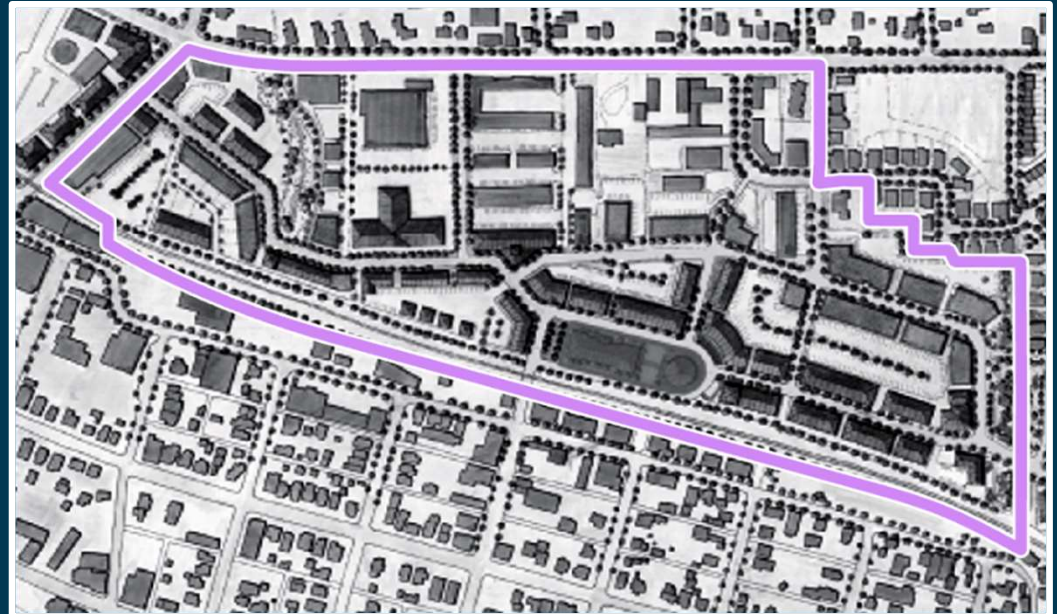
Croman Mill District

Image 3 - Railroad Property



Image 4 - Railroad Property Master Plan

DRAFT



- **Approx. 57 acres.**
- Southern portion largely undeveloped.
- Clean-up Plan under development.
- 2001 Masterplan not adopted, Street plan adopted.

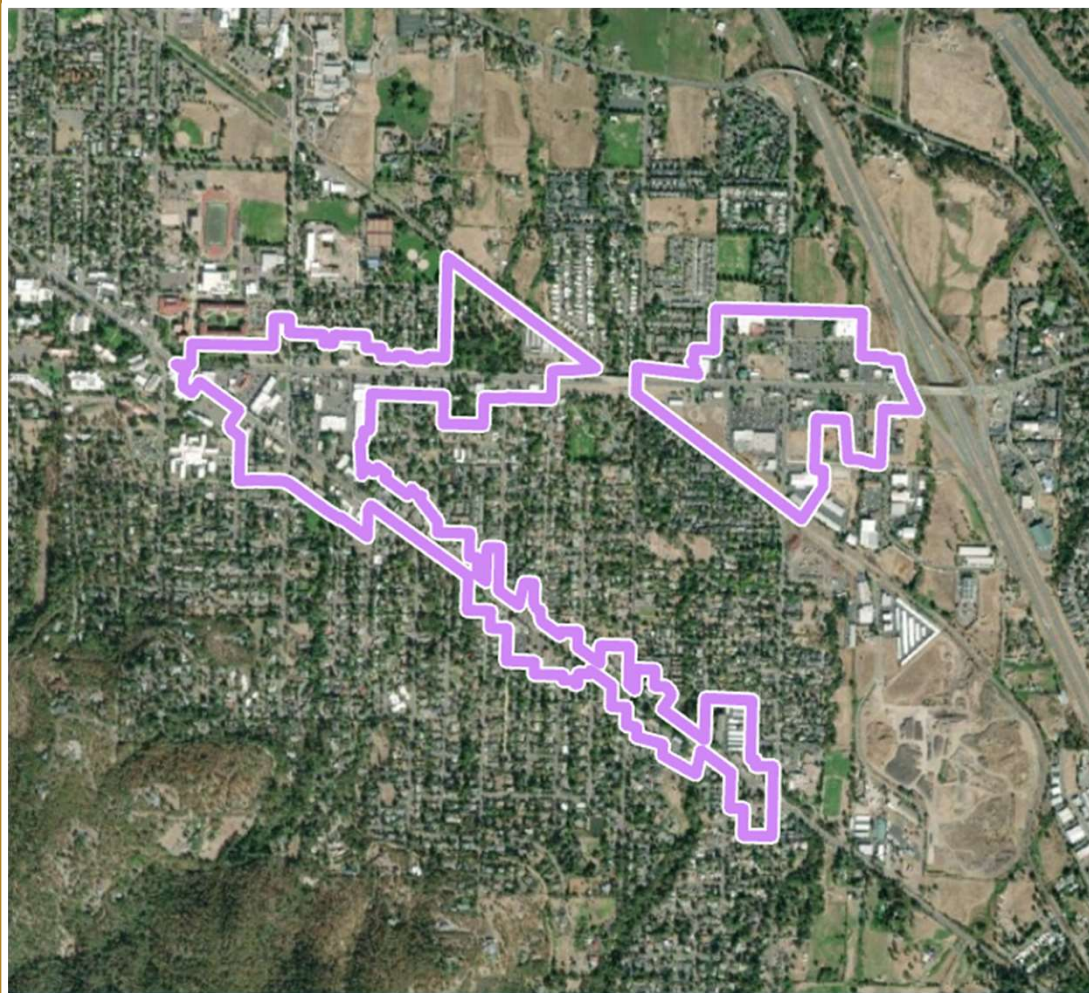
By the prescriptive methodology:

- **2,226 new dwelling units**
- 58 dwelling units per acre
- 64 percent of needed housing.

Railroad Property



Transit Triangle



Transit Triangle

- Approximately 167 acres
- Undeveloped or underdeveloped
- Largely auto-dependent uses in “strip development” pattern
- Likely a center of future growth

By the prescriptive methodology:

- 7,524 new dwelling units
- 52 dwelling units per acre
- 207 percent of needed housing.





Downtown

- Largely Developed without off-street parking requirements
- National Register-Listed Historic District

Given the level of development and the historic status, the Downtown is being looked at as a CFA, but was not analyzed under the lens of the prescriptive CFA methodology given it is nearly built out.

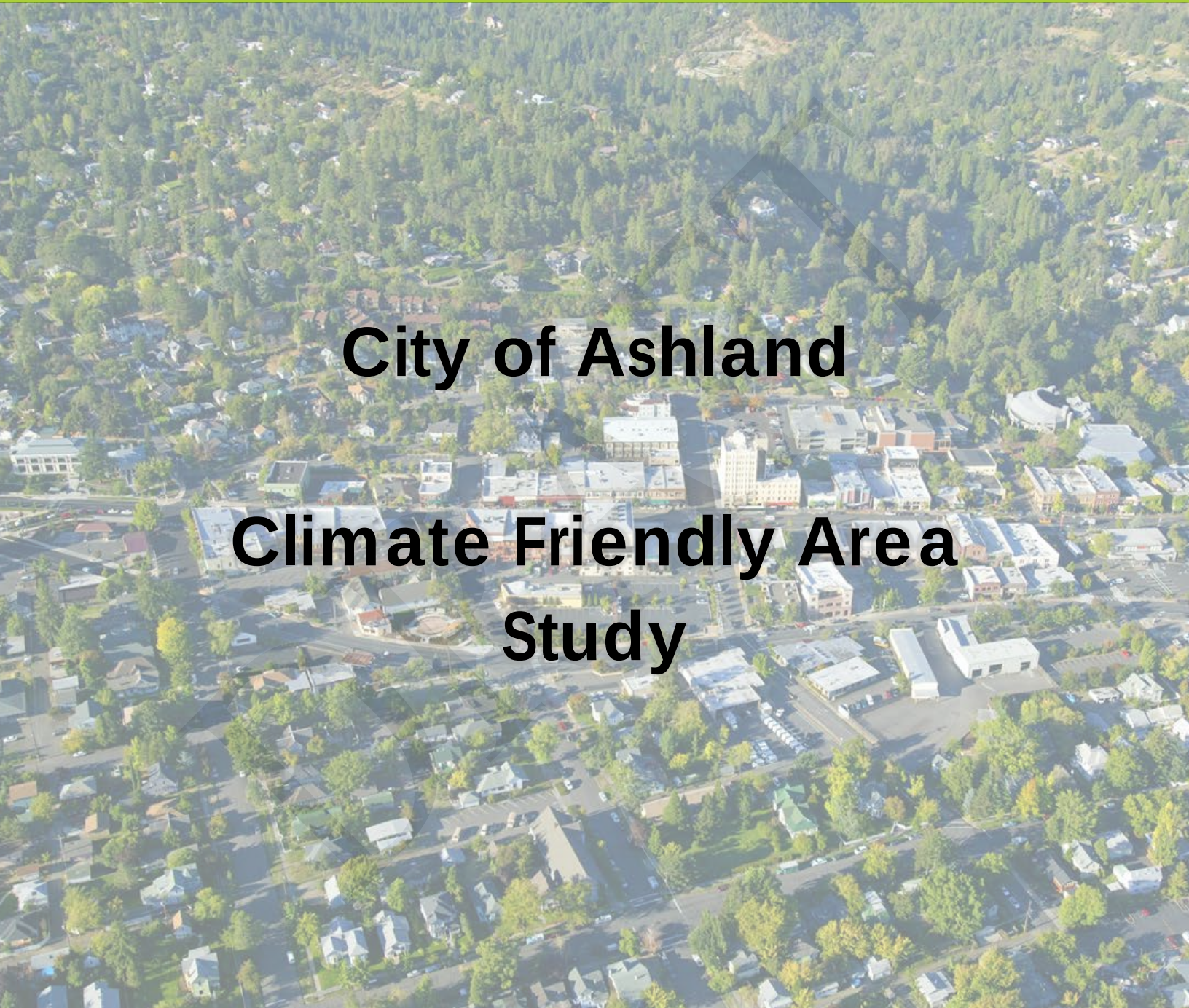


Downtown



Rogue Valley
Council of Governments

155 N First St
P.O. Box 3275
Central Point, OR 97502
(541) 664-6674
Fax (541) 664-7927



City of Ashland

Climate Friendly Area Study

*Produced by the Rogue Valley Council of
Governments, in collaboration with the City
of Ashland and 3J Consulting*

2023

Page 11 of 70



Climate Friendly Area Project Staff

Brandon Goldman, Director of Community Development, City of Ashland

Derek Severson, Planning Manager, City of Ashland

James Schireman, Associate Land use Planner, RVCOG

Yazeed Alrashdi, Associate Transportation Planner, RVCOG

Anais Mathez, Project Manager, 3J Consulting

Scott Fregonese, Senior Project Manager, 3J Consulting



Disclaimer:

The following study analyzes CFA candidates within the City of Ashland and explores paths forward and potential scenarios should the city designate a Climate Friendly Area. By no means does this study alter the current zoning, land uses, or other development regulations governed by the City of Ashland.



Contents

Chapter 1: Climate Friendly Area Regulations and Methodology Background	6
Introduction	6
Climate Friendly and Equitable Communities Rulemaking	6
Climate Friendly Areas Overview	7
Implementation Timeline	7
Goals	8
Methodology	9
Community Engagement Plan	10
Locate and Size Candidate CFAs	11
Evaluate Existing Code	13
Identify Zoning Changes	15
Calculate CFA Capacity	15
Calculate Housing Unit Capacity	16
Equity Analysis	17
Chapter 2: Candidate Climate Friendly Area Analysis	18
Locate and Size Candidate CFAs	19
City Guidance	19
Calculate Housing Units Needed	21
Zoning Analysis	22
Zoning Code Review	22
CFA Capacity Calculation	30
City Guidance	30
Calculate Housing Unit Capacity	34
Evaluation	35
Conclusion	39
Chapter 3: Anti-Displacement Mitigation Strategies	40
CFA Redevelopment Outcomes	40
Anti-Displacement Map Analysis	40
<i>Affordable and Vulnerable</i>	40
<i>Early Gentrification</i>	40
<i>Active Gentrification</i>	40
<i>Late Gentrification</i>	41



<i>Becoming Exclusive</i>	41
<i>Advanced Exclusive</i>	41
<i>Unassigned</i>	41
Neighborhood Types Present Within the Proposed CFA.....	41
Suggested Strategies	43
<i>Category A: Zoning and Code Changes</i>	43
<i>Category B: Reduce regulatory Impediments</i>	43
<i>Category C: Financial Incentives</i>	44
<i>Category D: Financial Resources</i>	45
<i>Category E: Tax Exemption and Abatement</i>	45
<i>Category F: Land, Acquisition, Lease, and Partnerships</i>	46
Appendix A: Acronyms	47
Appendix B: References	48



Chapter 1: Climate Friendly Area Regulations and Methodology Background

Introduction

Rogue Valley Council of Governments, in collaboration with the City of Ashland and the project consultant, 3J Consultant, is conducting a study of potential Climate Friendly Areas (CFA) in accordance with the Climate Friendly and Equitable Communities (CFEC) rulemaking (OAR 660-012-0310). The State rules were initiated by the Land Conservation and Development Commission (LCDC) in response to Governor Brown's Executive Order 20-04 directing state agencies to take urgent action to meet Oregon's climate pollution reduction targets. The rules encourage climate-friendly development by facilitating areas where residents, workers, and visitors can meet most of their daily needs without having to drive. A CFA aims to contain a variety of housing, jobs, businesses, and services. A CFA also supports alternative modes of transit by being in close proximity to high-quality pedestrian, bicycle, and transportation infrastructure.

Phase 1 of this project is the CFA study which identifies candidate CFAs and analyzes what zones are most aligned to the CFEC rules, and what adjustments to them would be required.

Phase 2 will encompass the actual designation of the Climate Friendly Areas under consideration, and the adoption of maps and ordinances necessary to implement the CFEC initiative. Cities may use CFA areas from the study or any other qualifying area.

Climate Friendly and Equitable Communities Rulemaking

The Climate-Friendly and Equitable Communities rulemaking is part of Oregon's longstanding effort to reduce pollution from the transportation system, especially greenhouse gases that are causing a change in climate and associated weather-related disruptions, including drought, wildfires, and warming temperatures with greater variation overall.

The rules encourage climate-friendly development in Climate-Friendly Areas (CFAs). Other provisions of the rulemaking call for new buildings to support the growing electric vehicle transformation, reduce or eliminate 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 to meet our climate goals.



Climate Friendly Areas Overview

A CFA 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. CFAs typically do not require large parking lots and are provided with abundant tree canopy.

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 on 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. CFAs 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, and that are located within Oregon's seven metropolitan areas outside of the Portland metropolitan area, to adopt regulations allowing walkable mixed-use development in defined areas within their urban growth boundaries. Associated requirements will ensure high quality pedestrian, bicycle, and transit infrastructure is available within these areas to provide convenient transportation options, and cities and counties will prioritize them for location of government offices and parks, open space, and similar amenities.

Implementation Timeline

The rules provide a two-phased process for local governments to first study potential CFAs, and then, in a second phase, to adopt development standards for the area, or areas, that are most promising.

Key CFA Study Dates:

- June 30, 2023 – CFA Study Funding Expires
- December 31, 2023 – CFA Studies Due
- December 31, 2024 – Adopt CFA land use standards and any map changes*

** Local governments may request an alternative date for the adoption of land use standards, as provided in OAR 660-012-0012(4)(c).*



Goals

The purpose of this study is to identify candidate CFA areas that meet the size and locational criteria required by OAR 660-012-0310(1). Relevant zoning codes will be reviewed, and suggestions will be made regarding any changes that are necessary to bring zoning codes into compliance with CFEC rules. It is the intention of the project management team that the candidate CFA selection prioritize community context reflecting the most feasible zoning code changes, little to no infrastructure investment, and alignment with citizen interests. The City of Ashland may move forward with the identified CFA area(s) into Phase 2, or they can use what they learned from the study to choose a new area or areas for adoption.

Methodology

The methodology was developed by the Department of Land Conservation and Development (DLCD) and was adapted to perform this CFA study. The Climate-Friendly Areas Methodology Guide goes over the steps to perform the CFA study. The study goes through each of the eight steps highlighted in the methodology guide, including locating and sizing CFA areas, evaluating existing code, identifying zoning changes, calculating CFA Capacity and equity analysis. While the technical analysis team was responsible for overseeing the steps reliant on GIS or analysis of the land use code, Step 1: Public Engagement Plan, was drafted and prepared by 3J Consulting.



The diagram above shows a workflow for conducting a CFA study. This is not the only order in which the Steps can be performed, but it is a recommended sequence for the purpose of clarity and efficiency.

To understand the context of the steps listed above, a summary of the rules, a CFA's purpose, and what requirements should exist or be adopted in CFA areas is necessary. According to DLCD, "a CFA 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."

The following is a summary of the steps, rules, and regulations on the specifications of siting a CFA. The CFA designation process first requires a study of potential candidate areas, ultimately ending in an area(s) being designated as the City's Climate Friendly Area. This process, slated to conclude by December 2023, is known as phase 1. Phase 2: Adoption requires that cities implement the necessary changes to the land use code to make the zones within the proposed CFA compliant with state regulations, as provided in OAR 660-012-0310 through -0320.



Community Engagement Plan

This step is planned, drafted, and prepared by 3J Consulting, in coordination with city staff and the technical analysis team. While the Community Engagement deliverables are distinctly separate from the technical CFA Study, this study does take into account the community feedback from public meetings throughout the study phases.

Local governments must develop a community engagement plan for the designation of CFAs that includes a process to study potential CFA areas and to later adopt associated amendments to the comprehensive plan and zoning code following the provisions of OAR 660-012-0120 through -0130:

- Engagement and decision-making must be consistent with statewide planning goals and local plans
- Cities and counties must center the voices of underserved populations in all processes at all levels of decision-making, consider the effect on underserved populations, work to reduce historic and current inequities, and engage in additional outreach activities with underserved populations
- Cities and counties must identify federally recognized sovereign tribes whose ancestral lands include the planning area and engage with affected tribes

The community engagement plan must be consistent with the requirements for engagement-focused equity analysis in OAR 660-012-0135(3). Equity analysis is required for a variety of transportation planning actions under Division 12, including study and designation of CFAs. The purpose of an equity analysis is to identify potentially inequitable consequences or burdens of proposed projects and policies on impacted communities in order to improve outcomes for underserved populations.

The equity analysis must include robust public engagement, including a good-faith effort to:

- Engage with members of underserved populations to develop key outcomes, including reporting back information learned from the analysis and unresolved issues
- Gather qualitative and quantitative information from the community—including lived experience—on potential benefits and burdens on underserved populations
- Recognize where and how intersectional discrimination compounds disadvantages
- Analyze proposed changes for impacts on and alignment with desired key community outcomes and performance measures under OAR 660-012-0905
- Adopt strategies to create greater equity and minimize negative consequences
- Report back and share the information learned from the analysis and unresolved issues with people engaged



Locate and Size Candidate CFAs

Every potential CFA must follow the Climate Friendly and Equitable Communities (CFEC) rulemaking (OAR 660-012-0310) requirements in order to be properly located and sized. The rules regarding location for potential CFAs are universal for all cities.

The CFEC rules of OAR 660-012-0310 that must be followed in the CFA location process are:

- CFA locations must be able to support development consistent with the land use requirements of OAR 660-012-0320.
- CFAs must be located in existing or planned urban centers (including downtowns, neighborhood centers, transit-served corridors, or similar districts).
- CFAs must be served by (or planned to be served by) high quality pedestrian, bicycle, and transit services.
- CFAs may not be located in areas where development is prohibited.
- CFAs may be located outside city limits but within a UGB following OAR 660-012-0310 (e).
- CFAs must have a minimum width of 750 feet, including internal rights of way that may be unzoned.

While the allowed land uses and denser environment will largely influence the choice of a CFA, development feasibility is another important criterion to consider. The area chosen to be CFA should not have infrastructure problems or limitations that could prevent the development of Climate Friendly Areas. The infrastructure capacity of a candidate CFA will be discussed with city staff to determine if it is a sufficient choice or to move forward with another candidate area.

City population is the primary determinant regarding CFA size requirements. There are two categories for sizing a CFA: cities over 5,000 and cities over 10,000 in population. Ashland's population falls under the second option for cities with populations greater than 10,000. Cities with a population greater than 10,000 must designate a minimum of one CFA that accommodates 30% of their current and projected housing, the overall area being at least 25 acres in size. In addition, all CFAs must have a minimum width of 750 feet.



In discussing CFA requirements with city staff, the technical analysis team opted to utilize the prescriptive standards as written by DLCDC. The following table 1 shows the prescriptive standards requirements that must be incorporated in the development code, in accordance with the City's population.

Table 1. Prescriptive Standards

Population	Minimum Residential Density	Max Building Height
5,001-24,999	15 dwelling units/net acre	No less than 50 ft
25,000-49,999	20 dwelling units/net acre	No less than 60 ft
50,000 or more	25 dwelling units/net acre	No less than 85 ft

Because the city of Ashland falls within the 5,001 – 24,999 category, phase 2 will require adoption of rules for a minimum residential density of 15 dwelling units/net acre and a maximum building height of no less than 50 ft in height.



Evaluate Existing Code

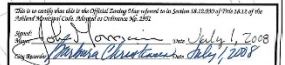
The land use requirements established in OAR 660-012-0320, as shown below, are pivotal in determining how much a base zone already aligns with CFA requirements.

Land Use Requirement for CFAs:

- Development regulations for a CFA shall allow single-use and mixed-use development within individual buildings or on development sites, including the following ***outright permitted uses***:
 - Multifamily Residential
 - Attached Single-Family Residential
 - Other Building Types that comply with minimum density requirements
 - Office-type uses
 - Non-auto dependent retail, services, and other commercial uses
 - Child Care, schools, and other public uses
- Maximum density limitations must be prohibited
- Maximum block length standards must apply depending on acreage of site
- Local governments shall establish maximum block length standards as follows:
 - Development sites < 5.5 acres: maximum block length = 500 feet or less
 - Development sites > 5.5 acres: maximum block length = 350 feet or less
- Local governments shall prioritize locating government facilities that provide direct service to the public within climate-friendly areas and shall prioritize locating parks, open space, plazas, and similar public amenities in or near climate-friendly areas that do not contain sufficient parks, open space, plazas, or similar public amenities.
- Streetscape requirements in CFAs shall include street trees and other landscaping, where feasible.
- Local governments shall adopt policies and regulations in CFAs that implement the following:
 - Transportation review process in OAR 660-012-0325
 - Land use requirements in OAR 660-012-0330
 - Parking requirements in OAR 660-012-0435
 - Bicycle parking requirements in OAR 660-012-0630
- Local governments may choose to **either** adopt density minimums and height maximums (Option A – Prescriptive Standards) **or** adopt alternative development regulations to meet performance standards (Option B – Outcome-Oriented Standards)

The following map 1 is the city's zoning map, and helps convey where zones are located throughout the city of Ashland.

gis.ashland.or.us/planning/





Identify Zoning Changes

Zoning in CFAs may need to change if the existing zoning does not meet the land use requirements in OAR 660-012-0320. During phase 1 of the study, cities do not need to adopt the land use requirements, but evaluation of necessary land use reforms may influence a base zone's viability of being a potential CFA candidate. Essentially, an existing zone that meets a large proportion of the CFA criteria will likely feature the characteristics that define climate friendly areas, while zones that require intense reform may not incentivize development due to lack of compatible land uses or alternative transit infrastructure.

During the adoption phase, slated to occur in 2024, local governments will have to make and adopt all necessary zoning changes and will need to provide DLCDD with documentation that all adopted and applicable land use requirements for CFAs are consistent with OAR 660-012-0320.

Calculate CFA Capacity

The proposed CFA(s) must meet the residential housing capacity threshold expressed in OAR 660-012-0315(1). The target threshold to meet is at least 30% of current and projected housing needs citywide. The total number of units necessary to meet all current and projected housing needs is derived from the most recent adopted and acknowledged housing capacity analysis (HCA; also known as a housing needs analysis or HNA) as follows:

$$\begin{aligned} &\textbf{\textit{Total number of units needed citywide}} \\ &= \\ &\quad \textbf{\textit{current number of existing units}} \\ &+ \\ &\quad \textbf{\textit{projected number of units to meet future needs}} \end{aligned}$$

After calculating the Total Units Needed, the technical analysis team proceeded to calculate the potential housing unit capacity of the proposed CFA site. The following page goes over the equation that will be used to calculate the Housing Unit Capacity.



Calculate Housing Unit Capacity

The following method was adapted from DLCD's Climate-Friendly Areas methodology guide. The calculation follows the prescriptive path requirements as described in the methodology guide. Total Housing Unit Capacity in the CFA is estimated using the following variables:

1. The Net Developable Area in sq. ft. (a)
2. The maximum number of building floors (f)
3. The assumed percentage of residential use (r)
4. The average size of a housing unit in sq. ft. (s)

Using these, the housing unit capacity (U) in any part of a CFA can be given by a simple formula:

$$\text{Housing Unit Capacity (U)} = \frac{(\text{Net Developable Area} * \text{Maximum floors} * \text{Resident use percentage})}{\text{Average Housing Unit}}$$

Note: In the above formula, the results are rounded up to the nearest integer.

The values to use for Assumed Percentage of Residential Use (r) and Average Size of a Housing Unit (s) are given in the rules. Net Developable Area and Maximum Building Floor factors in the above calculation require some additional sub-calculations. Each uniquely zoned area of the CFA will have its own calculations of these factors and the above housing unit formula. Then they are summed for the CFA to give the total Housing Unit Capacity.



Equity Analysis

Local governments must determine if rezoning the potential CFA would be likely to displace residents who are members of state and federal protected classes and identify actions to mitigate or avoid potential displacement.

The CFA Study must include plans for achieving fair and equitable housing outcomes within CFAs following the provisions in OAR 660-008-0050(4)(a)-(f). CFA studies must include a description of how cities will address each of the following factors:

- Location of Housing: How the city is striving to meet statewide greenhouse gas emission reduction goals by creating compact, mixed-use neighborhoods available to members of state and federal protected classes.
- Fair Housing: How the city is affirmatively furthering fair housing for all state and federal protected classes.
- Housing Choice: How the city is facilitating access to housing choice for communities of color, low-income communities, people with disabilities, and other state and federal protected classes.
- Housing Options for residents Experiencing Homelessness: How the city is advocating for and enabling the provision of housing options for residents experiencing homelessness and how the city is partnering with other organizations to promote services that are needed to create permanent supportive housing and other housing options for residents experiencing homelessness.
- Affordable Homeownership and affordable Rental Housing: How the city is supporting and creating opportunities to encourage the production of affordable rental housing and the opportunity for wealth creation via homeownership, primarily for state and federal protected classes that have been disproportionately impacted by past housing policies.
- Gentrification, Displacement, AND Housing Stability: How the city is increasing housing stability for residents and mitigating the impacts of gentrification, as well as the economic and physical displacement of existing residents resulting from investment or redevelopment.

Please note, the equity analysis was performed with the guidance of DLCD's [Anti-Displacement and Gentrification Toolkit](#). The Toolkit provides an in-depth resource for local government to address racial and ethnic equity in housing production, including a list of strategies to mitigate the impacts of gentrification and displacement. The toolkit helps and guides local governments to establishing a framework for creating housing production strategies with a particular focus on the unintended consequences of those strategies.



Chapter 2: Candidate Climate Friendly Area Analysis

This section reviews the analysis components that were performed to derive the results of the study. The technical analysis team began with initial candidate location suggestions from City Staff, then calculated the housing capacity of the proposed CFAs boundary, and readjusting the CFAs size as needed to accommodate the housing unit capacity.

The zoning analysis focuses on the land use requirements in OAR 660-012-0320 and compares them with the city codes to find suitable zones that are fully or partially compliant with the CFA land use requirements. The zoning analysis informs the team of the land use compatibility of the proposed CFAs. Zoning analysis and identifying zoning changes go hand-in-hand. If existing development standards do not meet CFA requirements, then identify the necessary changes to the specific zones and how to bring them into compliance with the land use requirements or OAR 660-012-0320.

The GIS analysis helps determine the status of transportation infrastructure that is within or around the proposed CFA and whether the proposed area satisfies the transportation connectivity aspect of the regulations. A CFA site must be served by, or planned to be served by, high quality pedestrian, bicycle, and transit services according to OAR 660-012-0310.

Capacity analysis determines whether the potential CFA, or a combination of CFAs, can accommodate 30% of citywide current and projected housing need. If identified CFA candidate area(s) are not sufficient to accommodate at least 30% of housing need, resizing the proposed CFA area or identifying additional candidate CFA areas must be performed.

Equity analysis must determine if rezoning the potential CFA would be likely to displace residents who are members of state and federal protected classes and identify actions to mitigate or avoid potential displacement. Chapter 2 of this study includes plans for achieving fair and equitable housing outcomes within CFAs following the provisions in OAR 660-008-0050.

Overall, the analysis steps are intertwined with each other. Locating a CFA candidate, calculating Housing Needs, Zoning analysis, GIS analysis, Capacity analysis are the steps to designate the appropriate CFA area within the city.

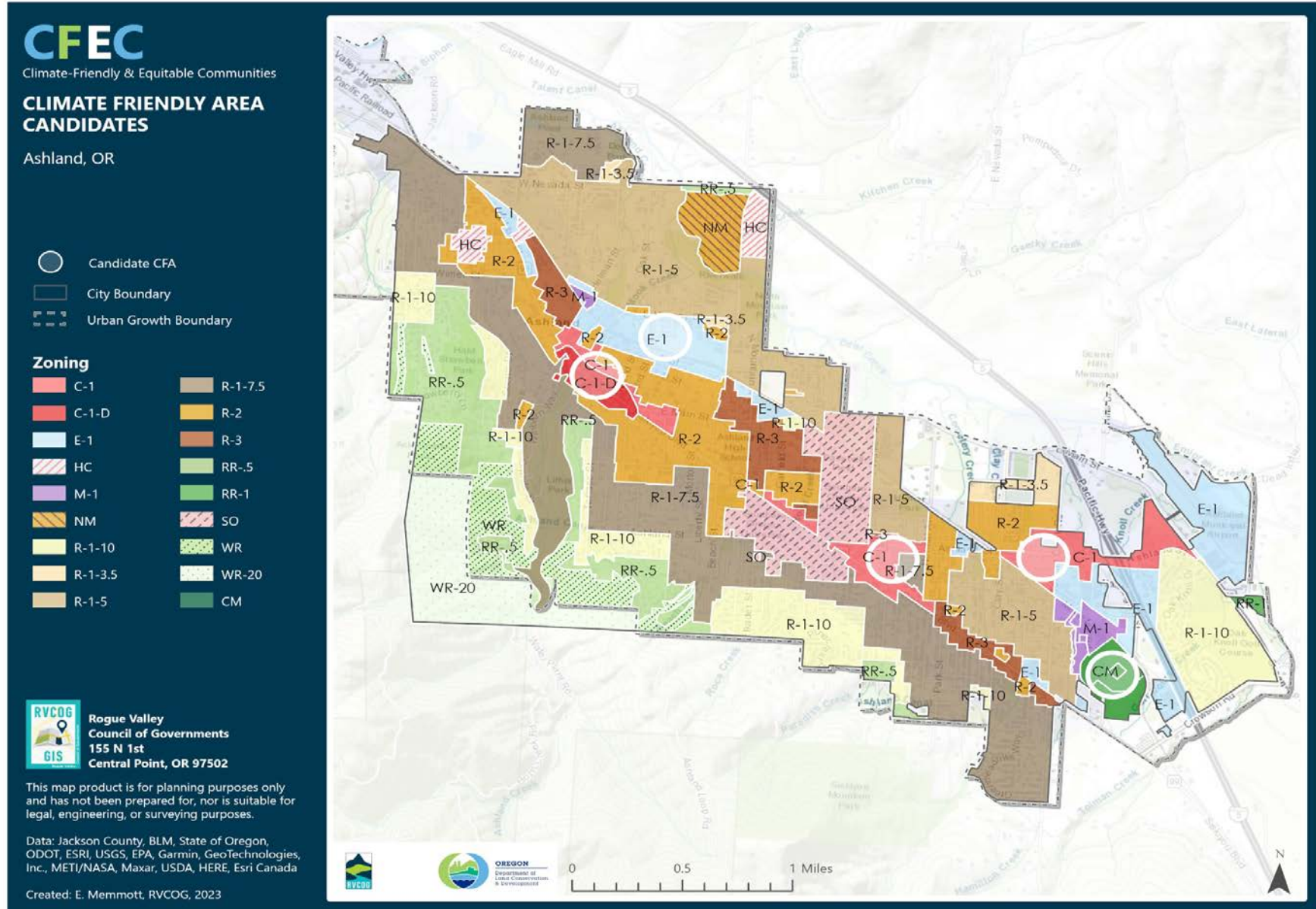


Locate and Size Candidate CFAs

City Guidance

City staff have highlighted several priority CFA candidates, shown in Map 2 below. Staff selected these areas not only for their designated zoning's alignment to the CFA requirements, but also factored in development potential. The Croman Mill and Railroad Property sites are largely undeveloped and present strong cases for rapid CFA-related changes. The Transit Triangle is one of the priority CFA options within the city and has the potential to be improved through redevelopment and development of vacant properties. The prior approval of the Transit Triangle code amendments are largely compatible with CFA, as such this transit served area has considerable redevelopment potential supporting the CFA goals. Conversely, the Downtown area is largely built out, is a National Register Historic District, indicating barriers to potential redevelopment. However, the current built environment is similar to what is expected of CFAs and the C1-D (downtown Commercial) zone could be adapted to comply with CFA guidelines with little trouble and may serve as useful tracts for CFA expansion in the future.

Map 2. CFA Candidates





Calculate Housing Units Needed

As outlined in the methodology guide, the proposed CFA(s) must meet the residential housing capacity threshold expressed in OAR 660-012-0315(1). The threshold to meet is that the cumulative capacity of the CFA(s) is at least 30% of current and projected housing needs citywide. And this is derived by the following formula:

$$\begin{aligned} &\textbf{\textit{Total number of units needed citywide}} \\ &= \\ &\textbf{\textit{current number of existing units}} \\ &+ \\ &\textbf{\textit{projected number of units to meet future needs}} \end{aligned}$$

The most recent Housing Capacity Analysis for the City of Ashland was published in May of 2021 and projects housing needs and trends out to 2041. This analysis estimates there are currently 10,705 dwellings in the city, with a projected need of 858 units more by 2041.

$$\textbf{\textit{10,705 + 858 = 11,563 projected housing units needed by 2041}}$$

Based on these estimates, the city of Ashland will need to locate and size CFA(s) that encapsulate 30% of 11,563 dwellings, or **3,469** units.



Zoning Analysis

Zoning Code Review

Existing zoning codes were compared to the CFA requirements to identify those zones that are most closely aligned with CFEC rules. Shown in Table 2 below, zones were scored for each criterion with 2 points for full compliance, 1 point for conditional or mixed compliance. Zones also earned 1 additional point for having 40-foot building height maximums, while zones that have 35-foot maximums earned no additional points. Green cells are those in compliance. Yellow cells are those that have partial or conditional compliance or are closer to the 50-foot building height maximum, and overall are closer to compliance than other options.

Any zone can be adjusted to be made CFEC-compliant, so CFAs are possible anywhere in the city, but those zones that would take more legislative changes and create more dramatic changes to the built environment relative to what is currently in the area are not prioritized.

The Croman Mill site was master planned in 2008 and this document includes several subzones that are analyzed in Table 3. Much of the area is currently planned for non-residential uses, but City staff have informed the RVCOG team that the property owner is presently working with a developer, TownMakers LLC, to re-envision the area and propose major plan amendments which would newly incorporate residential development throughout the area. While each subzone was scored individually, for the purpose of analyzing prospective zoning changes the entire site has been attributed the attributes and scores of the Mixed-Use subzone.

The Transit Triangle Overlay was also analyzed for its impact on relevant base zones and their CFA suitability.

Overall, the scoring matrix indicates the suitability of the zones regarding the land use requirements. However, the scores are only the first step of the analysis and the results they produce are only one factor among several that the study analyzes. Therefore, a high scoring zone alone does not determine a CFA candidate area. The location of the zones and surrounding transportation infrastructure must be factored in the 2nd step of the study.



Table 2. Zoning Code Analysis

Y - Yes, Permitted Outright C - Conditional M - Mixed N - Not Permitted N/A - Not Applicable	Scoring Matrix Y = 2 C/M = 1 N = 0 40 ft = 1 35 ft = 0	Residential						Commercial			Industrial
		Single Family	Suburban	Low Density MF	High Density MF	Rural	Woodland	Commercial	Downtown	Employment	Industrial
		R-1	R-1-3.5	R-2	R-3	RR	WR	C-1	C-1-D	E-1	M-1
Single Use		Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Mixed Use		N	N	N	N	N	N	Y	Y	Y	N
Multi-Family		N	Y	Y	Y	N	N	C	C	C	N
Single -Family Attached		C	C	C	C	C	C	C	C	C	N
Office		N	N	C	C	N	N	Y	Y	Y	Y
Non-Auto Retail/Services/Commercial		N	N	C	N	N	N	Y	Y	C	C
Childcare		C	C	C	C	C	C	Y	Y	Y	Y
Schools		C	C	C	C	C	C	N	N	N	N
Other Public Uses		N	N	N	N	N	N	M	M	Y	Y
Government Facilities		C	C	N	N	C	C	Y	Y	Y	Y
Parks, Open Space, and Other Similar		Y	Y	Y	Y	Y	Y	N	N	N	N
Maximum Block Length		Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Density Minimum (15 Dwelling Units/Acre)		N	N	N	Y	N	N	N	N	N	N
Density Maximums Prohibited		N	N	N	N	N	N	N	N	N	N
Maximum Building Height (>= 50ft)		N	N	N	C	N	N	C	C	C	N
Maximum Building Height		35	35	35	35	35	35	40	40	40	40
Score		10	12	13	15	10	10	20	20	19	14



Table 3. Croman Mill Zoning Analysis

Y - Yes, Permitted Outright C - Conditional M - Mixed N - Not Permitted N/A - Not Applicable	Scoring Matrix Y = 2 C/M = 1 N = 0 40 ft = 1 35 ft = 0	Neighborhood Center	Mixed Use	Office/ Employment	Compatible Industrial	Open Space
		NC	MU	OE	CI	OS
Single Use		Y	Y	N	N	N
Mixed Use		Y	Y	N	N	N
Multi-Family		Y	Y	N	N	N
Single -Family Attached		Y	Y	N	N	N
Office		N	Y	Y	Y	N
Non-Auto Retail/Services/Commercial		Y	M	M	M	N
Childcare		Y	Y	Y	Y	N
Schools		C	C	C	C	N
Other Public Uses		Y	Y	Y	Y	Y
Government Facilities		Y	C	C	C	Y
Parks, Open Space, and Other Similar		N	N	N	N	Y
Maximum Block Length		Y	Y	Y	Y	Y
Density Minimum (15 Dwelling Units/Acre)		N	N	N	N	N
Density Maximums Prohibited		N	N	N	N	N
Maximum Building Height (>= 50ft)		Y	Y	Y	Y	N
Maximum Building Height		50	50	75	75	N/A
Score		21	21	13	13	8

Observations:

- Single- and mixed -uses are permitted outright in all zones, but single use multi-family residential is only available in higher density residential zones
- Government facilities, parks, open space, plazas, and similar public amenities vary throughout, but are generally more available in the Commercial zones
- Maximum block length applies to all zones except C-1 and C-1-D
- Most zones permit a portion of the required outright permitted uses (multifamily and single family attached residential, office uses, non-auto dependent retail/services/commercial, childcare, schools, and other public uses), but no zones permit all of them outright
- The more greens and yellows, the more CFA-ready a zone is with less modification.
- The Croman Mill District has the most qualifications for a CFA

Identify Zoning Changes

Zones were evaluated in more depth to determine the specific changes that are needed to bring them into compliance with CFEC rules. The purpose of the initial zoning code evaluation was to identify those zones that are the most CFA-ready, as a way to ensure that CFA-related changes occur where they will fit well within the existing built environment and simplify the City's process of updating zoning codes.

CFA Compatible Zones

Croman Mill (CM)	
Single Use	Y
Mixed Use	Y
Multi-Family	Y
Single -Family Attached	Y
Office	Y
Non-Auto Retail/Services/Commercial	M
Childcare	Y
Schools	C
Other Public Uses	Y
Government Facilities	C
Parks, Open Space, and Other Similar	N
Maximum Block Length	Y
Density Minimum (15 Dwelling Units/Acre)	N
Density Maximums Prohibited	N
Maximum Building Height (≥ 50 ft)	Y
Maximum Building Height	50
Score	21

Croman Mill District

The CM District Mixed Use Zone (CM-MU) is close to CFA-compliance. It permits outright all residential uses and already meets the building height maximum requirement.

To be in line with CFA rules, the CM-MU zone would need to be expanded to the entire site and must permit outright non-auto retail/service/commercial, schools, and civic uses. Parks and open space must be allowed, density minimums of 15 du/acre or more enforced, and density maximums prohibited.

Residential – High Density

Residential - High Density (R-3)	
Single Use	Y
Mixed Use	Y
Multi-Family	Y
Single -Family Attached	C
Office	C
Non-Auto Retail/Services/Commercial	N
Childcare	C
Schools	M
Other Public Uses	N
Government Facilities	N
Parks, Open Space, and Other Similar	Y
Maximum Block Length	Y
Density Minimum (15 Dwelling Units/Acre)	M
Density Maximums Prohibited	N
Maximum Building Height (≥ 50 ft)	C
Maximum Building Height	35
Score	16

The R-3 zone meets many of the CFA land use requirements, except for the 50 ft building height maximum and a portion of the permitted uses. To meet the CFEC requirements, the City of Ashland would have to adjust the currently permitted outright building height maximum from 35 ft (40 ft conditional) to 50 ft and change single-family attached, office uses, childcare, schools, and other public uses from conditional to permitted outright uses. An increase of residential density from 13.5 dwellings per acre would need to be changed to a minimum density of 15 du/acre with no maximum residential density. Non-auto dependent retail/services/commercial and civic uses must be permitted, and density maximums must be prohibited.

Commercial Downtown – Central Business District

Commercial - Central Business District (C-1-D)	
Single Use	Y
Mixed Use	Y
Multi-Family	C
Single -Family Attached	C
Office	C
Non-Auto Retail/Services/Commercial	Y
Childcare	Y
Schools	N
Other Public Uses	M
Government Facilities	Y
Parks, Open Space, and Other Similar	N
Maximum Block Length	N
Density Minimum (15 Dwelling Units/Acre)	N
Density Maximums Prohibited	N
Maximum Building Height (≥ 50 ft)	C
Maximum Building Height	40
Score	15

The Downtown Commercial District is Ashland's Central Business District (CBD), and is the city's nexus for employment, services, and transportation. It is more suitable as a CFA than most other zones because it already has conditional building height maximums of 55 ft and permits mixed uses, government facilities, parks, open space, and other similar public amenities outright. The residential density is currently 60 dwellings per acre, yet there are no minimum density requirements. To meet the full CFA requirements in this area, Ashland would need to mandate a minimum density of at least 15 dwelling units/acre, remove the density maximum, and permit outright building heights of 50 feet or more.

Commercial - Employment

Commercial - Employment (E-1)	
Single Use	Y
Mixed Use	Y
Multi-Family	C
Single -Family Attached	C
Office	C
Non-Auto Retail/Services/Commercial	C
Childcare	Y
Schools	M
Other Public Uses	Y
Government Facilities	Y
Parks, Open Space, and Other Similar	N
Maximum Block Length	Y
Density Minimum (15 Dwelling Units/Acre)	N
Density Maximums Prohibited	N
Maximum Building Height (≥ 50 ft)	C
Maximum Building Height	40
Score	18

The E-1 zone allows for a significant cross section of CFA requirements, but there are several uses like multi-family and single-family attached residential, and schools that would need to be permitted outright to qualify as a CFA. Within a designated CFA, parks and open space also need to be allowed, residential density minimums established, and density maximums prohibited. Like other Ashland zones, building height maximums would also need to be raised from a 40' height to 50'. E-1 zoned properties are also included within the Transit Triangle Overlay, which is discussed later in the document.



Other Residential Zones (R-1, R-1-3.5, R-2, RR, WR)

The lower-density residential zones share a lot in common with each other. They allow single- and mixed-uses and parks. They all partially or conditionally allow single-family attached, childcare, and schools. All except for R-2 do not currently allow office or non-auto retail/service/commercial uses. With the exception of R-2, these lower-density residential zones do not have density minimums except when brought into the City through annexation or as a zone change. The R-2 zone requires a minimum density of 80% the base density. These residential zones have maximum building heights of 35 ft.

Despite their low scores in our analysis, like all zones, these can be made compliant with CFEC rules with certain changes. All office, non-auto retail/service/commercial, childcare, schools, and civic uses would need to be permitted outright making these areas similar to Ashland's commercial zones. To be designated as qualified CFAs density minimums of 15 dwelling units per acres would need to be established and enforced density maximums must be prohibited and building height maximums would have to be raised to a minimum of 50 ft.

Other Commercial and Industrial Zones (C-1, M-1)

C-1 and M-1 zones both score very well in our analysis, but there are other factors that have left them as lower priorities. C-1 scored essentially the same as C-1-D and it would need the same changes to become CFA-ready. The C-1-D receives preference because it encompasses the part of the city with the highest density of jobs and built housing potential, but the adjacent C-1 areas would make good candidates to expand the CFA geographically if needed. C-1 also features prominently in the Transit Triangle Overlay, which is discussed in the next section.

The M-1 zone scored fairly well in our analysis, but it is not prioritized because industrial uses are not as easily relocated as other uses and the goal of the CFA project is to avoid creating undue burdens on the local economy. Additionally, industrial uses do not coexist with residential uses the same way that commercial uses do. That being said, if a portion of the M-1 zone is required to form the ideal CFA form, non-auto retail/services/commercial and schools will need to be permitted outright. Multi-family and single-family attached residential must be permitted along with parks and open space. Density minimums of 15 dwelling units or more must be created and building height maximums need to be raised to 50 ft. Density maximums would have to be prohibited, as well.



Y - Yes, Permitted Outright C - Conditional M - Mixed N - Not Permitted N/A - Not Applicable	Scoring Matrix Y = 2 C/M = 1 N = 0 40 ft = 1 35 ft = 0	Transit Triangle			
		Base Zones			
		Commercial	Employment	Low Density Residential	High Density Residential
		C-1	E-1	R-2	R-3
Single Use		Y	Y	Y	Y
Mixed Use		Y	Y	Y	Y
Multi-Family		M	M	M	M
Single -Family Attached		C	C	C	C
Office		C	C	Y	Y
Non-Auto Retail/Services/Commercial		Y	C	C	N
Childcare		Y	Y	C	C
Schools		N	M	M	M
Other Public Uses		M	Y	N	N
Government Facilities		Y	Y	N	N
Parks, Open Space, and Other Similar		N	Y	Y	Y
Maximum Block Length		N	N	Y	Y
Density Minimum (15 Dwelling Units/Acre)		Y	Y	N	Y
Density Maximums Prohibited		N	N	N	N
Maximum Building Height (>= 50ft)		Y	Y	N	N
Maximum Building Height		50	50	40	40
Score		18	21	15	16

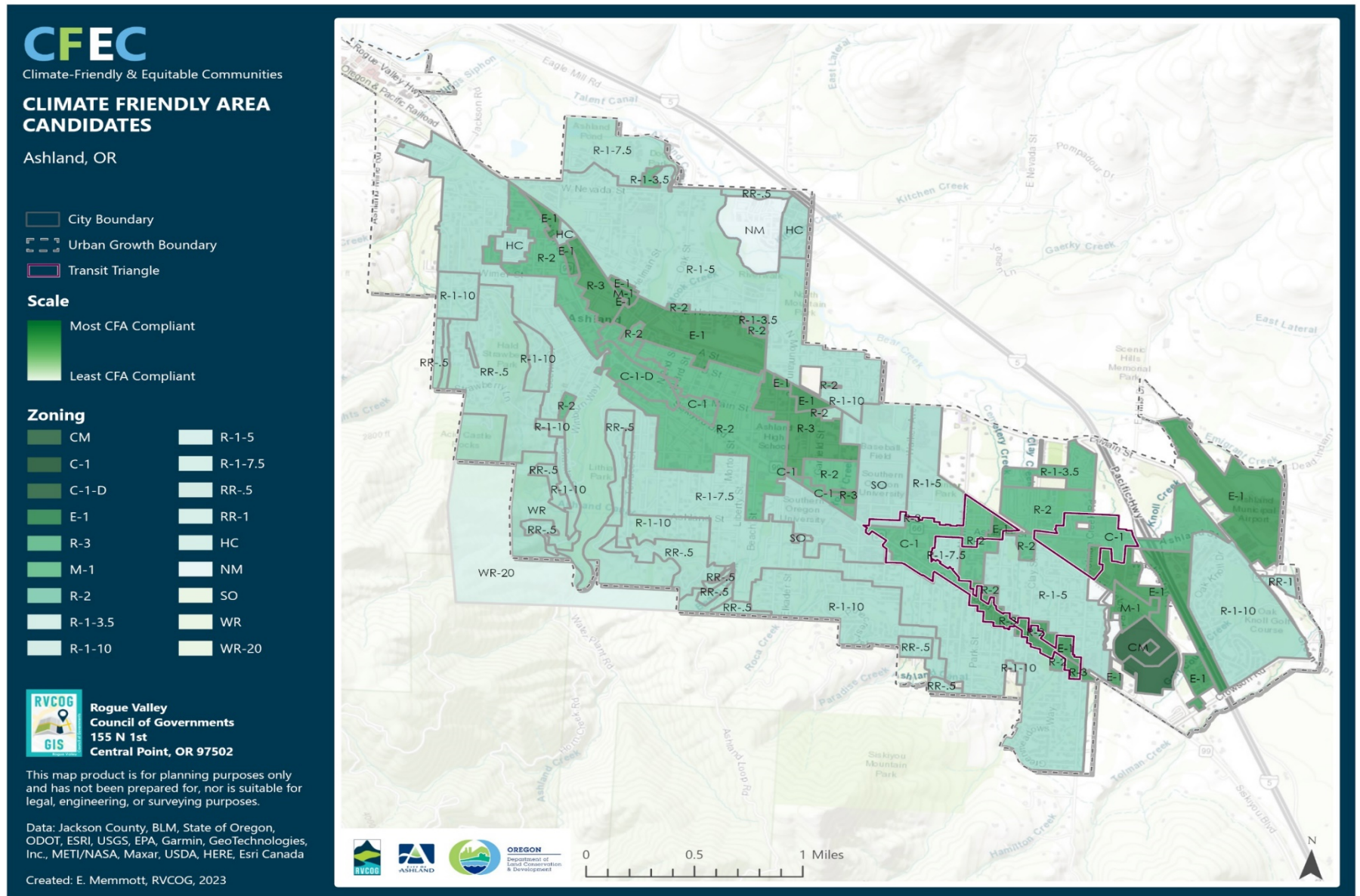
Transit Triangle Overlay

Table 4.
Transit Triangle Zoning Analysis

The Transit Triangle Overlay (TTO) is intended to diversify the mix of housing and business types along major transit routes. Table 4 above shows that the overlay enhances the C-1 and E-1 zones within the TTO and significantly improves their scores in our analysis. However, for the TTO, multi-family residential uses are permitted only for rental and not for purchase. The main improvements to the C-1 and E-1 zones are the increased building height maximums, density minimums, and parks/open space. Within the TTO, the C-1 and E-1 zones have excellent scores and are some of the best candidate areas for CFA locations.

Map 3 on page 29 showcases the zones illustrates which best fit the CFA requirements. No zones are currently in compliance with CFEC rules, but Tables 2 and 3 show that the Croman Mill, Residential – High Density (RHD), and Commercial – Central Business District (CBD) zones stand out as being the closest. Small changes to permitted uses and the building height maximum would bring most into compliance.

Map 3. Zoning Analysis





CFA Capacity Calculation

Candidate CFA locations have been identified and prioritized, and this step evaluates each area's housing capacity. If the proposed CFA's boundaries do not encompass 30% or more of current and future dwellings, there will be a need for boundaries to be adjusted or the creation one or more additional CFAs. Additional CFA candidates that have been identified will be considered first for CFA expansion if need be and the evaluation process will begin at Step 2 for these sites.

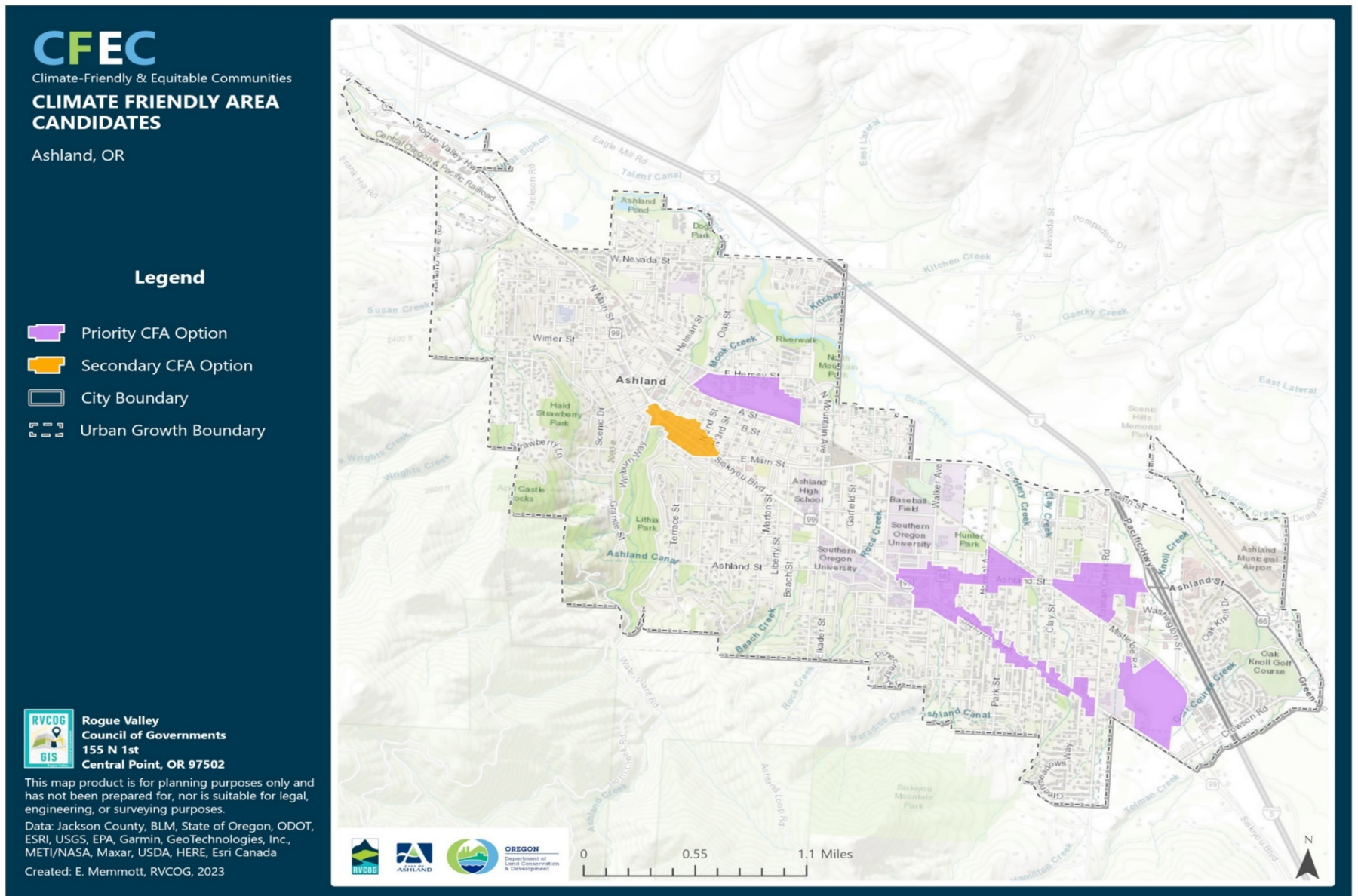
City Guidance

City staff have highlighted several priority CFA candidates, shown in Map 4 below. Staff selected these areas not only for their designated zoning's alignment to the CFA requirements, but also factored in development potential as an additional factor. The Croman Mill and Railroad Property sites are largely undeveloped and present strong cases for rapid CFA-related changes. The Transit Triangle is one of the priority CFA options within the city and do have the potential to be improved within the existing uses and make it more compatible as CFA requirement and it could look like a secondary downtown. Conversely, the Downtown area is largely built out, indicating a barrier to potential redevelopment. However, the current built environment is similar to what is expected of CFAs and could be adapted to CFA guidelines with little trouble and may serve as useful tracts for CFA expansion in the future.

City staff have highlighted several priority CFA candidates, shown in Map 4 below. Staff's selections were made based not only on how well the designated zoning aligns with CFA requirements but also considering the potential for development. Among these areas, the Croman Mill and Railroad Property sites stand out due to their underdeveloped nature, making them suitable for rapid CFA-related changes. Another noteworthy candidate area is the Transit Triangle Overlay, which holds a prime position among the CFA options within the city. There is potential to enhance this area while maintaining its existing uses, thereby making it more compatible with CFA requirements.

In contrast, the historic Downtown area is already extensively developed, posing a challenge for potential redevelopment. Despite this, its current built environment closely resembles what is envisioned for CFAs. With some adjustments, it could be brought in line with CFA guidelines without significant difficulty. As such, it could serve as a valuable location for potential CFA expansion in the future.

Map 4. Priority CFA Candidates



Croman Mill

The Croman Mill site is approximately 92 Acres in the southeastern corner of the city (Image 1). It is served by Siskiyou Blvd. at the south end and Mistletoe Rd. in the north. A master plan for the site was adopted in 2008, but development has yet to occur (Image 2). The plan calls for office and industrial uses for most of the site. Also, there is residential center and mixed-use zones allowed within the Croman Mill site.

The Croman Mill site is viewed as an excellent CFA location due to its redevelopment potential, large size, and proximity to quality transit service and bicycle and pedestrian infrastructure.

Railroad Property

The Railroad Property site is 57 Acres in the center of the city, just a few blocks north of downtown (Image 3). The site rests between the rail line and E Hersey St. The northern half of the site is developed with commercial, and employment uses, but the majority of the southern portion of the site is undeveloped.

The 2001 master plan for the site shows a pedestrian-focused mixed-use area intermingled with civic uses adjacent to the existing northern commercial area enhanced with new local streets connecting to E Hersey St (Image 4).

Image 1 - Croman Mill

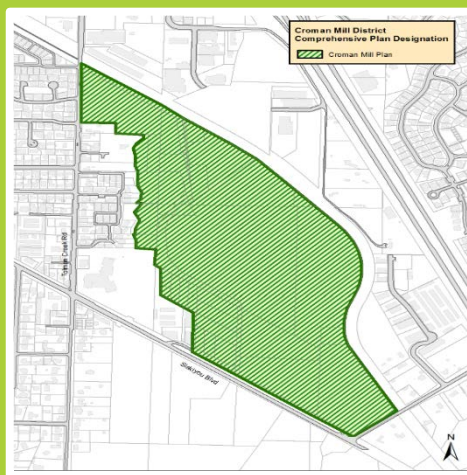


Image 2 - Croman Mill Planned Zones

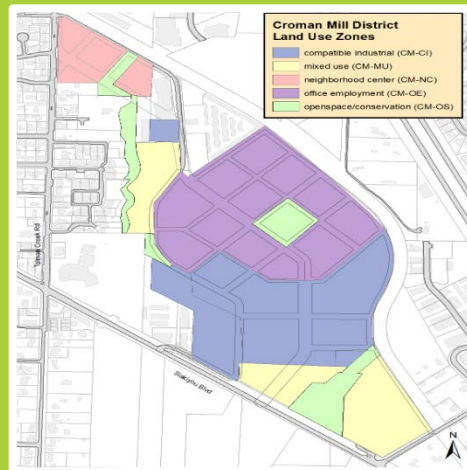
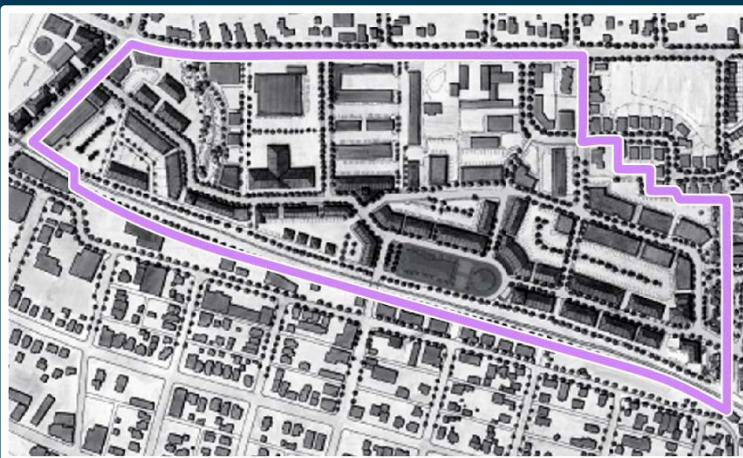


Image 3 - Railroad Property



Image 4 - Railroad Property Master Plan



Transit Triangle Overlay

The Transit Triangle is intended to facilitate a mix of housing types and businesses along major transit corridors on Siskiyou Blvd., Ashland St., and Tolman Creek Rd. The goal is to create an environment that is friendly to walking, biking, and using transit. The Transit Triangle, as written, is close to meeting CFA requirements and as a result it is considered one of the priority CFA options the city can consider. The Transit Triangle has an area of 167 acres and that area could theoretically have a considerable additional housing capacity.

Downtown

The downtown area closely resembles the vision of what a CFA can look like when it has reached maturity and there would be few adjustments needed to make it CFA-compliant. However, it is almost completely built out and there have been very few new construction projects in the area over the last 20 years.

However, the community has expressed interest in implementing CFA strategies significantly beyond what is minimally required, and the downtown area stands out as an obvious place to include in any expansion efforts.

Image 5 – Transit Triangle

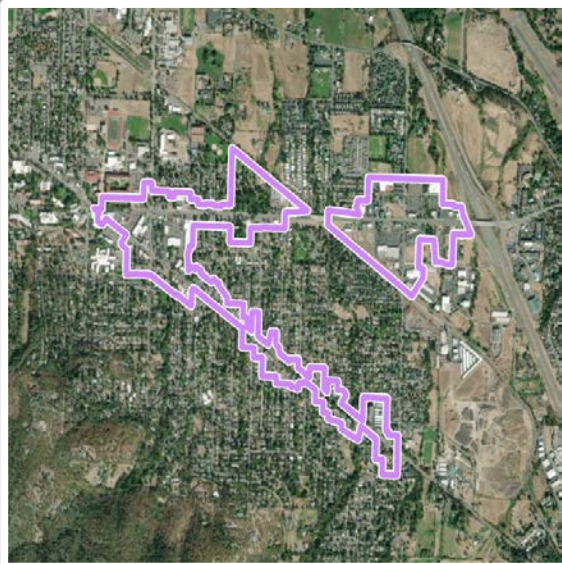


Image 6 – Downtown





Calculate Housing Unit Capacity

This method was adapted from the DLCD Climate-Friendly Areas Methods Guide. The calculation follows the prescriptive path described in the methods guide. Total Housing Unit Capacity in CFA is estimated using the following variables:

- The Net Developable Area in sq. ft. (a)
- The maximum number of building floors (f)
- The assumed percentage of residential use (r)
- The average size of a housing unit in sq. ft. (s)

Using these, the housing unit capacity (U) in any part of a CFA can be given by a simple formula:

$$\text{Housing Unit Capacity (U)} = \frac{(\text{Net Developable Area} * \text{Maximum floors} * \text{Resident use percentage})}{\text{Average Housing Unit}}$$

Note: In the above formula, the results are rounded to the nearest integer.

Net Developable Area and Maximum Building Floor factors in the above calculation requires some additional sub-calculations. The values to use for Assumed Percentage of Residential Use (r) and Average Size of a Housing Unit (s) are given in the rules.

Each uniquely zoned area of the CFA will have its own calculations of these factors and the above housing unit formula. Then they are summed for the CFA area to give the total Housing Unit Capacity.



Evaluation

Assumptions

Both the Croman Mill District and Railroad Property sites have significant development opportunities, and while they are master planned, specific lots have not been identified. Additionally, while ongoing master planning efforts are underway (Croman Mill District revisions), there are several changes being worked on at the moment that could significantly affect the layout of these sites, the details of which will not be available for some time. Therefore, it is prudent to use city standards to determine gross and net block areas. The Right-of-Way (ROW) set aside is 20%, as that is the DLCD standard. We use the street network plans when available to measure out the undevelopable area and subtract it from the overall area. The same standards will be applied for the Transit Triangle area to calculate the housing capacity of the site.

These calculations are based on the block level and do not count for interior lot setbacks. All sites are within 0.5 miles of a frequent transit corridor according to OAR 660-012-0440, and parking minimums cannot be mandated within this area. Values shown below may differ slightly from actual values due to rounding.

Note that 30% of projected needed housing for the city is **3,469**.

<i>Equations</i>			
Gross Block Area	=	Block Length x Block width	
Net Block Area	=	Gross Block Area – deductibles (ex. Alleys)	
Net Developable Area	=	Net Site Area – (Green space, ROW, Streets, etc.)	
Building Floors	=	(Building Height Max -10) / 10	
Housing Units	=	Net Site Area x Percent Residential Use x Floors / Avg. Housing Unit Size	
Units per Acre	=	Housing Units / Net Area	

<i>City Standards</i>			
Block Length			400 ft
Block Perimeter			1,600 ft
Gross Block Area	400 ft x 400 ft =	3.67 Acres:	160,000 sq. ft
Right-of-Way Set-Aside	(DLCD rule of thumb)		20%

<i>DLCD CFA Standards</i>	
Percent Residential Use	30%
Average Housing Unit Size	900 ft



Calculations

<i>Croman Mill</i>		
Site Area		92.69 Acres
Green Space		10.1 Acres
Street Network	<i>Approximately</i>	20 Acres
Net Developable Area	65 Acres:	2,821,010 sq. ft
Housing Units Capacity		5,142
Percentage from Needed Housing	<i>(Housing Unit Capacity/Needed Housing).</i>	148%
Units Per Acre		79

Croman Mil District Results

5,142 units is more than the Needed Housing Units the city will need to meet the CFA requirement of 30% of projected needed housing units, which is **3,469**. The Croman Mill site has the potential to host 28% more than the required 30% of projected needed housing units. Please note that this calculation accounts for the individual Housing Unit capacity of all the different planned land use zones, mainly because different zones allow for different building heights, within the Croman Mill site .

The cumulative housing unit capacity across the site results in a total of 5,142 dwellings. Despite this capacity based on maximum building size, minimum unit size, and maximum lot coverage, City Staff anticipates that the more realistic development scenario would be closer to the minimum residential density of 15 dwellings per acre, rather than the maximum calculated feasibility of up to 80 units per acre. Thus, utilizing 15 units per acre across the 65 net developable acres of the Croman Mill District would lead to a more limited capacity of 975 dwellings. In assessing the designated CFA sites, City Staff would aim to ensure that the 3,469 dwelling units required within CFAs are achievable at the minimum residential density required, rather than the maximum density achievable.



<i>Transit Triangle Overlay</i>		
Site Area		162.89 Acres
Green Space	<i>Approximately</i>	7.51 Acres
R.O.W	<i>(DLCD Standard)</i>	20 %
Net Developable Area	148 Acres	6,447,752 sq. ft
Housing Units Capacity		7,524
Percentage from Needed Housing	<i>(Housing Unit Capacity/Needed Housing).</i>	217 %
Units Per Acre		52

Transit Triangle Overlay Results

The Transit Triangle overlay is capable of hosting around 7,524 units within it if developed in its entirety at the maximum allowable residential density afforded within a CFA. This site alone can meet and exceed the Projected Needed Housing for the city. Please note that this calculation accounts for the individual Housing Unit capacity of all the different planned land use zones, mainly because different zones allow for different building heights, within the Transit Triangle Overlay and

The sum of all the housing unit capacity for the site gives us 7,524 units based on maximum development capacity. However, the Southern Oregon University zone (SO) portion within the Transit Triangle Overlay is not accounted for in the calculations of the housing unit capacity. That zone is being governed by the Southern Oregon University Masterplan. To avoid further complicating overlapping zones and overlays, the SO zone is excluded from the CFA. City Staff have further determined a revised residential density for the Transit Triangle Area, exclusive of the SO zone, based on the scenario where the area is developed at the CFA minimum residential density of 15 dwelling units per acre. This calculation results in an estimated total of 2,220 dwelling units.



<i>Railroad Property</i>			
Site Area			57.27 Acres
Green Space	<i>Approximately</i>		6.41 Acres
Street Network	<i>Approximately</i>		12.52 Acres
Net Developable Area	38.34 Acres		1,670,090 sq. ft
Housing Units Capacity			2,226
Percentage from Needed Housing	<i>(Housing Unit Capacity/Needed Housing).</i>		64%
Units Per Acre			58

Railroad Property Results

The calculated **2,226** housing units of the Railroad Property are not independently enough to meet the CFA requirement of 30% projected needed housing units. The site is short of 1,243 units from being compliance with the CFA requirements were it the sole CFA within the city. Therefore, an expansion of some kind must be considered.

One option for the city is to contemplate were the railroad site to be the primary CFA would be enlarging the boundaries of the Railroad site to encompass the developed residential and commercial regions nearby, which could bridge the existing gap were this site to be the exclusive CFA within Ashland. CFAs. Alternatively, the city has the option to label the Railroad site as a secondary CFA site, with the primary CFA sites being the Croman Mill District and/or Transit Triangle Overlay area. Collectively, these sites would fulfill the CFA requirement to accommodate 30% of Ashland's housing needs.



Conclusion

The Croman Mill and Transit Triangle sites both can provide ample room for CFA development to fulfill the requirement of the CFEC rules for 30% of projected needed housing units. The specific boundaries that have been analyzed could change in a variety of minor ways without bringing the unit count below the necessary threshold.

The Railroad property falls short in covering 30% of the Projected Needed Housing for the city. In any case, resizing the boundary could help increase the housing capacity of the site and bring it closer to compliance with the 30% requirement of the CFEC, or best-case scenario it will bring the railroad property to a full compliance with the 30% requirement of the CFEC.

The downtown area has been included in this discussion because it remains relevant to the CFA transformation and may end up included in a broad CFA overlay that encompasses the major employment, commercial, and higher-density residential areas of the city, even if it is not needed to meet the housing requirement.

Overall, the city of Ashland does have a few options when designating a CFA site. The site will need to be fully compliant with the CFEC land use regulations, and most of the sites do not need major updates to bring them up to compliance with the CFEC regulations. Both Transit Triangle and Croman Mill sites are compatible with the 30% projected needed housing in the city. However, the railroad property does not have the capacity to host the full 30% of the projected needed housing, but it could act as a secondary CFA and as a safety buffer for the projected housing units for the primary CFA(s). City Staff highlights that if the potential CFA candidate areas, namely the Croman Mill District, the Transit Triangle Overlay area, and the Railroad site, are individually developed to meet the minimum density requirement set for designated CFAs (which is 15 units per acre), their combined residential development capacity even at this minimum would successfully meet the CFA mandate of accommodating a minimum of 30% of Ashland's housing demands.



Chapter 3: Anti-Displacement Mitigation Strategies

CFA Redevelopment Outcomes

Due to the nature of the regulations, an area designated as a climate friendly area gains the capability to be redeveloped for a wide variety of uses and dense housing types. While these factors intend to promote nodes not reliant on personal automobile use, they also have the capability of creating modernized, attractive, and competitively priced developments which can subsequently displace protected classes. This trend, known as gentrification, can become a component of a climate friendly areas if cities do not carefully analyze a CFA's location and consider proper phase 2 protections to ensure the developments remains accessible to all populations.

Anti-Displacement Map Analysis

Recognizing this potential threat, DLCD has prepared an anti-displacement guide. This guide classifies areas by neighborhood type which are characterized by their income profile, vulnerable classes, amount of precarious housing, housing market activity, and overall neighborhood demographic change. Each area is identified through the DLCD anti-displacement map, which can be found here: [Anti-Displacement Map](#)

Each neighborhood type is categorized as one of the following:

Affordable and Vulnerable

The tract is identified as a low-income tract, which indicates a neighborhood has lower median household income and whose residents are predominantly low-income compared to the city average. The neighborhood also includes precariously housed populations with vulnerability to gentrification and displacement. However, housing market in the neighborhood is still stable with no substantial activities yet. At this stage, the demographic change is not under consideration.

Early Gentrification

This type of neighborhood represents the early phase in the gentrification. The neighborhood is categorized as a low-income tract having vulnerable people and precarious housing. The tract has a hot housing market, yet no considerable changes are found in demographics related to gentrification.

Active Gentrification

These neighborhoods are identified as low-income tracts with a high share of vulnerable people and precarious housing. The tracts are experiencing substantial changes in housing price or having relatively high housing costs found in their housing markets. They exhibit gentrification-related demographic change. The latter three neighborhoods on the table are designated as high-income tracts. They have hot housing market as they have higher rent and home value with higher appreciation rates than the city average. They also do not have precarious housing anymore. However, Late Gentrification type still has vulnerable people with experiences in gentrification related demographic changes.



Late Gentrification

This type of neighborhood does not have predominantly low-income households, but still have vulnerable population to gentrification. Their housing market exhibits high housing prices with high appreciations as they have relatively low share of precarious housing. The neighborhood has experienced significant changes in demographics related to gentrification.

Becoming Exclusive

The neighborhoods are categorized as high-income tracts. Their population is no longer vulnerable to gentrification. Precarious housing is not found in the neighborhoods. However, the neighborhoods are still experiencing demographic change related to gentrification with hot housing market activities.

Advanced Exclusive

The neighborhoods are identified as high-income tracts. They have no vulnerable populations and no precarious housing. Their housing market has higher home value and rent compared to the city average, while their appreciation is relatively slower than the city average. No considerable demographic change is found in the neighborhoods.

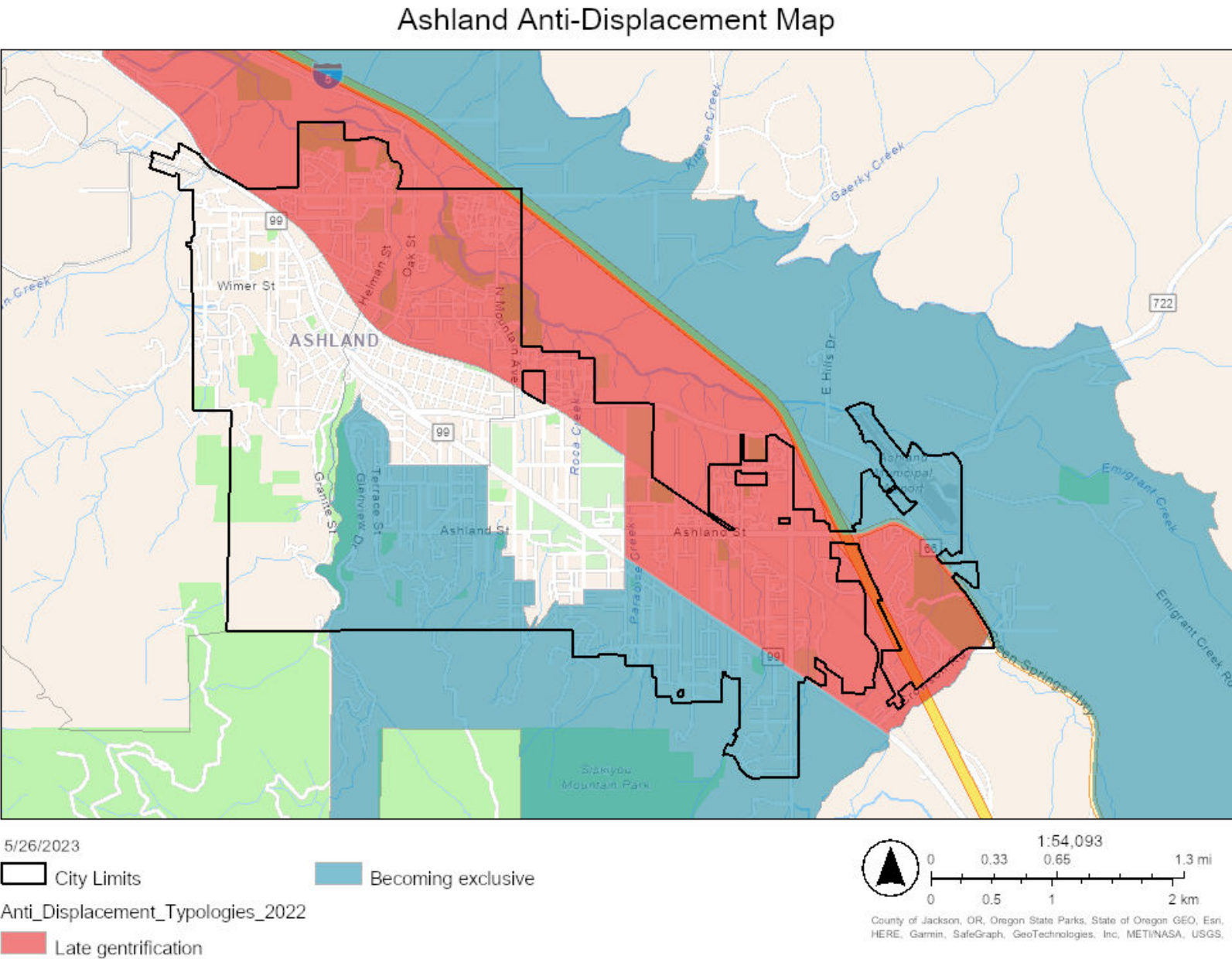
Unassigned

The unassigned tracts have not experienced any remarkable changes in demographics or housing markets. The neighborhood has been stable with unnoticeable change, yet this does not necessarily mean that there is no need for extra care compared to other neighborhoods with assigned types. Planners need to engage with the communities to make sure the neighborhood is stable while aligning with community needs and desires.

Neighborhood Types Present Within the Proposed CFA

As proposed, the candidate CFA for Ashland currently lies within a census tract 18 of Jackson County, which is identified by the neighborhood type: **Late Gentrification**, see the following map.

Map 5. DLCD Anti-Displacement Map





Suggested Strategies

It is important to note that while the project's scope of work directly referenced DLCD's housing production strategies (HPS) as a component of the anti-displacement analysis, the City of Ashland has an approved Housing Production Strategy report which satisfies DLCD's requirements and aims to ensure sustainable and equitable residential development within the city. Because the housing production study was put out for public comment on May 23rd, 2023, the technical analysis in this report utilized DLCD's HPS for the purposes of the Climate Friendly Area analysis. Nonetheless, the technical analysis team recommends use of the in-depth HPS report produced by the City of Ashland for phase 2 of the CFA study.

Referring to DLCD's housing production strategies, which can be found [here](#), RVCOG has identified the following strategies to ensure that a climate friendly area acts as an equitable community. In selecting strategies RVCOG prioritized strategies color coded as green for the **Late Gentrification** neighborhood type for their likeliness to generate little to no adverse impact, factoring in local context and feasibility as well.

Category A: Zoning and Code Changes

A03: Density or height bonuses for affordable housing.

Cities could consider introducing a height and density bonus for developments which introduce units between 30% - 120% of the average median income (AMI). RVCOG suggests using the CFA thresholds as a potential model for such bonuses, in the case of Ashland potentially allowing an increased 10 feet of maximum height and additional 5 dwellings per acre. City Staff notes that Ashland presently allows an affordable housing density bonus of up to two market rate units for every qualifying affordable housing unit provided, accommodating up to a 35% increase in residential density.

A07: Single Room Occupancy

Single room units, such as junior accessory dwelling units, present a new housing typology not commonly considered among residential zones. Enabling this use as a permitted accessory component of a multi-unit development could provide developers with the opportunity to provide unique housing arrangements and a variety of units at different price points. (New State Law)

A14: Re-examine Mandated Ground Floor Use

The City of Bend has determined that while lively streetscape in a dense environment is a worthy goal, mandating that ground floors be occupied by commercial uses when the surrounding market forces can't support such a use can contribute to decreased development or loss of area for dwellings. City Staff notes that HB 2984, passed in the 2023 State Legislative Session, allows the conversion of buildings from commercial use to housing without a zone change or conditional-use permit. It prohibits local governments from requiring more parking and limits collection of system development charges. This statewide legislation effectively allows residential ground floor use within commercial buildings.



Category B: Reduce regulatory Impediments

B10: Public Facility Planning

Factoring that some of the proposed CFA sites are largely vacant, assisting in providing public facilities could make these sites more attractive for development. Furthermore, assisting in providing public facilities may enable the city to prioritize key connections or better plan for expansion in the future.

B07: Flexible Regulatory Concessions for Affordable Housing

Considering that cities within the 10,000-24,999 population range are in one of the lower ranges for prescriptive CFA standards, enabling affordable housing to move into some of the upper thresholds could present a unique advantage further attract affordable housing. Furthermore, this strategy enables a CFA to evolve directly in response to its City's population growth, possibly resulting in a CFA pre-emptively meeting the next threshold's requirements.

B19: Survey Applicant on Development Program Decision-Making

User feedback can help illustrate frustrations or pitfalls in the planning process not seen by staff. Utilizing a survey as litmus test for ease of development within a CFA can serve as an asset not only to the CFA, but the City's Planning department as a whole. City Staff notes that in February 2023 the City Community Development Department surveyed all individuals that obtained a Planning Permit, or Building Permit, from 2018-2022. The City is in the process of establishing a Development Process Management Advisory Committee made up developers, builders, architects, and private planners, to assist in reviewing the survey and to recommend areas to improve the permitting process and reduce barriers to the development of needed housing.

Category C: Financial Incentives

C01: Reduce or exempt System Development Charges (SDCs) for needed housing.

SDC's are often seen as necessary yet prohibitive cost associated with new development. Granting exemptions for needed dense and affordable housing helps clear the way for development, while commercial developers seeking to capitalize on attractive areas by constructing recreational or tourism oriented, or general luxury developments can bear a larger part of the burden when it comes to needed infrastructural growth. City Staff notes that Ashland presently waives all SDCs for qualified affordable housing.

C04: Incentivize Manufactured and Modular Housing.

Manufactured and modular housing could be a popular option in vacant CFA areas as it can be constructed for less cost and added on to as a larger population occupies the CFA. Modular housing also supports homeownership rather rented housing, a notion that could ensure a CFA acts as equitable community for permanent residents and doesn't become an area merely for vacation rentals. City Staff notes the City's adopted Housing Production Strategy includes a strategic action to create a Manufactured Park Zone to preserve existing parks and potentially identify opportunities for additional manufactured home parks. Manufactured and Modular housing are presently permitted outright on



individual residentially zoned lots within the City with the exception of designated National Register Historic Districts.

Category D: Financial Resources

D02: Low Income Housing Tax Credit (LIHTC).

Federal tax credits represent an external opportunity for an affordable housing development to feasibly occur within a city. Disclaiming these opportunities to developers comes at little cost to the city, and can facilitate mixed income housing that contributes to a more diverse set of demographics within a CFA.

D09: Demolition Taxes

A demolition tax can ensure that new development within a CFA introduces a greater density than the existing structure or be forced to be pay a tax to fund a housing trust fund. Demolition taxes help mitigate the effects of higher density, aging housing being replaced by lower density, newer, market-rate homes, which could occur if the CFA is sited in a more historic area of a community, or the introduction of the CFA regulation induces more affluent populations seeking proximity to mixed uses.

D09: Construction Excise Tax

Seeing as the CFA's are located on vacant land, a construction excise tax (CET) seems to be an apt solution to ensure development of a CFA accrues funds for affordable housing projects both within the CFA and elsewhere. City Staff notes the City's adopted Housing Production Strategy includes a strategic action to evaluate establishing a CET to support affordable housing development within the community.

Category E: Tax Exemption and Abatement

E03: Vertical Housing Development Zone Tax Abatement

This housing production strategy authorized ORS 307.841 directly aligns with the live work environment that's meant to appear within CFA's and is natural candidate to assist in mixed use development. The effectiveness of this strategy could be somewhat bound by a CFA's respective height limits but coupled with affordable housing density bonuses could be quite effective. City Staff notes that Ashland presently established a Vertical Housing Development Zone to correspond with the Transit Triangle Overlay area. As this Transit Triangle area is a candidate for a CFA, this strategy is in already place within one of the potential CFA areas under consideration.

E04 & E05: Multiple Unit Tax Exemptions (Property and Limited taxes)

Similar to the Vertical Housing Tax Abatement, the multiple unit tax exemptions could serve as a symbiotic strategy to the type of development intended to occur within a CFA. Whether this strategy seeks to aid in overall feasibility by being a long-term exemption or aid in the initial

E10: Delayed tax Exemptions

Delayed tax exemptions can be seen as a viable strategy to allow new development recoup construction costs and establish a profitable base before falling below 80% AMI. This strategy could benefit initial



developments in CFA's, and later assist them in serving a new economic bracket when the area becomes more developed.

Category F: Land, Acquisition, Lease, and Partnerships

F17: Designated Affordable Housing Sites

Designating CFA's partly or entirely as affordable housing sites can ensure the best use of the land in the future. While price control measures may ward off developers initially, highlighting tax exemptions and streamlined planning process coupled with the relative newness of the CFA regulations may highlight these areas as feasible location for affordable housing.

F19: Affordable Housing Preservation Inventory

Identifying and inventorying areas currently hosting affordable housing enables staff to examine what contextual factors have led them to appear in their community, and informs areas to proceed with caution when expanding the CFA.

City staff are encouraged to review and evaluate the list of strategies when it comes time for phase 2 zoning reform.

City Staff emphasizes that the strategic actions outlined in the approved Ashland Housing Production Strategies will be evaluated in the context of identifying and implementing Climate Friendly Areas (CFAs). A new CFA land use designation would be crafted with the primary goal of encouraging the development of transit supported mixed-use, higher-density environments that actively diminish the dependence on fossil fuels. The evaluation process will pay particular attention to addressing the potential displacement of existing affordable housing within any designated CFA area while simultaneously seizing the opportunities to foster necessary housing options within the designated areas. This comprehensive approach underscores the city's commitment to both sustainable urban development and the preservation of affordable housing for its residents.



Appendix A: Acronyms

Regulatory:

- LCDC = Land Conservation & Development Commission
- DLCD = Department of Land Conservation & Development
- OAR = Oregon Administrative Rules
- CFA = Climate Friendly Area
- CFEC = Climate Friendly & Equitable Community

Technical:

- HNA = Housing Needs Assessment
- HCA = Housing Capacity Analysis
- HPS = Housing Production Strategy
- NDA = Net Developable Area
- HUC = Housing Units Captured
- MF = Multifamily Housing
- SF = Single Family Housing



Appendix B: References

- [Climate-Friendly Areas Methods Guide](#) by DLCD.
- [CFA Anti-Displacement Analysis](#) by DLCD.
- [Housing Production Strategy](#) by DLCD.
- The cover picture used in the study document is by Fred Stockwell



Climate Friendly Areas Study

City of Ashland, OR



Rogue Valley
Council of Governments

155 N First St
P.O. Box 3275
Central Point, OR 97502
(541) 664-6674
Fax (541) 664-792

3J Scope of Work

Department of Land Conservation and Development

City of Ashland – Climate Friendly Areas Code Update

December 13, 2023

Note, the project did not begin in January as initially expected as the agreement and consultant selection was not completed until April, and the Kickoff meeting with the City of Ashland occurred on June 20th

Goals and Objectives:

Goal: To draft updated zoning and development code and zoning maps amendments related to the designation of Climate Friendly Areas (CFAs) within Ashland, Oregon.

Objective 1: Review analysis and recommendations from Phase 1: The City of Ashland Climate Friendly Area Study completed by the Rogue Valley Council of Governments (RVCOG), in compliance with OAR 660-012-0315(4) and (5) and reviewed by the Oregon Department of Land Conservation and Development (DLCD).

Objective 2: Use a market feasibility study to inform CFA code regulations and to evaluate impacts that land use code modifications in accordance with the Climate Friendly & Equitable Communities (CFEC) rules can be expected to have on market-viable development in CFAs.

Objective 3: Select one or more Climate-Friendly Areas to collectively accommodate 30% of the city's housing.

Objective 4: Prepare adoption-ready zoning and development standards implementing the CFA requirements, including map updates.

Objective 5: Conduct public outreach through a variety of methods to engage internal and external stakeholders .

Task 1: Project Management

The City and consultant will hold a kickoff meeting for the consultant to become familiar with local conditions and planning documents, for City staff and the consultant to confirm the project objectives and refine the project schedule, and for City staff to prepare for the project. The consultant will contact City staff via conference or video call to establish project expectations and familiarize themselves with city-specific concerns. The consultant will verify the action items identified through this initial meeting with the City staff and will develop and share a proposed schedule for the actions required for the completion of all tasks, building on the task timeline included in this scope.

City staff and the consultant will participate in biweekly phone calls or virtual meetings to monitor progress on key tasks throughout the course of the project.

Task 1 Consultant Deliverables:

- 1.1 Agenda and notes for kickoff meeting*
- 1.2 Proposed Project schedule*
- 1.3 Agenda and notes for project management team meetings*

Task 1 City Deliverables:

- 1.1 Copy of relevant comprehensive plan and code sections, and other relevant City data or documents*

Timeline: January to December 2024

Task 2: Communications and Public Outreach Support

Task 2.a Public Involvement Plan

The consultant will support City staff with communications and public outreach related to the project. The consultant will draft a Public Involvement Plan that builds upon the City's CFA Community Engagement Plan and the outreach already completed.

Task 2.b Stakeholder Interviews

City staff will identify and provide introductions to five (5) development interest stakeholders. The consultant will schedule interviews with identified parties, conduct the meetings, and prepare a written summary. Findings will inform the draft audit findings (Task 3) and the market feasibility study (Task 4).

Task 2.c Advisory Committees

City staff will schedule and provide notice, agendas, and summaries for three (3) virtual and one (1) in-person advisory committee meetings with the following groups to present the project scope, goals, findings, and recommendations:

- Climate and Environment Policy Advisory Committee (virtual)
- Housing and Human Services Policy Advisory Committee (in-person)
- Social Equity and Racial Justice Advisory Committee (virtual)
- Transportation Advisory Committee (virtual)

The consultant will coordinate with City staff on meeting arrangements and facilitate the meetings, including developing additional materials to present the public involvement plan, draft audit, and market feasibility study.

Task 2.d Public Meetings and Surveys

City staff will schedule one (1) public meeting to present the project scope, goals, findings, and recommendations. Topics covered will include required CFA statutes and administrative rules, code audit findings, market study findings, and code concepts. The consultant will coordinate with City staff on meeting arrangements and facilitate the public meeting. The consultant will also prepare one (1) online survey to allow participation from people who are unable to attend the meeting.

The consultant will prepare a summary of community engagement activities and results.

Task 2 Consultant Deliverables:

- 2.1 *Draft public involvement plan*
- 2.2 *Final public involvement plan*
- 2.3 *Written summary of stakeholder interviews*
- 2.4. *Presentation materials and facilitation of four (4) advisory committee briefings*
- 2.5 *Presentation materials, facilitation, and summary of public meeting #1*
- 2.6 *Online survey #1*
- 2.7 *Community engagement summary*

Task 2 City Deliverables:

- 2.1 *Communications and public outreach coordination*
- 2.2 *Written review comments on draft public involvement plan*
- 2.3 *Identification and introduction to five key stakeholders*
- 2.4 *Advisory committee meeting notices, agendas, and summaries*
- 2.5 *Written review comments on public engagement materials*
- 2.6 *Public meeting notices and logistics*

Timeline: January to September 2024

Task 3: Code Audit and Code Concepts

The consultant will review the City's comprehensive plan, zoning ordinance, housing plans or policies, Climate Friendly Area (CFA) Study, and other land development documents, regulations, and maps to identify legal or policy issues related to CFAs. The consultant will prepare a memorandum that:

- Describes the current comprehensive plan and zoning code relative to:
 - o Requirements for Climate Friendly Areas in Administrative Rules (OAR-660-012-0310, -0315, and -0320)
 - o Land use regulations in areas identified in the City's CFA study
- Recommends code concepts or options to respond to findings from the assessment.

The consultant will meet with City staff to review current code and gaps identified through the code audit, building upon issues raised at the kickoff meeting. The consultant, in consultation with City staff, will develop a final code audit and code concepts memo.

The City will use this memo to select one or more Climate-Friendly Areas to collectively accommodate 30% of the city's housing.

Task 3 Consultant Deliverables:

- 3.1 *Draft code audit and code concepts memo*
- 3.2 *Facilitation and summary of key items from one meeting with current planning staff*
- 3.3 *Final code audit findings and code concepts, integrating feedback stakeholder and community engagement*

Task 3 City Deliverables:

- 3.1 *Participation in planning meeting*
- 3.2 *Written review comments on the draft code audit and code concepts memo*
- 3.3 *Select one or more Climate-Friendly Areas to collectively accommodate 30% of the city's housing*

Timeline: February to April 2024

Task 4: Market Feasibility Study

The consultant, in consultation with City staff, will develop a market feasibility study that evaluates impacts that land use code modifications in accordance with the Climate Friendly & Equitable Communities (CFEC) rules can be expected to have on market-viable development in up to three potential CFAs.

The market feasibility study will aim to provide a data-driven foundation for informed decision-making, ensuring that land use code amendments in Ashland's CFAs align with market realities and contribute to a sustainable and vibrant urban environment. The study will evaluate how policy choices on height limits, minimum density, ground floor commercial requirements, and other relevant requirements could impact the type and scale of development that is most likely to occur in the CFAs, given current market conditions, development costs, and demand for residential vs. commercial development. The study will consider how existing financial incentives (such as the Vertical Housing Development Zone) impact development feasibility. As described in Task 2, the consultant will conduct interviews with up to three local industry experts to inform the study. The consultant will summarize findings from the evaluation and offer recommendations on how the code could best support market-feasible development.

Task 4 Consultant Deliverables:

- 4.1 Draft market feasibility study*
- 4.2 Final market feasibility study that addresses comments from City staff and stakeholder engagement*

Task 4 City Deliverables:

- 4.1 Written review comments on the draft market feasibility memo*

Timeline: February to April 2024

Task 5: Draft Code Update

Based upon the final code audit and code concepts, the consultant will prepare draft updates to the city zoning ordinance, map, and other development codes to address the issues identified in Task 3.

Task 5 Consultant Deliverables:

- 5.1 Draft updates to the zoning ordinance, other development codes, zoning map, and comprehensive plan*

Task 5 City Deliverables:

- 5.1 Written review comments on the draft updates to the zoning ordinance, zoning map, other development codes (as needed), and comprehensive plan*

Timeline: April 2024 to July 2024

Task 6: Final Code Update

Following City staff review, the consultant will prepare final draft updates to City's zoning ordinance. The final draft code documents will be delivered in up to two formats depending on the City's

preferences to support adoption: legislative formatting to indicate changes from existing code language, in a locally preferred format, and clean text. The consultant will prepare draft findings for the staff report. DLCD will provide City and Consultant with a Multimodal Transportation Gap Summary and any required Highway Impacts Summary required in OAR 660-012-0325 to use in completing this project.

Task 6 Consultant Deliverables:

- 6.1 Final draft updates to the zoning ordinance, zoning map, other development codes (as needed), comprehensive plan in up to two formats*
- 6.2 Draft findings for the staff report.*

Task 6 City Deliverables:

- 6.1 Written review comments on the final draft updates to the zoning ordinance, zoning map, other development codes (as needed), and comprehensive plan*

Timeline: July to September 2024

Task 7: Adoption

City staff will schedule and provide notice and an agenda for one Planning Commission study session and one City Council study session to review final draft updates to City's zoning ordinance, zoning map, other development codes (as needed) and comprehensive plan. The Consultant will prepare presentations for and attend the two study sessions in person.

City staff will schedule and provide notice and an agenda for one Planning Commission hearing and one City Council hearing to adopt final draft updates to City's zoning ordinance, zoning map, other development codes (as needed) and comprehensive plan. The Consultant will prepare presentations for and attend the two hearings in person.

Task 7 Consultant Deliverables:

- 7.1 Final draft updates to the zoning ordinance, zoning map, other development codes (as needed), comprehensive plan in up to two formats*
- 7.2 Draft findings for the staff report.*

Task 7 City Deliverables:

- 7.1 Written review comments on the final draft updates to the zoning ordinance, zoning map, other development codes (as needed), and comprehensive plan*

Timeline: October 2024 to December 2024

Climate-Friendly and Equitable Communities

Why this Rulemaking

In 2007, Oregon legislators adopted a policy and 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.

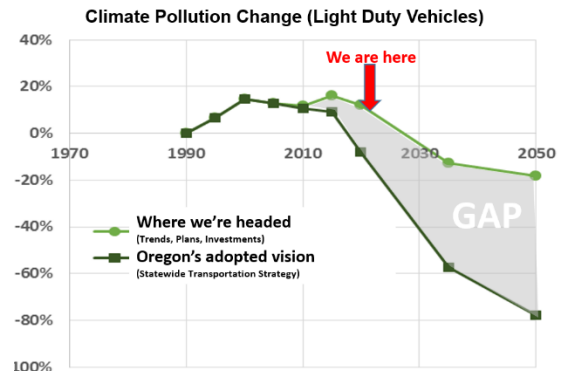
We're particularly off-track in reducing pollution from transportation, responsible for about 38% of Oregon's climate pollution. On our current path, Oregon will only reduce transportation pollution by about 20% by 2050. That means we're polluting far more than we hoped, meaning more extreme weather 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.

Rulemaking Overview and Desired Outcomes

The Land Conservation and Development Commission launched the Climate-Friendly and Equitable Communities rulemaking in September 2020. The commission 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 also aim to improve equity, and help community transportation, housing, and



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.



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

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 rules ask 15 communities 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.

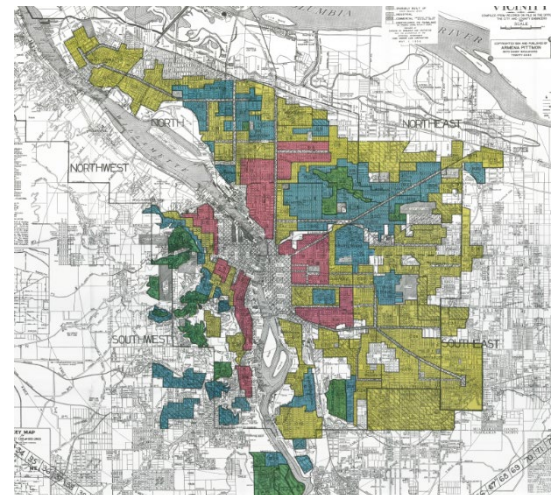
The rulemaking is mainly about letting climate-friendly development happen where people want to build it and the market calls for it. There's a lot of demand for housing where people can walk to where they want to go. While single-family homes will continue to be allowed and provide most housing, Oregonians 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.

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.



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

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 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



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



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 climate pollution 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.

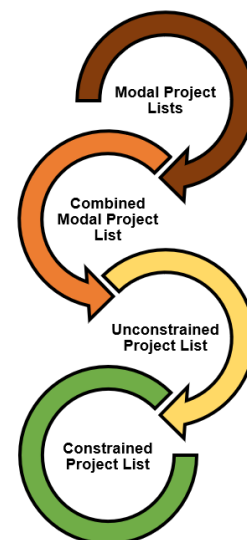


Transportation options are critical for everyone, but particularly the roughly one-in-three Oregonians who cannot drive.

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 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 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.



Some members of the rulemaking advisory committee

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 ([summary here](#)). 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 www.oregon.gov/lcd/CL/Pages/CFEC.aspx

Contact Information

Evan Manvel, Climate Mitigation Planner

evan.manvel@dlcd.oregon.gov

971-375-5979

Cody Meyer, Land Use and Transportation Planner

cody.meyer@dlcd.oregon.gov

971-239-9475

Kevin Young, Senior Urban Planner

kevin.young@dlcd.oregon.gov

503-602-0238

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