



Council Business Meeting Agenda

ASHLAND CITY COUNCIL BUSINESS MEETING AGENDA

Tuesday, September 15, 2026
Council Chambers, 1175 E Main Street

Live stream via RVTV Prime at rvtv.sou.edu or broadcast on Spectrum 180.

Public comment is welcome on public forum topics and agenda items.

To **speak electronically** during the meeting or to submit **written comments** in advance, please complete the online [Public Comment Form](#) by 10 a.m. the day of the meeting.

I. EXECUTIVE SESSION 5:00 p.m.

To conduct deliberations with persons designated by the governing body to negotiate real property transactions pursuant to ORS 192.660 (2)(e).

II. CALL TO ORDER 6:00 pm

- a. Land Acknowledgement**

III. PLEDGE OF ALLEGIANCE

IV. ROLL CALL

V. MAYOR'S / CHAIR OF THE COUNCIL ANNOUNCEMENT

- a. A Proclamation in Honor of Constitution Day, Citizenship Day, and Constitution Week

VI. APPROVAL OF MINUTES

- a. Minutes of the August 17, 2026 – Study Session Meeting
- b. Minutes of the August 18, 2026 - Business Meeting

VII. CONSENT AGENDA

- a. Committee Member Appointment to PAAC
- b. Acceptance of the *Heart of Guanajuato* into City of Ashland Public Art Collection
- c. Approval of Grant Application for Regional Infrastructure Fund

VIII. SPECIAL PRESENTATIONS

IX. PUBLIC FORUM

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

X. PUBLIC HEARING

- a. Public Hearing and First Reading of Ordinance No. 3311, Creating Ashland Municipal Code Chapter 4.10: Process for the Creation of New or Increased Fees on Utility Bills

XI. ORDINANCES, RESOLUTIONS AND CONTRACTS

- a. Approval of Second Reading of Ordinance No. 3307, Implementing Oregon Housing Legislation SB 974 (2025), HB 2138 (2025), and HB 4037 (2026). RE: Planning Action PA-L-2026-0019
- b. Approval of Resolution No. 2026-25 Updating the Building Division Permit Fee Schedule, Community Development Fee, and Fire Plan Check Fees, and Repealing Resolution 2006-09
- c. Approval of Resolution No. 2026-26 Adopting Financial Management Policies and Repealing Resolution 2023-09





Council Business Meeting Agenda

- d. Approval of Resolution No. 2026-28 Updating the Utility Assistance Program and repealing Resolution 2025-21

XII. UNFINISHED BUSINESS

- a. LOC Member Vote

XIII. NEW BUSINESS

- a. Approval of FY27-FY29 Labor Agreement between the City of Ashland and Ashland Police Association
- b. Consideration of Revised Timeline for Council-requested Chapter 18 Code Amendments
- c. Direction on Asante Payment Distribution
- d. Update on Community Wildfire Protection Plan & Council Workgroup Report Out

XIV. CITY MANAGER REPORT

- a. Look Ahead

XV. OTHER BUSINESS FROM COUNCIL MEMBERS/REPORTS FROM COUNCIL LIAISONS

XVI. ADJOURNMENT

If you need special assistance to participate in this meeting, please contact Alissa Kolodzinski at recorder@ashlandoregon.gov or 541.488.5307 (TTY phone number 1.800.735.2900). Notification at least three business days before the meeting will enable the City to make reasonable arrangements to ensure accessibility to the meeting in compliance with the Americans with Disabilities Act.

* Items on the Agenda not considered due to time constraints are automatically continued to the next regularly scheduled Council meeting [AMC 2.04.030.(D)(3)]

**** LAND ACKNOWLEDGEMENT**

We acknowledge and honor the aboriginal people on whose ancestral homelands we work—the Ikirakutsum Band of the Shasta Nation, as well as the diverse and vibrant Native communities who make their home here today. We honor the first stewards in the Rogue Valley and the lands we love and depend on: Tribes with ancestral lands in and surrounding the geography of the Ashland Watershed include the original past, present and future indigenous inhabitants of the Shasta, Takelma, and Athabaskan people. We also recognize and acknowledge the Shasta village of K'wakhakha – "Where the Crow Lights" – that is now the Ashland City Plaza.

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





A PROCLAMATION IN HONOR OF CONSTITUTION DAY, CITIZENSHIP DAY, AND CONSTITUTION WEEK

WHEREAS, September 17, 2026, marks the 239th anniversary of the signing of the Constitution of the United States of America by the Constitutional Convention in 1787; and

WHEREAS, Each year, on September 17, Americans celebrate Constitution Day and Citizenship Day, reflecting on the rights and responsibilities of citizenship and what it means to be a U.S. citizen; and

WHEREAS, The Constitution, along with the Bill of Rights and other amendments, define our government and guarantee our rights; and

WHEREAS, Constitution Week commemorates the eventful week in 1787 when the Constitution was signed, delivered to the Continental Congress, and made known to the people of the country; it laid the foundation for the birth of a new nation and became one of the most significant chapters in our shared history;

WHEREAS, It is fitting and proper to offer official recognition to this magnificent document and its memorable anniversary; and to the celebrations which will commemorate the occasion; and

WHEREAS, The Constitution belongs to “We The People” not the President, and no President has the right to rewrite the fundamental guarantees enshrined in our founding charter.

NOW, THEREFORE, I, Tonya Graham, Mayor of the City of Ashland, Oregon, on behalf of the City Council, do hereby proclaim September 17, 2025, as Constitution Day and Citizenship Day and September 17-23 as Constitution Week. I invite all citizens to spend time this week with the Constitution and discuss with friends, family, and neighbors what this document means to our democracy and how we can work together to protect and defend it. In Ashland we are Better Together.

Dated this 15th day of September 2026.

Tonya Graham, Mayor

Alissa Kolodzinski, City Recorder



**ASHLAND CITY COUNCIL
STUDY SESSION MINUTES
Monday, August 17, 2026**

Chair Dahle called the meeting to order at 5:30 p.m.

Council Present: Chair Dahle, Councilors Bloom, DuQuenne, Hansen, Kaplan, and Sherrell. Mayor Graham (joined via Zoom around 5:50)

Staff Present:

Jordan Rooklyn	Deputy City Manager
Alissa Kolodzinski	City Recorder
Tighe O'Meara	Police Chief
Brandon Goldman	Planning Director
Steven Matiaco	Building Official

I. Call to Order

II. Reports and Presentations

a. APD Annual Report to Council

O'Meara presented the department's annual report (see attached). Key figures included: the department handled 27,054 calls for service; use of force incidents down from 43 to 31, all of which were reviewed and found within policy; Part 1 crimes (serious offenses) down from 387 to 227; violent crimes up from 40 to 50; and a violent crime clearance rate of 66% (well above the national average). O'Meara also reported current Enhanced Law Enforcement Area (ELEA) data: 3 individuals under active court-ordered expulsion, 11 total ELEA expulsions since the process was revised at the start of 2026, and 21 active expulsions from Parks and/or the Overnight Lawn. Crime trend data for the CAP West (downtown) and CAP East (Ashland Street corridor) areas showed continued downward trends through year-to-date 2026. O'Meara also noted one active unsolved murder investigation, and demographic stop data (officer-reported statistics on perceived race, gender, and enforcement actions taken), broadly matched Ashland's census demographics.

Council members explored whether crime data can be cross-referenced with the municipal court judge's reports. O'Meara explained the two sets aren't directly comparable due to differing definitions and court systems but offered to attempt comparison if the council directs. The increase in violent crime was acknowledged, with the chief urging caution in celebrating declining property crime given ongoing violent incidents, such as armed robberies.

The handling of rape cases was clarifying using the "You Have Options" program, focusing on victim support before engaging the criminal process. Concerns about whether recent crime reduction resulted in its displacement were acknowledged but not definitively linked, though the chief expressed willingness to track crime near CAP East if directed. Evacuation zones' utility for crime analysis was discussed, with O'Meara noting that current systems do not incorporate those boundaries, but regional tools might offer solutions. Staffing levels in the department have affected resources, with officers covering for those in training or on leave, and plans for maintaining current staffing levels in

the budget cycle were noted. Traffic enforcement has shown improvement with the addition of an officer. Rumors about license plate reader cameras were addressed, confirming none were deployed in the city; existing traffic cameras only manage signals.

Public Comment

A citizen requested that expulsion data for Parks and the Night Lawn be reported separately, that year-to-date totals be included in future reports, and suggested the judge's monthly court report to be made publicly available online.

b. Building Division Fee Structure and Dedicated Building Fund

Goldman and Matiaco provided a presentation (see attached), including a proposal to establish a dedicated Building Fund separate from the General Fund with a fee structure designed to achieve full cost recovery. The division currently recovers between 60–74% of its costs through permit fees, with the General Fund subsidizing an average of \$115,000 annually, increasing to \$262,000 in FY 2026. The proposed fee changes would increase structural permit and plan check fees, establish minimum mechanical/electrical/plumbing permit fees of \$135, add a 3% technology fee, and restructure the fire plan check fee from a valuation-based model to a per-hour cost basis, significantly reducing that fee for larger commercial projects.

Staff proposed a January 1, 2027, implementation date to provide advance notice to developers with projects in design. A 15% reserve fund target was identified. Staff also presented a Construction Excise Tax (CET) as a potential mechanism to fund permit costs for affordable housing projects.

It was clarified that ORS 455.210 does not preclude the city from subsidizing the building division but rather prohibits the building division from subsidizing other city services. The move to a dedicated fund was a policy choice rather than a legal mandate. Concerns were expressed that increasing fees could further impede a development sector already experiencing sluggishness. It was assured that building permit fees account for only 0.3–1% of overall project costs, emphasizing that Ashland's fees would continue to be competitive regionally notwithstanding the proposed increases. The establishment of the building fund was endorsed, but it was pointed out that resultant fee increases are ultimately borne by renters and homebuyers.

Attention was drawn to the non-comparative nature between Ashland and neighboring areas due to Ashland's elevated land, labor, and insurance costs. Concerns were also voiced regarding the fund's ability to withstand prolonged development slowdowns in the absence of a reserve. The importance of a reserve fund to sustain staffing during cyclical downturns was emphasized, illustrating how other jurisdictions with long-established building funds have maintained staffing levels that Ashland has struggled with.

Additional strategies aimed at stimulating development were mentioned, specifically noting the introduction of an opportunity zone, urban renewal program, and major city projects, which are expected to bring substantial permit fees. There were questions about the timing of establishing the fund during a development downturn, noting the lack of a current reserve as troubling. It was underscored that other regions with building funds had previously established reserves before

encountering downturns. It was mentioned that while fee increases are minimal, other obstacles to development in Ashland include Systems Development Charges (SDCs) and extended land use procedures. An inquiry was made if there was an allowance for SDC deferment until a certificate of occupancy is issued, and it was confirmed that this option is already detailed in the municipal code, Chapter 4.20.

There was also a question if multifamily projects with identical units might qualify for reduced review fees, and it was stated that the state Building Codes Division is investigating pre-approved plan programs that could reduce fees under certain circumstances. Proceeding with the proposal was affirmed as part of several necessary improvements to alleviate General Fund constraints, remarking that the ongoing practice of subsidizing the division is not sustainable.

The Council Chair polled the council on each element and arrived at consensus for staff direction:

Direction to staff to proceed with a building fund separate from the general fund and funded by permit fees at full cost recovery with a modest reserve; and to proceed with the fee approach returning October 6 with implementing resolution to take effect January 1, 2027.

Council discussion continued regarding how to develop a more deliberate process before adopting CET (Construction Excise Tax) rates, including that the Housing and Human Services Committee conduct outreach and return to council with a formal recommendation prior to a study session.

Direction to staff and the Housing and Human Services Committee to begin CET review and to develop a plan for the use of funds with CET proposals to return to Council for consideration at a study session with the goal of adoption before July 1, 2027.

c. Asante Payment Use Proposal

Council agreed to extend the meeting an additional 30 minutes, until 7:45 pm.

Bloom and DuQuenne brought this item forward to prompt a council decision on the use of the \$4,000,000 payment received from Asante. Of the total, \$3,200,000 currently sits in the General Reserve Fund and \$800,000 in the Capital Improvement Fund, consistent with the city's financial policy governing unbudgeted revenues.

Public Comment

Members of the public addressed the council, urging the council to dedicate the funds to health care access initiatives rather than allow them to be absorbed into general reserves. Testimonies included the need for local healthcare improvements, with suggestions encompassing the use of funds in interest-bearing accounts for future healthcare needs, securing cost-effective consultants, and launching grant programs for requisite community health investments.

The council debated whether to stick with existing financial policies or to pursue alternative actions regarding the allocation of funds. With funds already designated per policy, attention turned to maximizing the discretionary portion left. It was emphasized that there is no immediate pressure to

reallocate the resources, allowing for the development of robust proposals before determining precise allocation strategies.

Interest was expressed in creating a dedicated Healthcare Investment Fund with two-years to examine the most effective use of the funds. There was discussion about directing funds specifically for health care purposes and the potential for a dedicated grant program to deploy said funds to community organizations with actionable health care access proposals.

Openness to revisiting the city's financial policies to create a formal pathway for dedicating these funds to health care purposes was expressed. No formal action was taken. The council acknowledged that additional deliberation is required and that the item will return for further discussion.

III. Adjournment

The meeting was adjourned at 7:47 pm.

City Recorder Alissa Kolodzinski

Mayor Tonya Graham

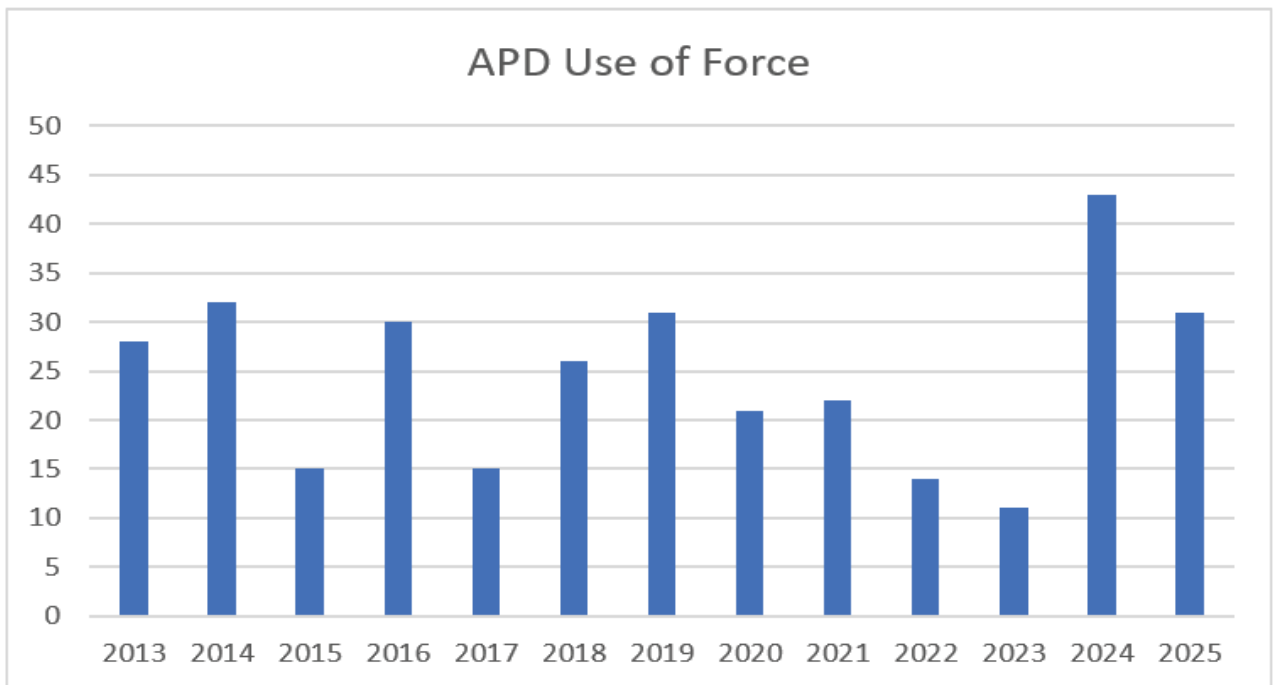


Annual Report to Council August 17, 2026

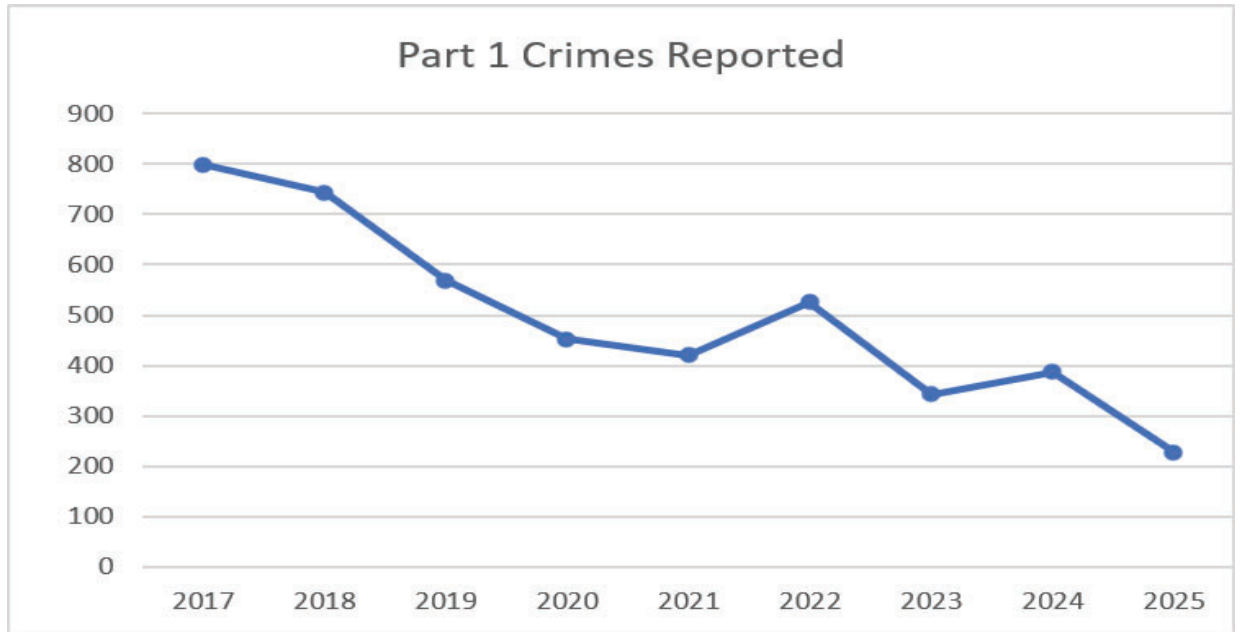
Chief Tighe O'Meara

Use of force

APD Use of Force

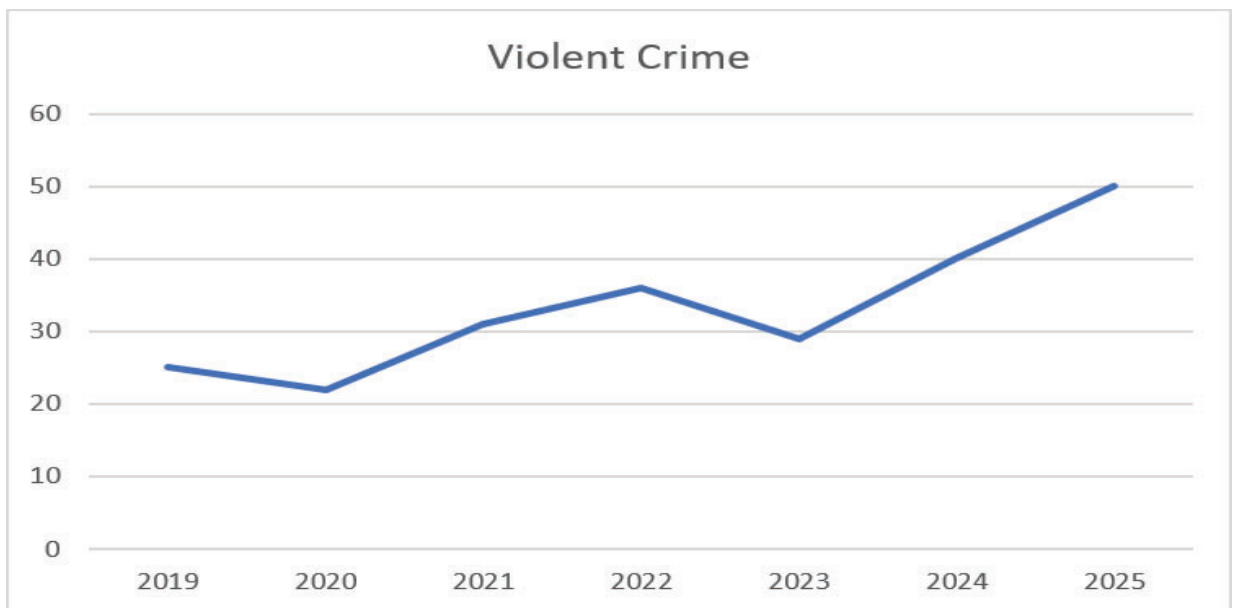


"part 1" crime

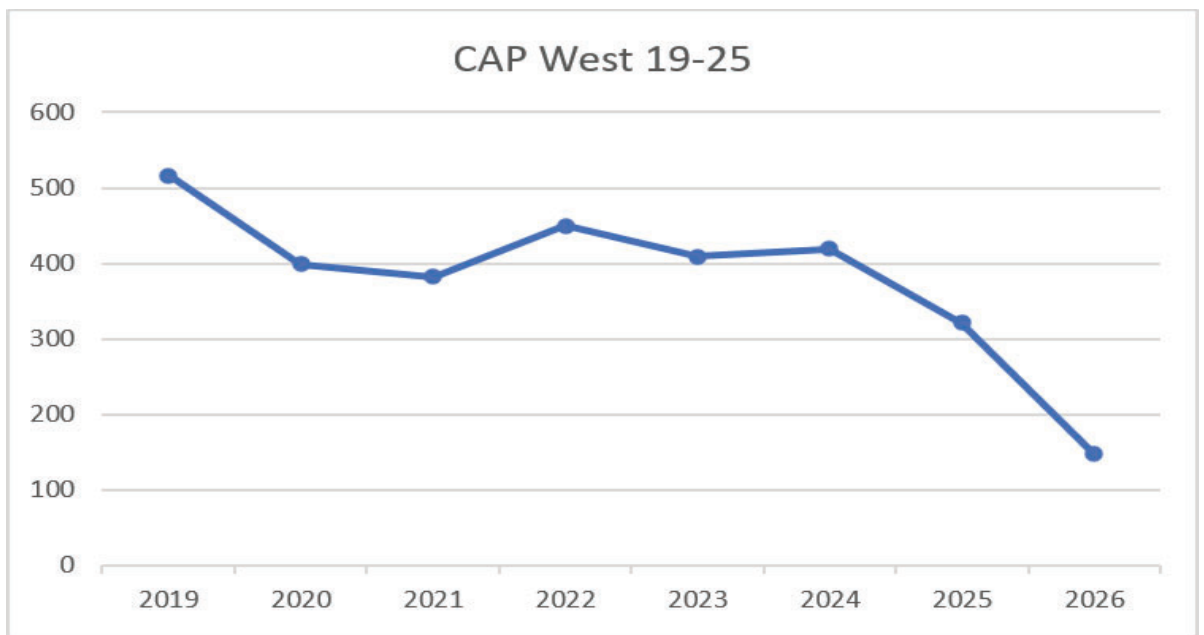
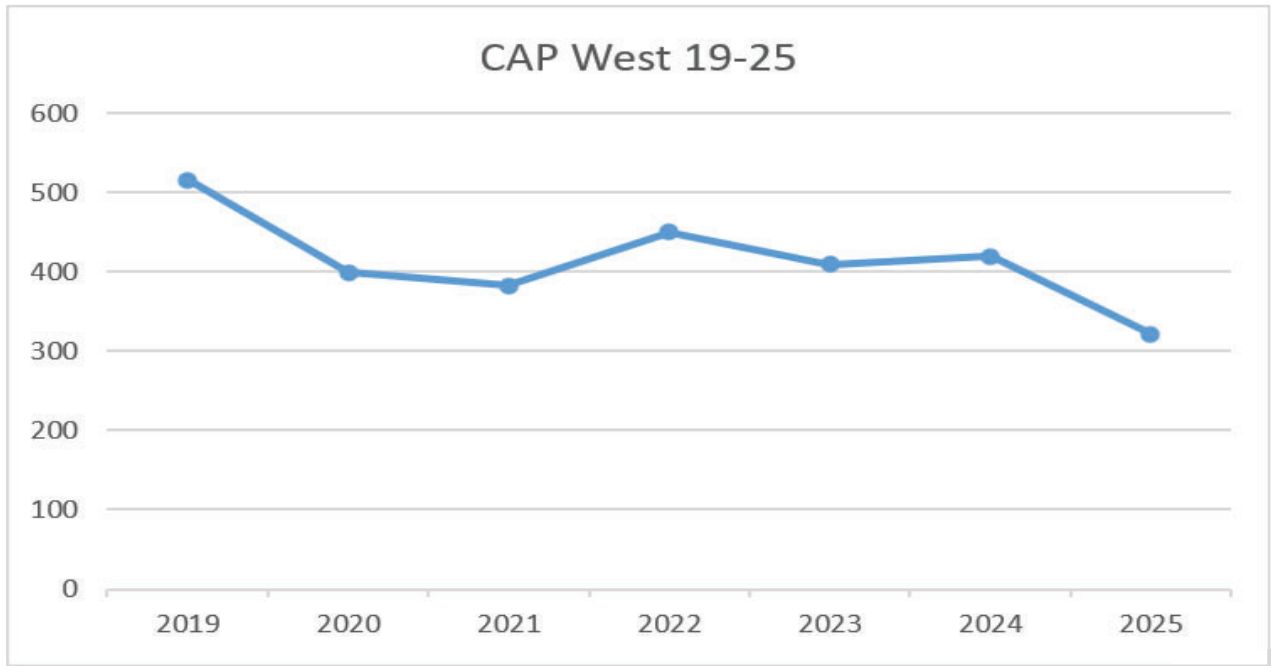


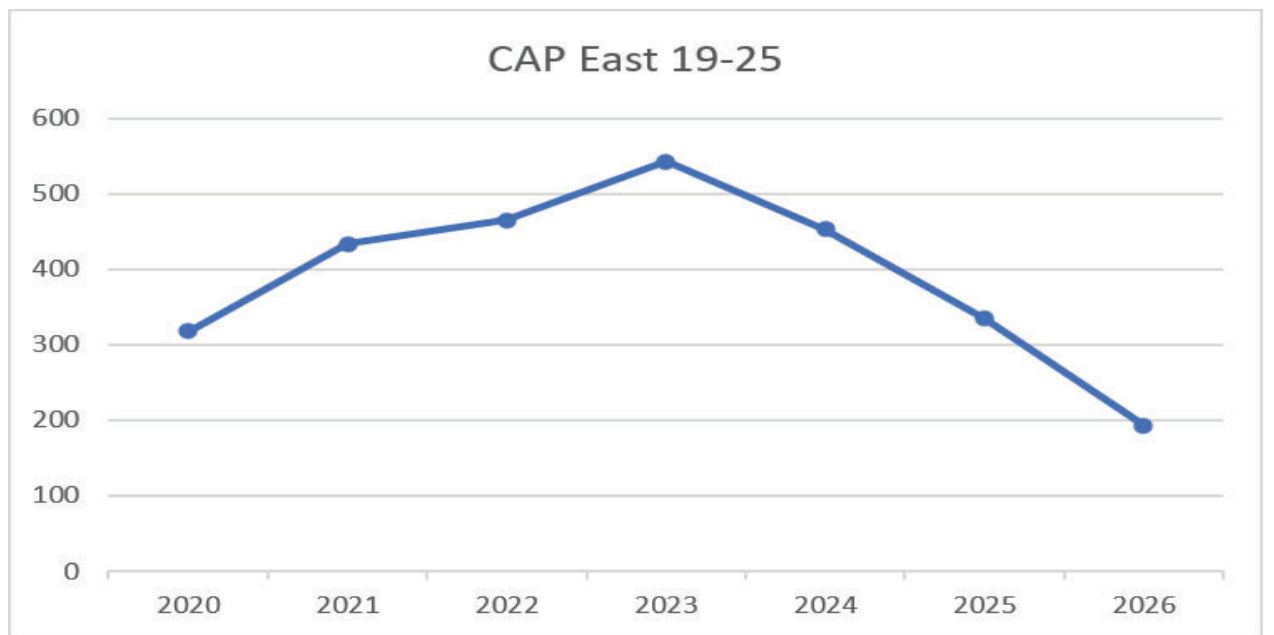
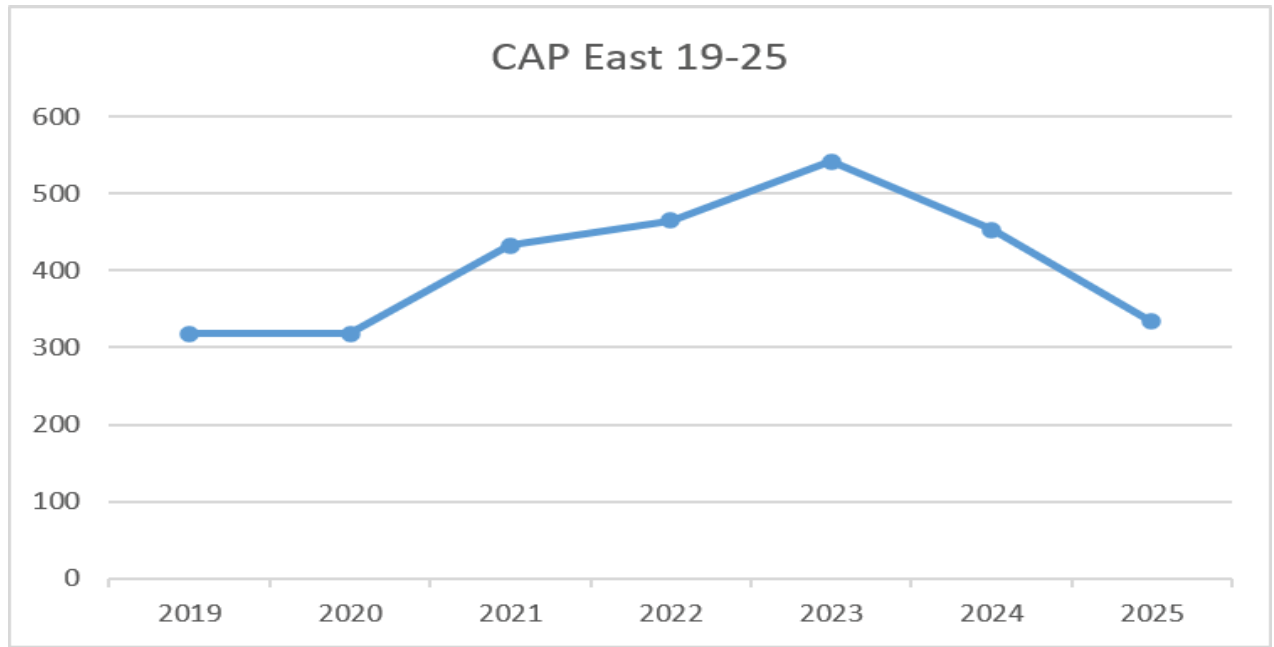
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violent crime



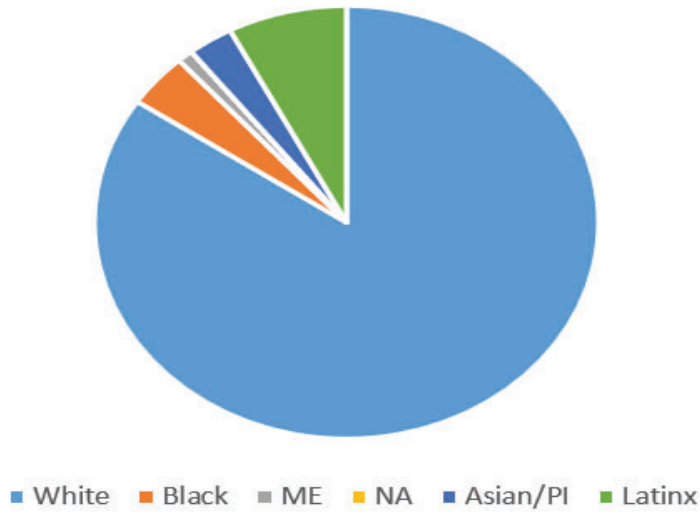
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APD 2024 STOP Data



2025

Call Summary - Parks

CLAY STREET PARK	
Call Type	Total Calls
Suspicious	3
Trespass	1
Parking Violation	1
Camping	1
Dog Off Leash	1
Disorderly Conduct	1
Subject Stop	1
Fireworks	1
Ord Viol - No details	1
Juvenile Problem	1
Noise Complaint	1
Grand Total	13

GARFIELD PARK	
Call Type	Total Calls
Disorderly Conduct	22
Camping	18
Subject Stop	11
Welfare Check	8
Suspicious	8
Animal Problem	6
Prop Lost/Found/Rec	5
Ord Viol - No Details	5
Medical (NRUR)	4
Assist to Public	4
Drug Laws	3
Property Left Behind	3
Juvenile Problem	3
Noise Complaint	3
Criminal Mischief	2
Trespass	2
Theft	2
Menacing w/a Weapon	2
Warrant	2
Assist Agency	1
Attempted UUMV	1
Traffic Complaint	1
Citizen Flag-down	1
Burning Incense	1
Dog Control	1
Threats	1
Assist to Medical	1
Domestic Dispute	1
Smoking	1
Family Offense/Abuse	1
Sex Offender Reg	1
Liquor Law Violation	1
Grand Total	126

LITHIA PARK	
Call Type	Total Calls
Suspicious	23
Animal Problem	22
Prop Lost/Found/Rec	19
Disorderly Conduct	14
Subject Stop	12
Assist to Public	12
Parking Violation	11
Medical (NRUR)	11
Camping	10
Noise Complaint	8
Indecent Exposure	6
Harassment	5
Welfare Check	5
Assist Agency	4
Criminal Mischief	4
Theft	4
No Notes in CAD	3
Assault	3
Warrant	2
Threats	2
Hit & Run	2
Dogs	2
Person Down	2
Juvenile Problem	2
Drug Laws	1
Attempted Theft	1
Found Child	1
Public Safety Hazard	1
Assist to Medical	1
Sex Offense	1
Trespass	1
Missing Adult	1
Attempt to Locate	1
Suicidal Subject	1
Liquor Law	1
Grand Total	199

TRIANGLE PARK	
Call Type	Total Calls
Subject Stop	5
Welfare Check	4
Trespass	1
Camping	1
Suspicious	1
Disorderly Conduct	1
Warrant	1
Noise Complaint	1
Bite Injury	1
Public Urination	1
Grand Total	17





Ordinance Calls

	2021	2022	2023	2024	2025
Garfield Park	BBQ Concerns 1 Dog Off Leash 1 Park Curfew 1	Camping 11	Camping 40 DOC Transients 3 No notes in CAD 3 Dog Off Leash 1 Trash Dumped 1 Homeless in Playground 1	Camping 6 Storing Property 5 Bus Camping 4 Ord Viol- No details 4 Smoking 2 Curfew 1	Camping 18 Ord Viol - No Details 5 Storing Property 3 Smoking 1 Dog Control 1 Noise Complaint 1
Ordinance Totals	3	11	49	22	29
Lithia Park	Camping 11 Skateboarding 5 Car Camping 4 Fire Pit/Camp Stoves 3 Litter 2 Dogs 3 No violations seen 2 Bounce House 1 Abandoned Car 1 Drug Use 1	Camping 20 Dogs 2 Car Camping 2 Erosion Control 1 Skateboarder 1 Warming Fire 1 Drinking 1 Fishing 1 Ord Viol- No details 2	Camping 15 Car Camping 4 Dogs 2 Curfew 2 Urinating 1 Smoking 1 Drinking 1 Warrant 1 Bathing in Fountain 1 Campfire 1 Fishing 1 Ord Viol- No details 1	Camping 14 Dog 3 Car Camping 2 Noise 2 Permit Required 1 Drinking 1 Curfew 1 Panhandle 1 Ord Viol- No details 1	Camping 10 Ord Viol - No Details 3 Dogs 2 Liquor Law 1 Noise Complaint 1
Ordinance Totals	33	31	31	26	17
Triangle Park	Camping 4 Park Curfew 1	Public Urination 1 Smoking 1 Ord Viol - No details 1	Camping 41	Camping 1	Camping 1 Public Urination 1
Ordinance Totals	5	3	41	1	2
Clay Street Park	Camping 1	RV Camping 2	Camping 23	Camping 6	Camping 1 Dog Off Leash 1 Ord Viol - No details 1
Ordinance Totals	1	2	23	6	3



1,679 respondents - the overall satisfaction rating for APD response time was **4.68 of 5**

1,679 respondents - the overall satisfaction rating for Professionalism of the Officer was **4.74 of 5**

2,409 respondents - the overall satisfaction rating for The Ashland Police Department was **4.56 of 5**

2,382 respondents - the overall feeling of safety in the City of Ashland was rated **4.22 of 5**





QUESTIONS?





Proposed Building Division Fee Structure and a Dedicated Building Fund

Council Study Session
August 17, 2026

What We Are Asking

Staff seeks Council direction to establish a dedicated Building Fund supported by full cost recovery from building permit fees.

1

Separate from the General Fund

Development pays for the plan review and inspection services it uses, rather than the general taxpayer.

2

Full cost recovery

Fees are aligned to the true cost of operating the Building Division, with a modest reserve for slow years.

3

Support for affordable housing

A recommended path to cover permit costs for affordable housing from a Construction Excise Tax

*This is a request for direction, not adoption.
Implementing resolutions would return to Council on October 6, 2026.*



The Building Division

- Reviews construction plans and inspects work to confirm buildings meet the state building code.
- A required local responsibility under the State Building Codes Division, covering structural, fire and life safety, plumbing, mechanical, and electrical work.
- A full service, local division keeps projects moving, gives builders and homeowners a direct contact, and provides responsive, often next day, inspections.
- A vital resource in disaster response, assessing whether damaged buildings are safe to occupy after wildfire, earthquake, or flood.

4.7 FTE

minimum staffing to serve development

Full service

plan review and inspections handled locally

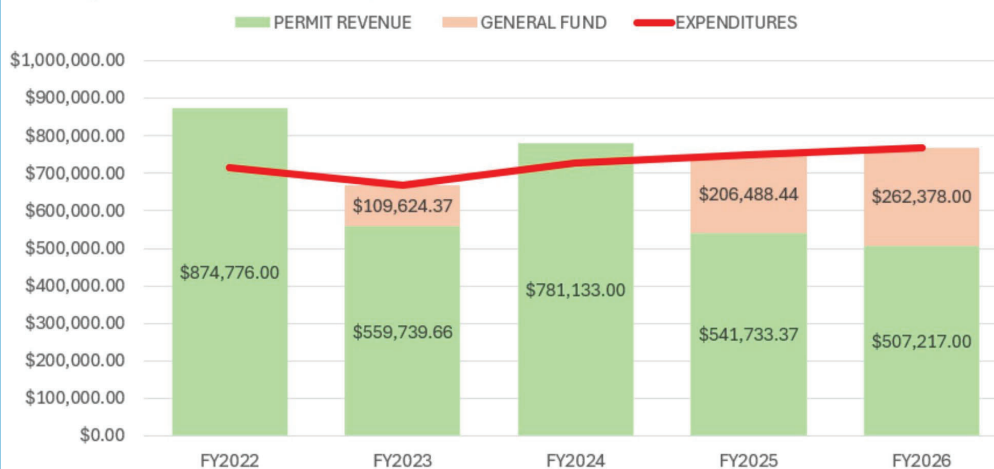
16 to 12

All Community Development positions since 2023



The Funding Gap

Building Division Revenue and Expenditures



Building Division revenue and expenditures, FY2022 to FY2026

~74%

of program costs recovered through permit fees today

\$115,689

average annual General Fund subsidy over five years

rising to \$262,378 in FY2026

Taxpayers who are not building currently help pay for the review and inspection of private construction.

Building Safety Division Expenses

Expense category	BN2027 Adopted		Projected expenses	
	FY2026	FY2027	FY2027	FY2028
Staff Costs, Salaries, & Benefits (4.7 FTE)	\$744,082.00	\$772,258.00	\$772,258.00	\$792,283.00
Professional Services (3rd Party Review, IGAs, Contracts)	\$22,500.00	\$15,000.00	\$50,000.00*	\$50,000.00
Training & Certification	\$17,450.00	\$17,450.00	\$17,450.00	\$17,450.00
Technology	\$25,342.00	\$21,413.00	\$21,413.00	\$22,483.65
Internal Charges	\$48,764.00	\$49,267.00	\$49,267.00	\$70,841.00
Other Materials & Services	\$6,675.00	\$6,675.00	\$6,675.00	\$7,008.75
Total Building Safety Division expenses	\$864,813.00	\$882,063.00	\$917,063.00	\$960,066.40

Why a Dedicated Building Fund

1 State law

Building permit revenue may fund only the building inspection program (ORS 455.210). It cannot subsidize, or be subsidized by, other City services.

2 Standard practice

The State expects building programs to be self supporting, and most Oregon jurisdictions run them that way.

3 Transparency and stability

A dedicated fund shows the program's true cost and holds a reserve to keep service steady through slow periods.

4 Relieves the General Fund

Full cost recovery ends the annual subsidy and frees those dollars for other community priorities.



Proposed Fee Structure

Increases concentrated on valuation based fees

1 Structural Permit and Plan Check

Scales with project value; a share of the increase concentrated here.

2 Community Development Fee

1.2% to 1.5% of valuation; with 0.5% allocated to the Building Fund.

3 Minimum permit fees

A \$135 minimum reflects the actual cost of reviewing and inspecting minor permits.

4 Commercial mechanical fees

Aligned to the value of the mechanical installation and current review cost.

5 Technology Fee (new)

A flat 3% of the building permit fee; about \$24,000 a year for required e-permitting systems.

6 Fire Plan Check Fee reduced

Restructured from a percentage to an hourly, cost based charge (next slide).



Fixed per item fees, such as a single fixture, circuit, or appliance, are unchanged this year, with future CPI adjustments only.

Fire Plan Check Fee Restructure

Current

- 24% of the Structural Plan Check Fee, collected by Fire.
- Tied to permit value, not to the work performed.
- Generates about \$93,000 a year.
- Would exceed \$150,000 if left as a percentage as structural fees rise.



Proposed

- \$125 per hour, cost based.
- Billed only when Fire actually reviews items outside the building code.
- Expected to generate \$20,000 to \$25,000 a year (reduction of \$68,000 to \$73,000 per year).
- Correlates the charge to the actual work performed.

The Building Division's existing Fire Life Safety Fee (40% of the Structural Plan Check Fee) is unchanged and with increases in Structural Plan Review Fees covers the fire and life safety review that moved to the Division. Implemented by repealing and replacing Resolution 2006-09.



What It Means for a Typical Project

Project type	Existing total	Proposed total	Fire Plan Check
New ADU (600 sf)	\$12,738	\$13,199	\$312 → \$125
New single family (2,000 sf)	\$32,093	\$33,399	\$743 → \$125
Residential addition (300 sf)	\$3,665	\$3,659	\$201 → \$125
Multi-family (10 units)	\$135,986	\$146,150	\$2,135 → \$250
Commercial tenant improvement	\$2,277	\$2,353	\$252 → \$0
New commercial (30,000 sf)	\$485,516	\$552,060	\$13,656 → \$375

Total Overall fees increase modestly (includes SDCs, School Excise tax, change modestly Community Development Fees, Engineering Fees, Fire Fees, and Building Permit Fees)

Fire Plan Check charge drops sharply (estimates of hourly review).



Projected Revenue and Full Cost Recovery

Revenue category	FY2027	FY2028
Building permits (structural, plan review, mechanical, electrical, plumbing, services)	\$759,603	\$823,373
Community Development Fee (0.5% to Building Fund)	\$104,384	\$208,767
Technology Fee	\$12,351	\$24,701
Total Building Safety Division revenues	\$876,338	\$1,056,841

New fees take effect January 1, 2027, so FY2027 is a partial year and FY2028 is the first full year. At full implementation the structure reaches full cost recovery and begins building the reserve.



Affordable Housing and the Construction Excise Tax

- System Development Charges, Community Development Fees, and Engineering fees are already waived for qualified affordable housing.
- Building permit fees are not. Waiving them from within the Building Fund would undercut cost recovery or raise fees on everyone else.
- Staff recommends a Construction Excise Tax, Action M of the adopted Housing Production Strategy, as the funding source.
- The tax draws from market rate construction and can pay permit fees for affordable housing from outside the Building Fund, preserving cost recovery.
- A separate process through the Housing and Human Services Advisory Committee, targeting implementation by July 1, 2027.



The CET

- Authorized under ORS 320.170 to 320.195
- Separate from permit fees and SDCs
- Affordable housing is itself exempt
- Rate could range about 0.33% to 1%

Affordable Housing and the Construction Excise Tax

Use of CET proceeds	State Required allocation
Developer incentives / offsets	50%
State homeownership / down payment assistance	15%
Local affordable housing programs	35%
Administrative costs	Up to 4% before the above allocations

Developer Incentives: property tax exemptions, fee reductions/waivers, cash payments and other offsets as mechanisms that can be used to compensate developers for the cost of providing affordable housing.



Affordable Housing and the Construction Excise Tax

- Potential FY 2028 CET Revenue Generation based on 5-year average of annual valuations*

Potential CET Revenue	1-year average
0.33% of Residential Valuation	\$47,500
0.5% of Residential Valuation	\$72,000
1.0% of Residential Valuation	\$144,500
0.33% of Commercial Valuation	\$29,000
0.5% of Commercial Valuation	\$43,500
1.0% of Commercial Valuation	\$87,000

* rounded to nearest \$500 – Calculations remove Public Facilities and Affd. Housing valuations



The CET Exemptions

Affordable Housing

Housing guaranteed to remain affordable for households at or below 80% AMI for at least 60 years.

Public and Essential Facilities

Public improvements, hospitals, schools, and certain nonprofit care facilities.

Religious Facilities

Facilities primarily used for religious worship or related education.

Disaster Replacement Housing

Housing replacing homes damaged or destroyed by a qualifying disaster.

Affordable Housing and the Construction Excise Tax

Assuming a **0.33% CET on Residential** and a **1.0% CET on Commercial** Developments, the revenue generated would be approximately **\$134,500** annually, allocated per State requirements as follows:

Use of CET proceeds	State Required allocation	Potential Annual Revenue
Developer incentives / offsets	50%	\$64560
State homeownership / down payment assistance	15%	\$19368
Local affordable housing programs	35%	\$45192
Administrative costs	Up to 4% before the above allocations	\$5380



Direction Requested

1

A dedicated, self supporting Building Fund

Proceed toward a Building Fund, separate from the General Fund, funded by permit fees at full cost recovery with a modest reserve.

2

The proposed fee structure

Proceed with the fee approach, returning October 6 with implementing resolutions to take effect January 1, 2027.

3

The Construction Excise Tax

Fund affordable housing permit costs through a CET, and begin that work with the Housing and Human Services Advisory Committee toward July 1, 2027.



Questions and Discussion

Brandon Goldman, Community Development Director | Brandon.goldman@ashland.or.us
Steven Matiaco, Building Official | Steven.Matiaco@ashland.or.us



Appendix

Construction Excise Tax Rates

Oregon Affordable Housing CET Rates

Community	Residential	Commercial	Adopted
Medford	0.33%	0.33%	2018
Bend	0.33%	0.33%	2006
Grants Pass	0.50%	1.00%	2021
Eugene	0.50%	0.50%	2019
Portland	1.00%	1.00%	2016
Corvallis	1.00%	1.50%	2016
McMinnville	1.00%	1.00%	2022
Milwaukie	1.00%	1.00%	2017
Newberg	1.00%	1.00%	2020
Newport	1.00%	1.00%	2017



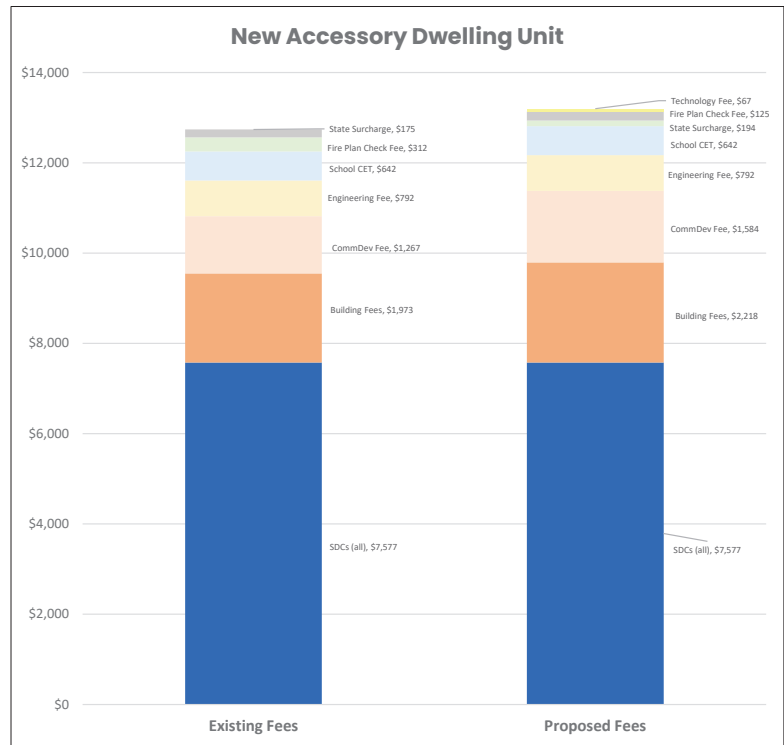
Building Permit Fee Change

New ADU	Existing Fees	Proposed Fees
SDCs (all)	\$7,577	\$7,577
Building Fees	\$1,973	\$2,218
CommDev Fee	\$1,267	\$1,584
Engineering Fee	\$792	\$792
School CET	\$642	\$642
Fire Plan Check Fee	\$312	\$125
State Surcharge	\$175	\$194
Technology Fee	\$0	\$67
TOTAL	\$12,738	\$13,199

New Accessory Dwelling Unit

Size: 600 square feet

Valuation: \$105,552.00 (per ICC Valuation Chart)

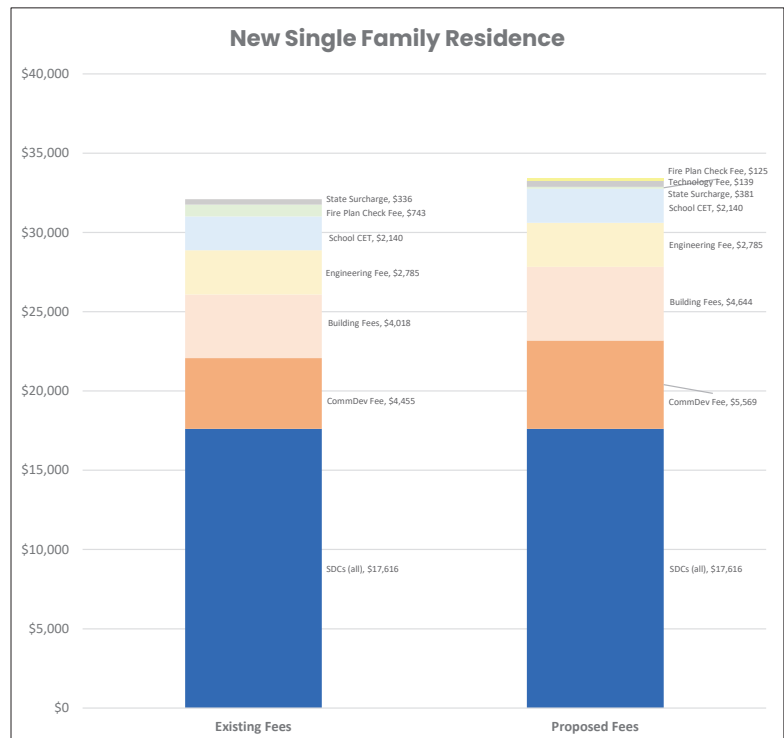


Building Permit Fee Change

New SFR	Existing Fees	Proposed Fees
SDCs (all)	\$17,616	\$17,616
CommDev Fee	\$4,455	\$5,569
Building Fees	\$4,018	\$4,644
Engineering Fee	\$2,785	\$2,785
School CET	\$2,140	\$2,140
Fire Plan Check Fee	\$743	\$125
State Surcharge	\$336	\$381
Technology Fee	\$0	\$139
TOTAL	\$32,093	\$33,399

New Single Family Residence

Size: 2000 square feet +500sqft. Garage
Valuation: \$371280.00 (per ICC Valuation Chart)



Building Permit Fee Change

New Residential Addition	Existing Fees	Proposed Fees
SDCs (all)	\$1,644	\$1,644
Building Fees	\$838	\$743
CommDev Fee	\$600	\$750
School CET	\$321	\$321
Fire Plan Check Fee	\$201	\$125
State Surcharge	\$61	\$54
Engineering Fee	\$0	\$0
Technology Fee	\$0	\$22
TOTAL	\$3,665	\$3,659

New Residential Addition

Size: 300 square feet

Valuation: \$371280.00 (per ICC Valuation Chart)



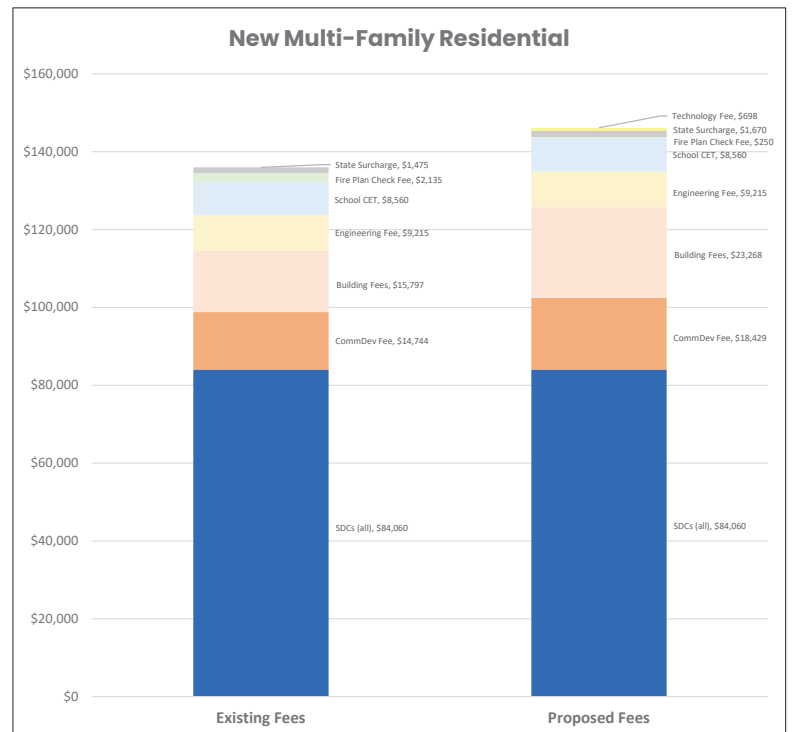
Building Permit Fee Change

New MFR	Existing Fees	Proposed Fees
SDCs (all)	\$84,060	\$84,060
Building Fees	\$15,797	\$23,268
CommDev Fee	\$14,744	\$18,429
Engineering Fee	\$9,215	\$9,215
School CET	\$8,560	\$8,560
Fire Plan Check Fee	\$2,135	\$250
State Surcharge	\$1,475	\$1,670
Technology Fee	\$0	\$698
TOTAL	\$135,986	\$146,150

New Multi Family Residential

10 Units – 8,000 square feet

Valuation: \$1228640

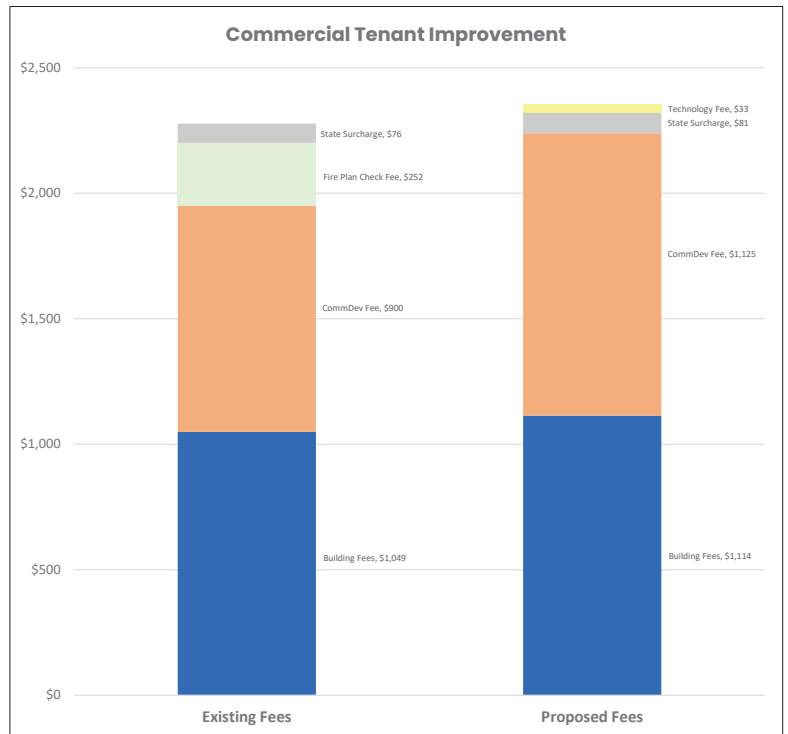


Building Permit Fee Change

New Tenant Improvement	Existing Fees	Proposed Fees
Building Fees	\$1,049	\$1,114
CommDev Fee	\$900	\$1,125
Fire Plan Check Fee	\$252	\$0
State Surcharge	\$76	\$81
Technology Fee	\$0	\$33
SDCs (all)	\$0	\$0
Engineering Fee	\$0	\$0
School CET	\$0	\$0
TOTAL	\$2,277	\$2,353

Commercial Tenant Improvement

Valuation: \$75,000



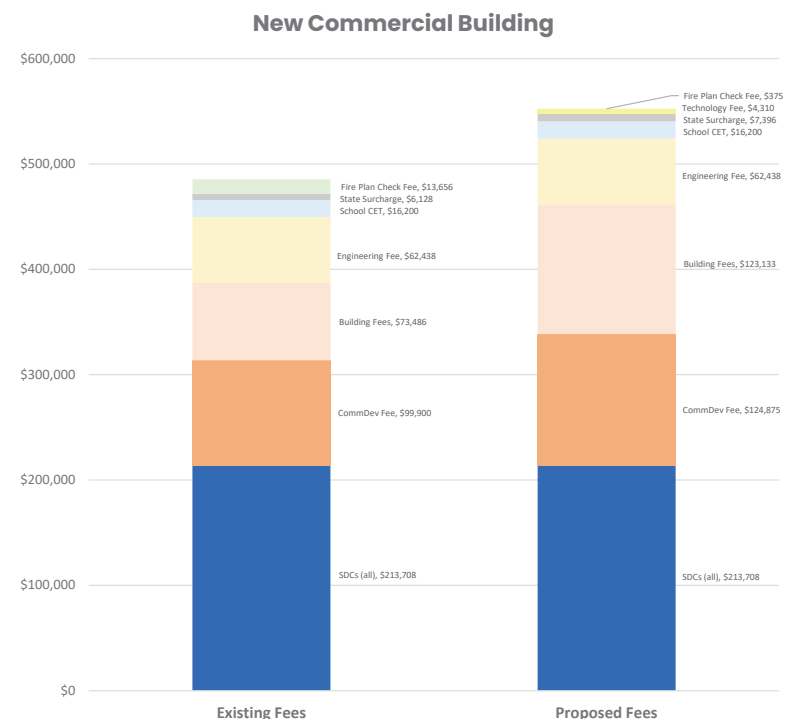
Building Permit Fee Change

New Commercial Building	Existing Fees	Proposed Fees
SDCs (all)	\$213,708	\$213,708
CommDev Fee	\$99,900	\$124,875
Building Fees	\$73,486	\$123,133
Engineering Fee	\$62,438	\$62,438
School CET	\$16,200	\$16,200
State Surcharge	\$6,128	\$7,396
Technology Fee	\$0	\$4,310
Fire Plan Check Fee	\$13,656	\$375
TOTAL	\$485,516	\$552,060

New Commercial Building

Size: 30,000 square feet

Valuation: \$8325000



Why is the building inspection fee revenue dedicated– Oregon Administrative Rules

In ORS 479.845, the legislature has restricted the use of fees collected under an electrical inspection program to the administration and enforcement of the electrical specialty code.

ORS 455.210(3)(a) provides authority for a municipality to adopt “fees as may be necessary and reasonable to provide for the administration and enforcement of any specialty code or codes for which the municipality has assumed responsibility under ORS 455.148 or 455.150.”

ORS 455.210(3)(c) states that fees collected by the municipality “shall be used for the administration and enforcement of a building inspection program for which the municipality has assumed responsibility under ORS 455.148 or 455.150.”

Rules adopted by the division in OAR 918-020-0090(1) also require a local municipality to

“(d) Account for all revenues collected and expenditures made relating to administration and enforcement of the building inspection program, and account for the electrical program revenues and expenditures separately when administered by the municipality.

(A) Prepare income and expense projections for each code program it will administer and enforce during the reporting period; and

(B) Describe how general administrative overhead costs and losses or surpluses, if any, will be allocated.”

In keeping with OAR 918-020-0090(1), a best accounting practice is to segregate building department funds from other municipal fund categories or accounts.

OAR 918-020-0220 also requires that when adopting new or increased fees a municipality include information showing that the fees are necessary and reasonable, revenue and expense information, and cost allocation methods for expenses, among other requirements.



SPEAKER REQUEST FORM

Study Session

Submit this form to the meeting Secretary prior to the discussion item.

- 1) You will be called forward when it is your turn to speak
- 2) State your name and speak clearly into the microphone
- 3) Limit your comments to the time allotted
- 4) Provide any written materials to the meeting Secretary
- 5) Speakers are solely responsible for the content of their statement

Date:

8/17/26

Name: (Please Print)

Cate Hartzell

Ashland Resident:



YES



NO

City: _____

Agenda Topic/Item Number:

APD Annual Rpt

Please respect the order of proceedings and strictly follow the directions of the presiding officer. Behavior or actions which are loud or disruptive are disrespectful and offenders will be requested to leave.

Disclaimer: By submitting this request to address the Public Body, I agree that I will refrain from the use of any obscene, vulgar, or profane language. I understand that if I do not follow procedure my speaking time may be terminated, and I may be requested to sit down or leave the building.



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Date:

8/17/2026

Name: (Please Print)

SUZANNE HAVEMAN

Ashland Resident:



YES



NO

City: _____

Agenda Topic/Item Number:

SAVE OUR ASHLAND
COMMUNITY HEALTH CARE

Please respect the order of proceedings and strictly follow the directions of the presiding officer. Behavior or actions which are loud or disruptive are disrespectful and offenders will be requested to leave.

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Study Session

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Date:

17 Aug 26

Name: (Please Print)

Bryan Sone

Ashland Resident:

☒

YES

☐

NO

City: _____

Agenda Topic/Item Number:

\$4 million Asante \$

Please respect the order of proceedings and strictly follow the directions of the presiding officer. Behavior or actions which are loud or disruptive are disrespectful and offenders will be requested to leave.

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Date:

8/17/26

Name: (Please Print)

Lauri Hoagland

Ashland Resident:



YES



NO

City:

Agenda Topic/Item Number:

Asante - Payment Proposal

Please respect the order of proceedings and strictly follow the directions of the presiding officer. Behavior or actions which are loud or disruptive are disrespectful and offenders will be requested to leave.

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Date:

August 17, 2026

Name: (Please Print)

Barbara J. Cooper

Ashland Resident:



YES



NO

City: _____

Agenda Topic/Item Number:

Ashland Community Hospital

Please respect the order of proceedings and strictly follow the directions of the presiding officer. Behavior or actions which are loud or disruptive are disrespectful and offenders will be requested to leave.

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Date:

8/17/26

Name: (Please Print)

ALLAN SANDLER

Ashland Resident:



YES



NO

City:

Ashland

Agenda Topic/Item Number:

Heal the Core

Please respect the order of proceedings and strictly follow the directions of the presiding officer. Behavior or actions which are loud or disruptive are disrespectful and offenders will be requested to leave.

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Date:

17 Aug 26

Name: (Please Print)

John Maurer

Ashland Resident:

☐

YES

☒

NO

City: _____

Agenda Topic/Item Number:

Disposition of the \$4 million

Please respect the order of proceedings and strictly follow the directions of the presiding officer. Behavior or actions which are loud or disruptive are disrespectful and offenders will be requested to leave.

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Date: 8/17/26

Name: (Please Print)

Debbie Neisewander

Ashland Resident:



YES



NO

City:

Agenda Topic/Item Number:

Blotter Report

Please respect the order of proceedings and strictly follow the directions of the presiding officer. Behavior or actions which are loud or disruptive are disrespectful and offenders will be requested to leave.

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SPEAKER REQUEST FORM

Study Session

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- 5) Speakers are solely responsible for the content of their statement

Date: 8/17/20

Name: (Please Print)
Paul Mozinga

Ashland Resident:

☒ YES ☐ NO City: _____

Agenda Topic/Item Number:

APD

Please respect the order of proceedings and strictly follow the directions of the presiding officer. Behavior or actions which are loud or disruptive are disrespectful and offenders will be requested to leave.

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Dear City Leaders,

Chief O'Meara's response to my initial complaint regarding violations of the Ashland Charter by the city administration was woefully inadequate: "Paul, just to close the loop on this, I have learned that the CA has already addressed your concerns, so I will not be looking into this any further. Have a good day."

The city attorney referred me to the Oregon Revised Statutes which include **ORS 294.453: Hearing by governing body on budget document as approved by budget committee**

Except as provided in subsections (2) and (3) of this section, the governing body of a municipal corporation shall meet at the time and place designated in the notice of meeting required under ORS 294.438 (Publication of notice of meeting, financial summary and budget summary) for the purpose of holding a public hearing on the budget document **as approved by the budget committee**. At the meeting any person may appear for or against any item in the approved budget document.

The Oregon Budget Manual explains on page 46:

If any changes are necessary after the budget committee approves the budget, the governing body may make the revisions **after the budget hearing and before adopting the budget**.

In the case of the 2025-2027 biennial budget, the council deliberated amendments to the budget approved by the Citizens Budget Committee at their May 19 study session in the context of the agenda item: Third Quarter FY25 Financial Update, which stipulated "**CATEGORY** Informational - this is to inform the body on a particular topic. No motion or direction needed." There is *nothing* in the packet or language in the agenda item to indicate that a discussion to amend the 2025-2027 biennial budget was to occur. Given that the people are only allowed to comment on items that are on the agenda at study sessions, the council deceived the people by diverging from the agenda item into a discussion about what is probably the most important resolution the council will vote on. The agenda item description was not specific enough (pg.9) to permit citizens to recognize that an amendment to the budget was going to be discussed

and it explicitly stated “No motion or direction needed”. And NO MOTION *was* made.

At the June 3 business meeting, the council reviewed the changes to the CBC approved budget they had *only* discussed at the May 19 study session – as if they had actually voted to amend the CBC approved budget. This was done **BEFORE** the public hearing on the budget, which, per ORS 294.453, was strictly limited to “the budget document as approved by the budget committee”.

The discussion, motion and vote to amend the budget approved by the CBC, *should* have occurred publicly **AFTER** the budget hearing. Failure to do so violates ORS 294.453, the Oregon Budget Manual and two chapters of the Ashland City Charter.

<https://ashland.municipal.codes/Charter/VIII-6>

Section 6. Proceedings to be Public.

No action by the Council shall have legal effect unless the motion for the action and the vote thereon take place at proceedings open to the public.

<https://ashland.municipal.codes/Charter/VIII-9>

Section 9. Vote Required.

Except as this Charter otherwise provides, the concurrence of a majority of the members of the Council present at a Council meeting shall be necessary to decide any question before the Council.

The duplicity of the Council and City Administration in this matter is evidenced by the false statement made by Deputy City Manager, Jordan Rooklyn, when she introduced the budget agenda item. She claimed that the decision to change the sources for the childcare grant funds had been “**supported by Council via motion.**” Clearly, the council and city administration wanted to create the impression that a motion was voted on by the council to amend the CBC’s budget and change the funding sources for the Childcare Grant Program. This lie was memorialized when it was repeated in the minutes to the June 3 meeting, which the council approved on June 16.

The Council and Administration lied on the record by claiming that the amendments to the budget had been **“supported by Council via motion.”**, which violates the Ashland Charter chapters VIII-6 and VIII-9. Mayor Graham and Councilors, consider that when you took the oath of office you swore to support “... the Charter and Laws of the City of Ashland...”.

The council and city administration violated public meeting laws when they took up amending the 2025-2027 biennial budget at their May 19 study session.

At the June 3 business meeting, not a single person involved dared to point out the lie: that there had been a motion and vote on the amendments to the budget approved by the CBC. Councilors, can you recall who made the “motion”, who seconded it and how you voted? Left uncorrected – this does not bode well for Ashland.

Chief O’Meara — should do his job and investigate this matter and not allow the Ashland City Council and Administration to violate the charter and lie to the people **ON THE RECORD**. Please do not take the opinions of the city attorney as the facts in this matter.

<https://ashland.municipal.codes/Charter/XIV-2>

Section 2

The Chief of Police, or his/her designee, shall attend all meetings of the City Council, and perform the duties of the Sergeant-at-Arms of that body, watch over, care for and preserve all the City property and good morals of the City; and it shall be his/her duty, and the duty of any and all police officers, to see that all the laws and ordinances of the City, **and the provisions of this Charter, are enforced, to file complaint with the City Judge against any persons violating any of the provisions of this Charter**, or the laws or ordinances of the City; and a failure or neglect to faithfully perform any or all of such duties shall be cause for removal from office by the City Council.

Respectfully,

Paul Mozina, Roca St

Complaint re: 2025-2027 Budget Process

July 6, 2025

**Paul Mozina,
767 Roca St**

2025 Blotter Report

Public Record

Summary

Prepared by
Debbie Neisewander

- 1) Case #'s 25-1 thru 25-2273
 - Missing Case #'s (56) (see attached)
 - Redacted Case #'s (37)
- 2) Quality of Life
 - Suicide/Attempt (33)
 - Sudden Death (29)
(many homeless fall into this category)
 - Overdose (5)
 - Homicide (1)
- 3) Prohibited Camping
 - Nite Lawn (23)
 - Ashland Area (15)
 - Conflicting Location (see attached)
- 4) Nite Lawn ~~(23)~~
 - Violations (11)
 - Arrests (50)
 - Prohibited Camping (23)
 - Property (24) Left Behind or Confiscated
 - Incomplete Blotter Entries (51)
- 5) ELEA Persistent Violations
 - Persistent Violations (21) Persistent Violators (9)
Individual with Most Violations (6)

2025 Blotter Report

Summary

- Found Data from Incomplete Entries
Located thru Muni Court Records
(29)

* All Info Obtained from APD Blotter Reports
and Muni Court Records

* Need Better Outcomes! Transparency/Accuracy

Questions ??

1) Why are there Missing Case #'s ?

2) Why all the Redaction ?

3) Why so many classifications for
Prohibited Camping ?

Previously asked chief to classify
all as (ProCamping)

4) Uncertain how many ProCamping II
citations issued. They are
classified as trespass

Missing Case
#

Citation E0052505-01 Docket E005250501

1

Defendant

Warrant

Name JACK LAMAR MELTON

Date of Birth 10/3/1972

Violations (2) Citation E0052505

Warrant	Violation	Docket	Status	Fine Amount
No	E0052505-01 CAMPING PROHIBITED	E005250501	INITIAL APPEARANCE 4/29/2026 9:00am	\$115.00
No	E0052505-02 OPEN CONTAINER OF ALCOHOL	E005250502	INITIAL APPEARANCE 4/29/2026 9:00am	\$165.00

General

Citation Information

Offense Description CAMPING PROHIBITED

Citation Number E0052505

Violation Number 01

Docket Number E005250501

Citation Date 4/9/2026 8:48am

Violation Location 1155 E MAIN ST

Officer Agency ASHLAND POLICE DEPARTMENT

PD Case Number

No Case #

Potentially 26-583
(A Missing Case #)

P260000579 [J260980200] [Area 3]	04/08/2026 09:31 AM	THEFT - ALL OTHER
Location 500 Block of WOODLAND DR		

Left Report

P260000580 [J260980176] [Area 1]	04/08/2026 09:03 AM	{PROP}
Location 00 Block of WILLIAMSON WAY		

P260000581 [J260980414] [Area 3]	04/03/2026 12:24 PM	{MVCIP}
Location 00 Block of BLK S MOUNTAIN AVE		

P260000582 [J260980084] [Area 4]	04/05/2026 08:40 AM	{WAR}
Location 00 Block of S SHILOH BLVD		

26-583 Potentially Proh Camp Jack Lamar Melton	04/05/2026 13:44 PM	{SUSP}
Location 00 Block of WOODLAND AVE		

AP260000585 [J260990253] [Ashland Other Area]	04/09/2026 11:11 AM	WARRANT
Location 1800 Block of WOODLAND ST		

Jaymie Allen was stopped on 4/9/26 at 1800 WOODLAND ST

Arrest AP26A00264		
Arrestee name Allen, Jaymie	Arrestee DOB 34	

0408 030 Warrant # 26-583 Family

0475 3542 A UP Metro Police # 26-583

AP260000586 [J260990669] [Area 4]	04/09/2026 14:35 PM	{THEFT}
Location 400 Block of S SHILOH BLVD		

Missing Case #

Citation 26F00060-01 Docket 26F00060

Defendant

Name CHRISTOPHER FREEMAN
Date of Birth 11/5/1980

Violations (1) Citation 26F00060

Warrant	Violation	Docket	Status
No	26F00060-01 DISORDERLY CONDUCT II	26F00060	OR RELEASE ON WARRANT 6/30/2026 9:00am

General

Citation Information

Offense Description DISORDERLY CONDUCT II
Citation Number 26F00060
Violation Number 01
Docket Number 26F00060
Citation Date 4/20/2026 8:20am
Violation Location 1175 E. MAIN ST. IN THE CITY OF ASHLAND JACKSON COUNTY OREGON
Officer Agency ASHLAND POLICE DEPARTMENT
PD Case Number 26-658

Miscellaneous

School Zone No

Not In Blotter Report
(A Missing Case #)

P260000655 [J261010593] [Area 2]	04/11/2026 17:55 PM	(UEMV)
Location DIUM ST / WEBSTER ST		

P260000656 [J261100028] [Ashland Other Area]	04/20/2026 01:43 AM	TRESPASS
Location 00 Block of ASHLAND ST		

Joe Crozier was cited and released for Trespass 2

Arrest P26A00298		
Arrestee name Crozier, Steve	Arrestee age 36	
64 243 Trespass 2		

P260000657 [J261100056] [Area 11]	04/20/2026 03:27 AM	(EXPAT)
Location Block of WATER ST		

26-658 Nite Lawn Christopher Freeman Doc2

P260000659 [J261100242] [Area 2]	04/20/2026 09:56 AM	(MISCF)
Location 00 Block of E MAIN ST		

P260000660 [J261100449] [Ashland Other Area]	04/20/2026 12:33 PM	(ORD)
Location 00 Block of ASHLAND ST		

P260000661 [J261100412] [Area 3]	04/20/2026 12:07 PM	ANIMAL
Location 00 Block of SISKIYOU BLVD		

AMPUS SECURITY REQUIRED ASSISTANCE TRANSPORTING A DOG TO ANIMAL CONTROL

P260000662 [J261100591] [Area 2]	04/20/2026 14:35 PM	(ORD)
Location 00 Block of GARFIELD ST		

Denise Gerkey

Expulsion

Prohibited Company Expulsion

Appeal April 14 30 day Expulsion APR 14 - May 14

P260000663 [J261100604] [Area 2]	04/20/2026 13:49 PM	TRESPASS
----------------------------------	---------------------	----------

Citation E0048611-01

Docket E004861101

Defendant

NameLUCAS ATKINS

Date of Birth10/29/1982

Violations (1)

Citation E0048611

Warrant	Violation	Docket	Status	Fine Amount
No	E0048611-01 CAMPING PROHIBITED	E004861101	INITIAL APPEARANCE 9/3/2025 9:00am	\$115.00

General

Citation Information

Offense DescriptionCAMPING PROHIBITED

Citation NumberE0048611

Violation Number01

Docket NumberE004861101

Citation Date8/15/2025 1:08am

Violation Location200 WATER ST

Officer AgencyASHLAND POLICE DEPARTMENT

PD Case Number25-1463

Miscellaneous

School ZoneNo

discrepancy
Blotter shows
8/20 19:30 (ORD)
1100 BLK E Main

AP250001426 [J252260518] [Area 2]	08/14/2025 13:58 PM	STOLEN VEHICLE
Location 400 Block of STADIUM ST		

Stolen Vehicle report

AP250001427 [J252260546] [Area 1]	08/14/2025 14:22 PM	{MVCP}
Location 5TH ST / E MAIN ST		

AP250001428 [J252260611] [Area 2]	08/14/2025 15:18 PM	THEFT - ALL OTHER
Location 300 Block of WIGHTMAN ST		

Theft from a motor vehicle report.

AP250001429 [J252261015] [Area 1]	08/14/2025 22:55 PM	WARRANT
Location 500 Block of SISKIYOU BLVD		

Edward Ozanne was lodged in the Jackson County Jail on Escape 3 (ORS 0162.145), Resisting Arrest (ORS 162.315), and a Warrant (#25F00029-1)

Arrest
AP25A00611

Arrestee name Ozanne, Edward	Arrestee age 32	
---------------------------------	--------------------	--

0162.315 Resisting Arrest

0133.235 Warrant Arrest

0162.145 Escape 3

AP250001430 [J252270014] [Area 1]	08/15/2025 01:02 AM	{LLAWS}
Location 30 Block of E HERSEY ST		

AP250001431 [J252270019] [Area 1]	08/15/2025 01:21 AM	{ORD}
Location 30 Block of E HERSEY ST		

Discrepancy
(Same docket # as 25-1463)

AP250001432 [J252270570] [Ashland Other Area]	08/15/2025 15:56 PM	DISORDERLY CONDUCT
Location 2200 Block of ASHLAND ST		

Disorderly Conduct Investigation

Citation E0048611-01 Docket E004861101

Defendant

Name LUCAS RYAN CLEVELAND ATKINS
Date of Birth 10/29/1982

Violations (1) Citation E0048611

Warrant	Violation	Docket	Status
No	E0048611-01 CAMPING PROHIBITED	E004861101	COLLECTIONS 6/4/2026 9:00am

General

Citation Information

Offense Description CAMPING PROHIBITED
Citation Number E0048611
Violation Number 01
Docket Number E004861101
Citation Date 8/15/2025 1:08am
Violation Location 200 WATER ST
Officer Agency ASHLAND POLICE DEPARTMENT
PD Case Number 25-1431

Miscellaneous

School Zone No

discrepancy gets worse!
same docket # as 25-1463
Blotter shows 61K Hersey

Arrest
AP25A00634

Arrestee name
Salaverri, Daniel

Arrestee age
39

1154.345 Criminal Mischief 3

1166.025 Disorderly Conduct 2

1166.065 Harassment 6M

AP250001461 [J252320465] [Area 4]

08/20/2025 12:35 PM

LIQUOR LAW VIOLATION

Location
30 Block of WINBURN WAY

Arrest
AP25A00638

Arrestee name
Cuny, Brian

Arrestee age
32

00010 40 040 Muni - Open Container

AP250001462 [J252320551] [Area 4]

08/20/2025 14:02 PM

THEFT - ALL OTHER

Location
200 Block of CHESTNUT ST

Theft of a package

Discrepancy

AP250001463 [J252320846] [Area 2]

08/20/2025 19:30 PM

(ORD)

Location
1100 Block of E MAIN ST

Lucas Atkins

Proh Camping

*10/10/25 Muni Court Record → 200 Water St 8/15/25 1:08 am
8/17/26 Muni Record shows 25-1431 Blotter shows 8 blk Hersey*

AP250001464 [J252320963] [Area 2]

08/20/2025 22:07 PM

ALL OTHER OFFENSES

Location
100 Block of LINCOLN ST

Out

AP250001465 [J252330034] [Area 5]

08/21/2025 01:15 AM

DUII

Location
300 Block of E MAIN ST

Karlis Williams was cited and released for Driving Under the Influence of Intoxicants

Arrest
AP25A00676

Arrestee name
Williams Karlis

Arrestee age
51

010 DUII - Driving under the influence - All and

AP250001466 [J252330117] [Area 2]

08/21/2025 07:30 AM

2025 Blotter Report

Monthly Case #'s • Missing Case #'s • Redacted #'s

January 25-1 • 25-182

- Missing (5)

25-2 • 25-75 • 25-89 • 25-122 • 25-149

- Redacted (3)

25-99 25-119 25-140

February 25-183 • 25-306

- Missing (5)

25-203 • 25-204 • 25-245 • 25-284 • 25-296

- Redacted (1) 25-221

March 25-307 • 25-507

- Out of Sequence: 25-531 (3/13)

- Missing (3)

25-365 • 25-375 • 25-400

- Redacted (5)

25-329 • 25-331 • 25-357 • 25-406 • 25-432

April 25-508 • 25-704

- Out of Sequence: 25-531 (see 3/13)

- Missing (4)

25-562 • 25-573 • 25-618 • 25-626

- Redacted (6)

25-514 • 25-544 • 25-541 • 25-561 • 25-645

25-581

(1)

2025 Blotter Report

May 25-705 • 25-908

- Missing (3)

25-713 • 25-736 • 25-899

- Redacted (8)

25-710 • 25-722 • 25-778 • 25-780

25-786 • 25-816 • 25-904 • 25-811

June 25-909 • 25-1102

- Missing (4)

25-943 • 25-988 • 25-1006 • 25-1073

- Redacted (2) 25-966 • 25-980

July 25-1103 • 25-1330

- Missing (6)

25-1161 • 25-1168 • 25-1192 • 25-1237

25-1291 • 25-1316

- Redacted (6)

25-1123 • 25-1125 • 25-1159 • 25-1245

25-1194 • 25-1264

- Out of Sequence (3)

25-1336 • 25-1340 • 25-1356 (see August)

August 25-1331 • 25-1535

- Missing (4)

25-1363 • 25-1415 • 25-1436 • 25-1470

- Redacted (2) 25-1346 • 25-1395

- Out of Sequence (2) 25-1565 • 25-1566
(see September)

2025 Blotter Report

September 25-1536 • 25-1739

- Missing (16)

(8) 25-1536 thru 25-1543

25-1569 • 25-1600 • 25-1604 • 25-1609

25-1640 • 25-1662 • 25-1673 • 25-1700

- Out of Sequence (6) see October (Abandon Auto)

25-1768 • 25-1777 thru 25-1780 • 25-1787

October 25-1740 • 25-1909

- Missing (1) 25-1768

- Redacted (1) 25-1867

- Out of Sequence (1) 25-1925 (see November)

November 25-1910 • 25-2098

Missing (2) 25-1918 • 25-2007

December 25-2099 • 25-2273

Missing (3)

25-2119 • 25-2130 • 25-2174

Redacted (3)

25-2154 • 25-2165 • 25-2221

Summary

Missing Case #'s (56)

Redacted Case #'s (37)

2025 Blotter Report

Quality of Life

Suicide/Attempted Suicide - Overdose
Sudden Death

January

- Suicide/Att (3) 25-33 • 25-97 • 25-109
- Sudden Death (3) 25-37 • 25-38 • 25-121

February

- Suicide/Att (3) 25-222 • 25-234 • 25-246
- Sudden Death (2) 25-190 • 25-238

March

- Suicide (1) 25-472
- Sudden Death (4) 25-308 • 25-454 • 25-456
25-479
- Overdose (1) 25-355

April

- Suicide (2) 25-539 • 25-540
- Sudden Death (2) 25-543 • 25-591

May

- Suicide (1) 25-837
- Sudden Death (2) 25-715 • 25-859

2025 Blotter Report

June

- Suicide (1) 25-1072
- Sudden Death (7) 25-911 • 25-935 • 25-947
25-956 • 25-1063 • 25-1064 • 25-1102
- Overdose (1) 25-914

July

- Suicide (3) 25-1140 • 25-1276 • 25-1307
- Sudden Death (1) 25-1132
- Overdose (1) 25-1240

August

- Suicide (3) 25-1372 • 25-1385 • 25-1387
- Sudden Death (1) 25-1364
- Overdose (1) 25-1499

September

- Suicide (6) 25-1556 • 25-1557 • 25-1602
25-1614 • 25-1636 • 25-1684
- Sudden Death (1) 25-1624
- Homicide (1) 25-1588 Matthew Vandersande
- Overdose (1) 25-1652

October

- Suicide (6) 25-1742 • 25-1748 • 25-1860
25-1866 • 25-1895 • 25-1901
- Sudden Death (2) 25-1799 • 25-1842

2025 Blotter Report

November

- Suicide (4) 25-2000 • 25-2010 • 25-2048
25-2065

- Sudden Death (2) 25-1956 25-1960

December

- Sudden Death (2)

Summary

Suicide (33)

(3)(3)(1)(2)(1)(1)(3)(3)(6)(6)(4)(0)

Sudden Death (29)

(3)(2)(4)(2)(2)(7)(1)(1)(1)(2)(2)(2)

Overdose (5)

(0)(0)(1)(0)(0)(1)(1)(1)(1)(0)(0)(0)

Homicide (1)

Matthew Vandersande

2025 Blotter Report

Prohibited Camping

January (7)

Nite Lawn (5)

Ashland Area (2)

July 0

Nite Lawn 0

Ashland Area 0

February (0)

Nite Lawn 0

Ashland Area 0

August (1)

Nite Lawn 0

Ashland Area 0

*Conflicting Location
(see attached)

March (9)

Nite Lawn (5)

Ashland Area (4)

September 0

Nite Lawn 0

Ashland Area 0

April (*) (6)

Nite Lawn (X) (5)

Ashland Area (1)

October

Nite Lawn (1)

Ashland Area (1)

May

Nite Lawn 0

Ashland Area (1)

November (8)

Nite Lawn (5)

Ashland Area (3)

June

Nite Lawn (1)

Ashland Area (1)

December (3)

Nite Lawn (1)

Ashland Area (2)

Nite Lawn (23)
Ashland Area (15)

2025 Blotter Report

Nite Lawn

Violations (11)

- (4) Marijuana Use In Public
- (3) Scattering Rubbish
- (1) Dangerous Animal In Public
- (1) Parking Prohibited
- (1) Loitering in Public Lot
- (1) Parking Prohibition 11.26.020

Arrests (50)

- (24) Warrants
- (9) Trespass 2
- (9) Disorderly Conduct 2 (DOC)
- (2) Harassment
- (2) Strangulation
- (1) Offensive Littering
- (1) Assault 4
- (1) Providing False Info
- (1) Meth

Prohibited Camping (~~26~~)(23)

Property (24) Left Behind or Confiscated

2025 Blotter Report

Nite Lawn

Incomplete / No Info Blotter Entries

January (1) 25-153 (ORD)

February (3)

25-254 (ASSTAP) 25-266 (ORD) 25-270 (BITEP)

March (6)

25-466 (ASSTPP) 25-469 (ORD) 25-481 (ORD)

25-476 (All other offenses) 25-486 (LLAW)

25-493 (ORD)

April (2) 25-584 (ORD) 25-656 (ASSTAP)

May (3)

25-846 (ORD) 25-851 (ORD) 25-853 (ASSTPP)

June (~~2~~) (6)

25-910 (ORD) 25-942 (ORD) 25-975 (SUSP)

25-995 (ORD) 25-1036 (ORD) 25-1008 (DRUG)

July (5)

25-1123 (redacted) 25-1171 (ASSTAP)

25-1195 (FOOTP) 25-1221 (ORD)

25-1220 (ASSIST LAW ENFORCEMENT)

2025 Blotter Report

Nite Lawn

Incomplete/No Info Blotter Entries

August (5)

25-1412 (ORD) 25-1444 (ORD) 25-1463 (ORD)
25-1466 (Redacted) 25-1524 (ORD)

September (11)

25-1562 (ORD) 25-1572 (ORD) 25-1598 (ORD)
25-1622 (ORD) 25-1628 (ORD) 25-1638 (ORD)
25-1665 (SS) 25-1710 (SS) 25-1712 (ORD)
25-1717 (ORD) 25-1733 (ORD)

October (3)

25-1762 (ORD) 25-1763 (ORD) 25-1788 (ORD)

November (4)

25-1971 (ORD) 25-1972 (ORD) 25-2083 (ORD) 25-1923 (DRUG)

December (2) 25-2217 (ORD) 25-2167 (MESSP)

Summary

Missing Info (~~50~~) (51)

(33) ORB

(1) LLAWS

(1) FOOTP

(3) ASSTAP

(1) MESSP

(1) SUSP

(2) ASSTPP

(2) DRUG

(2) Redacted

(1) BITEP

(2) SS

(1) ASSIST LAW ENFORCEMENT

2025 Blotter Report

ELEA Persistent Violations 10.120.020

DT = Downtown

January (1)

(DT) 25-80 C.S.

February (2)

(DT) 25-216 Z.B.

(DT) 25-241 C.S.

March 0

April 0

May (2)

(DT) 25-743 M.J.

(DT) 25-827 Z.B.

June (5)

(DT) 25-1029 (2) B.C.

(DT) 25-1030 D.F.

(DT) 25-1031 Z.B.

(DT) 25-1097 J.G.

July (1)

(DT) 25-1319 Z.B.

August (4)

(East) 25-1351 J.S.

(DT) 25-1384 S.G.

(DT) 25-1411 Z.B.

(DT) 25-1452 S.G.

September (3)

(DT) 25-1666 C.W.

(DT) 25-1698 C.W.

(DT) 25-1579 B.C.

October (2)

(DT) 25-1808 Z.B.

(DT) 25-1906 C.W.

November (1)

(DT) 25-1910 C.W.

December 0

Persistent FTA (1)

(DT) 25-316 A.P.W.

Summary

Persistent Violations (21)

Individuals Expelled (9)

Individual with Most Violations (6)

**ASHLAND CITY COUNCIL
BUSINESS MEETING MINUTES
Tuesday, August 18, 2026**

I. EXECUTIVE SESSION 5:30

To review and evaluate the employment-related performance of the chief executive officer of any public body, a public officer, employee or staff member who does not request an open hearing pursuant to ORS 192.660 (2)(i).

In attendance Mayor Graham; Councilors Sherrell, Dahle, Bloom, Kaplan, and DuQuenne. Staff member Johan Pietila, and from the Daily Courier, Emma Maple and Ashland.news, Kayla Heffner.

Council Present: Mayor Graham; Councilors Sherrell, Dahle, Bloom, Kaplan, DuQuenne, and Hansen (via Zoom). Staff Present:

Jordan Rooklyn	Deputy City Manager
Johan Pietila	City Attorney
Alissa Kolodzinski	City Recorder
Scott Fleury	Public Works Director
Brandon Goldman	Planning Director
Derek Severson	Senior Planner
Carmel Zahran	Assistant City Attorney
Chance Metcalf	Deputy Public Works Director

II. CALL TO ORDER

Graham called the meeting to order at 6:05 p.m.

- a. Land Acknowledgement**

DuQuenne read the land acknowledgement.

III. PLEDGE OF ALLEGIANCE

Kaplan led the pledge of allegiance.

IV. ROLL CALL

V. MAYOR'S/ CHAIR OF THE COUNCIL ANNOUNCEMENT

Graham announced that City Council will be on summer break with the next regular meetings scheduled for September 14 and 15, 2026.

- a. *Proclamation Opposing an ICE Detention Facility in the Rogue Valley*

Graham read the proclamation into the record.

Public Comment

Citizens offered supporting remarks. DuQuenne expressed gratitude for the committee's work and the council's action.

VI. APPROVAL OF MINUTES

- a. Minutes of the August 3, 2026 – Study Session Meeting
b. Minutes of the August 4, 2026 – Business Meeting

Dahle moved to approve the minutes of August 3 and August 4 Study Session and Business Meeting. Bloom seconded the motion.

Roll Call Vote: Sherrell, Dahle, Bloom, Kaplan, DuQuenne, and Hansen –YES. Motion passed.

VII. CONSENT AGENDA

VIII. SPECIAL PRESENTATIONS

IX. PUBLIC FORUM

Citizen concerns included the underutilization of the police substation and the need for a winter shelter program; about executive salary increases, the structural budget deficit, and the use of glyphosate on public medians; the worsening homelessness crisis and need for medical and housing support; and a request that the Council develop a stronger herbicide/pesticide policy with oversight and transparency.

X. PUBLIC HEARING

- a. Public Hearing and First Reading of Ordinance 3307, Implementing Oregon Housing Legislation SB 974 (2025), HB 2138 (2025), and HB 4037 (2026).*

Goldman and Severson presented Ordinance 330 which would amend the Ashland Municipal Code to align with three state housing bills. Primary effects would streamline the residential development review by processing clear-and-objective Type 1 housing applications administratively without a public hearing, codify Single Room Occupancies (SROs) as a permitted housing type in all residential zones, modifies notice requirements, and limits the city's application of residential design standards on developments of 20 or more units through January 1, 2033, per SB 974.

Council discussed the Planning Commission's recommendation to lower the simultaneous outline/final plan approval threshold from 20 lots (as drafted) to 12 lots. Consensus was reached to retain the 20-lot threshold as more consistent with the state's intent to reduce barriers to housing development.

Council discussion also included that State law caps notice to property owners within 100 feet for clear-and-objective housing applications. Support was expressed for eliminating the notice requirement for this category altogether, reasoning that if all clear-and-objective standards are met, the process is analogous to an administrative building permit. Councilors considered that notice requirements create delay and staff burden; although, it was noted that neighbors can sometimes identify easement disputes or property line conflicts that staff might miss. Goldman noted the law states the city "may" provide 100-foot notice and clarified that **staff was directed to verify whether full elimination is legally permissible before second reading.**

Council reached consensus to retain the 100-foot notice area for other (non-housing, non-clear-and-objective) Type 1 applications, as already written in the draft ordinance. Staff also recommended striking the phrase "which may be provided within the unit or as shared facilities" from Section 18.2.5.100(B)(5)(A) to clarify that an SRO unit may contain either a private bathroom or a private kitchen, but not both. Council agreed with no objection.

Public Hearing Open

Cate Hatzell addressed the council that these changes do not guarantee affordable housing, expressed concern about reducing community notice and participation rights, and urged the Council to respect the Planning Commission's ongoing deliberative process.

Public Hearing Closed

Dahle moved to approve first reading of Ordinance No. 3307, an Ordinance relating to supporting housing production through streamlined review of residential development applications, implementing Senate Bill 974 (2025), House Bill 2138 (2025), and House Bill 4037 (2026), amending AMC 18.2.2.030, AMC 18.2.5.090, AMC 18.3.4.040, AMC 18.3.5.050, AMC 18.3.5.100, AMC 18.3.9.040, AMC 18.5.1.010, AMC 18.5.1.050, AMC 18.5.5.030, and AMC 18.6.1.030, and adding AMC 18.2.5.100; and to amend AMC 18.2.5.100(B)(5)(A) to read "Every unit must have access to both sanitary facilities and food preparation facilities"; and also to delete 18.5.1.050(B)(6); and to schedule second reading for September 15, 2026. Bloom seconded the motion.

Roll Call Vote: Hansen, Dahle, DuQuenne, Bloom, Sherrell, and Kaplan –YES. Motion passed.

XI. ORDINANCES, RESOLUTIONS AND CONTRACTS

a. Approval of a Resolution Establishing an Alternative Procedure for Sale of City-Owned Real Property

Zahrn presented a resolution creating a streamlined alternative procedure, authorized under Oregon statute, for the sale of small, isolated, and otherwise constrained city-owned parcels that are impractical to maintain. Council discussed the need for a working definition of "small," and reached consensus that adding the word "undevelopable" would usefully limit the resolution's scope. Each qualifying property would still return to Council for approval before any sale proceeds.

Bloom moved to approve Resolution 2026-23 and to include the word 'undevelopable'. Dahle seconded the motion.

Roll Call Vote: Kaplan, Hansen, Dahle, DuQuenne, Bloom, and Sherrell –YES. Motion passed.

b. Approval of a Resolution Authorizing a Property Line Adjustment (adjacent to 51 Winburn Way)

Metcalf presented a resolution authorizing a property line adjustment between the City and the Kenny Living Trust adjacent to the Community Development building. The adjustment transfers approximately 341 square feet to the City and 518 square feet to the Trust, providing required setbacks for future window improvements and resolving existing utility placement issues.

Public Hearing Open

No Speakers

Public Hearing Closed

Bloom moved to approve resolution 2026-22 authorizing the City Manager to execute a property line adjustment as shown in the Property Line Adjustment Map. Dahle seconded the motion.

Roll Call Vote: Sherrell, Kaplan, Hansen, Dahle, DuQuenne, and Bloom –YES. Motion passed.

c. *Approval of a Contract Amendment with Knife River Materials for Ashland Municipal Airport Pavement Rehabilitation*

Metcalf presented a \$394,000 contract amendment with Knife River Materials after contractors uncovered more unsuitable subgrade material than anticipated during airport runway rehabilitation. Approximately 90% (\$354,600) will be funded by the FAA Airport Improvement Program, with a potential additional 9% from the state CORE program, leaving a city share of between \$3,940 and \$39,400 to be covered by the self-funded airport special revenue fund. Councilors noted the airport's broader public safety and economic development value, with potential and use as an emergency operations staging and training area, as well as its role as home to Mercy Flights.

Dahle moved that the Council, acting in its capacity as the local contracting board, authorize staff to execute a contract amendment with Knife River Materials in the amount of \$394,000 for base and subgrade stabilization in support of the Ashland Municipal Airport Runway and Taxi Lane Rehabilitation and Reconstruction Project – Phase 2: Construction. Sherrell seconded the motion. Roll Call Vote: Dahle, DuQuenne, Bloom, Sherrell, Kaplan, and Hansen –YES. Motion passed.

d. *Approval of a Resolution Authorizing a Clean Water State Revolving Fund (CWSRF) Loan*

Metcalf presented a CWSRF loan agreement for the wastewater treatment plant headworks upgrade project, noting this addresses the only major plant component not improved during the 1998–2001 renovation. The design loan is approximately \$803,075, with an anticipated total project loan of \$9.1 million. Key financing terms include a 3.1% fixed interest rate, a 30-year repayment period, and automatic principal forgiveness of up to 50% (with a not-to-exceed amount of approximately \$401,538). Councilors confirmed with Fleury that the favorable terms are locked in, and it was also noted that because the loan was modeled at 5% in the rate study, the better-than-expected terms may yield a rate reduction in the next biennium. Debt service is supported by the wastewater utility fund, and the project was included in the recently adopted wastewater utility rates.

Kaplan moved to approve Resolution No. 2026–18, authorizing the City of Ashland to enter into a Clean Water State Revolving Fund (CWSRF) Loan Agreement with the Oregon Department of Environmental Quality (DEQ). Hansen seconded the motion.

Roll Call Vote: Dahle, DuQuenne, Bloom, Sherrell, Kaplan, and Hansen –YES. Motion passed.

Recess taken

XII. CITY MANAGER REPORT –

a. *Look Ahead*

Rooklyn noted that there are no early September meetings due to the summer break, and the Council will reconvene on September 14 for a study session focused on budget priorities and policies, followed by a business meeting on September 15. A strategic planning workshop with a consultant is scheduled for September 16. Additional items anticipated for September include a Regional Infrastructure Fund grant application and a discussion of CWPP implementation.

XIII. UNFINISHED BUSINESS

a. Proposed Ordinance: Utility bill fees

Council reviewed the draft ordinance language formalizing the public engagement process required before new utility bill fees or fee increases above the Consumer Price Index (CPI-West) can be adopted. The primary point of discussion was Section 4, which stated the process does not apply to renewal of a fee following a sunset clause. Councilors were polled and expressed both support and indifference to removing the clause. Graham provided a synopsis of staff direction:

Direction to staff was given to bring back the ordinance for a first reading in September striking the element that says it does not apply to fees that have a sunset date.

b. Removal of sunset date for the Parks Fee

Rooklyn provided fiscal context for this discussion: the Parks fee generates approximately \$750,000 annually (with roughly \$683,000 collected in the prior year) which flows directly to the Parks Department. The city is facing an estimated structural deficit of \$1.5–\$2 million annually and allowing the fee to sunset would widen that gap by approximately \$500,000. The Parks Department has already surpassed budget reductions by roughly \$300,000, resulting in savings of approximately \$200,000 for the city.

Council discussion centered on three options: (1) direct staff to return with a resolution eliminating the sunset date; (2) direct staff to initiate the public engagement process outlined in the fee ordinance discussed earlier in the meeting; or (3) take no action, allowing the fee to sunset in 2027.

Discussion included that the council already voted to sunset the fee in 2027. Attention was called to the fiscal implications, emphasizing the importance of adhering to the newly established process and gathering further data on progressive fee structures. It was suggested that an expedited decision might be counterproductive. Support was shown for acting before the budget cycle to prevent exacerbating the deficit, combined with a readiness to follow the process if the council was unwilling to make a decision. There was advocacy for retaining the fee and exploring the feasibility of increasing the public safety fee, asserting that parks are a core part of the city's economic and livability framework.

Public Comment

A citizen urged the Parks Fee to become permanent, noting that Ashland's fees are in line with surrounding cities and higher fees in nearby cities like Medford and Talent.

After further discussion, staff direction was given **to initiate the public engagement process outlined in the utility fee ordinance, with an emphasis on also exploring progressive fee structures such as those based on square footage, building type, or low-income waivers.**

XIV. NEW BUSINESS

a. Affordable Childcare Ad Hoc Committee Funding Proposal

John Love, Chair of the Ad Hoc Committee on Affordable Child Care and Early Learning, and Stephanie Roland, Executive Director of the Ashland Community Health Foundation (ACHF), presented the committee's final recommendations. The committee proposed to sunset at the end of the 2026–27 fiscal year upon completion of all grant reporting and recommended that the city's remaining \$30,000 in unallocated grant funds be used to seed a named fund with the ACHF to sustain early learning and childcare support beyond the city's direct involvement. Paula Hyatt, a committee member and former councilor, spoke in support of the committee's recommendation and raised the possibility of amending city policy to allow ACHF to apply for social services grants in the future.

Councilors reflected on the program's impact on families and discussed whether to establish an endowment instead of a named fund by sourcing an additional \$20,000 from contingency funds to meet the \$50,000 endowment threshold. Discussion also included a preference for a named fund over an endowment, arguing the community's immediate needs outweigh the modest returns an endowment would generate at that principal level.

Bloom moved to return the remaining \$30,000 in Early Childhood Affordability Grant Program funds to the general fund; and direct staff to work with the Ad Hoc Committee and the Ashland Community Health Foundation to establish a named endowment fund for early learning and childcare, with initial seed funding of \$50,000 to the foundation for that purpose.

Roll Call Vote: Sherrell, Dahle, DuQuenne, and Bloom –YES. Kaplan and Hansen, No –Motion passed.

b. Chapter 18 Land Use Code Amendments: Direction to Staff to Reduce Housing Development Barriers and Ensure State Law Compliance (Councilor Submission)

Sherrell and Dahle presented a package of proposed AMC Chapter 18 land use code amendments. Sherrell spoke of the intent to proactively address local barriers to housing production such as solar access ordinance constraints, flag lot grade standards, and ambiguous definitions rather than merely reacting to state mandates.

Goldman outlined the standard amendment process: drafting, DLCD notification (requiring a 35-day notice period before any public hearing), Planning Commission hearing and recommendation, and Council first and second readings. With current staffing, simultaneously processing all 16 amendments alongside state-mandated implementation work, transportation system plan engagement, and ongoing current planning applications would be a significant strain.

Dahle moved to suspend the rules under AMC 2.04.010 (e) (1) as it pertains to 2.04.020 (a), Meeting Times, and remove the mandatory end time of 9:40pm for the purpose of completing this agenda item. Sherrell seconded the motion.

Roll Call Vote: Hansen, Sherrell, Dahle, Kaplan, DuQuenne, and Bloom –YES. Motion passed.

Rooklyn identified specific necessary trade-offs if Council prioritized this project. Due to the inability to hire additional staff or secure a contract within the timeline given, community development staff would need to delay website updates for the recently adopted state housing ordinances, postpone

the construction excise tax discussion with the Housing and Human Services Advisory Committee, and reduce or delay involvement in the Transportation System Plan (TSP) community engagement process.

Council discussion continued and included concern about delaying the TSP and centered on urgency versus capacity. Councilors considered that Ashland has consistently cited housing as a top priority and that the state's housing emergency declaration provides impetus to move quickly. They also considered the need for increased housing opportunities, weighed against limited budget resources for planning staff.

Graham urged care around staff capacity and asked about the necessity of the 60-day timeline in the proposal, noting that staff was concerned about the tight turnaround. Sherrell clarified that the process could take as long as needed to bring draft language approved by staff and legal, but a public hearing cannot be scheduled with the Planning Commission until 35 days after uploaded to the DLCD, which Goldman confirmed.

Public Comment

Citizen addressed the Council in opposition, noting that the Planning Commission is already separately considering the flag driveway grade amendment and expressed concern about overloading community development staff.

Sherrell moved to direct staff to prepare draft concepts from tonight's council packet document entitled "AMC 18 Code Amendments to Support Housing Development", with the exception of items 5 and 11, into ordinance form and submit to the DLCD on or before September 17, 2026 and simultaneously schedule a public hearing at the November 10th, 2026 Planning Commission meeting; and bring first reading of a draft ordinance containing aforementioned concepts back to council at the November 17, 2026 regular business meeting. Bloom seconded the motion. Roll Call Vote: Sherrell, Dahle, Kaplan, DuQuenne, and Bloom – YES. Hansen– No. Motion passed.

Moved to next meeting due to lack of time.

a. LOC Member Vote (moved to last item)

This item was deferred to the next business meeting due to time constraints.

XV. OTHER BUSINESS FROM COUNCIL MEMBERS/REPORTS FROM COUNCIL LIAISONS

XVI. ADJOURNMENT

The meeting was adjourned at 10:22 p.m. pursuant to the motion to suspend the rules.

City Recorder Alissa Kolodzinski

Mayor Tonya Graham

*Business Meeting
August 18, 2026
Page 7 of 7*



SB 974, HB 2138, & HB 4037

Public Hearing – Ordinance 3307

City Council
August 18, 2026

Planning Action PA-L-2026-00019

Ordinance 3307 is primarily about bringing Ashland's development review procedures into alignment with recent changes in state housing law

Implementing:

- Senate Bill 974
- House Bill 2138 (portions)
- House Bill 4037



Planning Action PA-L-2026-00019 – Ord 3307

Ordinance 3307 amends multiple sections of the Land Use Ordinance to implement State mandated changes.

Three main changes:

- **Streamline residential development review**
 - More qualifying applications move to administrative Type I review
 - Public hearing occurs only when permitted through an appeal
- **Expand housing opportunities**
 - Establish regulations for Single Room Occupancies (SROs)
- **Align local procedures with new state requirements**
 - Notice
 - Appeals
 - Residential design standards
 - Clear and objective housing review



Planning Action PA-L-2026-00019 – Ord 3307

3

Senate Bill 974

What does SB 974 change?

For certain residential applications:

- Initial decision is **administrative**
- No quasi-judicial hearing before the initial decision
- Notice to property owners within **100 feet**
- **14-day written comment period**
- Written decision with findings
- Planning Commission hearing remains available on appeal only for non “clear and objective ” housing applications (see HB 4307).

Applies primarily :

- Residential subdivisions / PSO development
- Variances from residential standards
- Other qualifying urban housing applications



Planning Action PA-L-2026-00019 – Ord 3307

4

Performance Standards Subdivisions

What changes in Ashland?

Currently

- Outline Plan = Type II
- Outline Plan required before Final Plan for more than 10 lots

Under Ordinance 3307

- Outline Plan moves to **Type I**
- Two-step Outline Plan / Final Plan process remains
- Final Plan remains Type I
- Threshold increases from **10 lots to 20 lots**
- **PC recommends 12 lots**

More PSO subdivisions can move through an administrative process and can submit Outline and Final Plans concurrently.



Planning Action PA-L-2026-00019 – Ord 3307

5

Limits certain design requirements

For new **one- and two-family** developments of **20 or more units**, certain residential design standards cannot be applied.

Ordinance 3307 makes targeted changes to:

- AMC 18.2.5.090
- North Mountain Neighborhood standards in AMC 18.3.5.100

The SB 974 limitation on design review sunsets **January 2, 2033**.

After the sunset, the state restriction on these residential design standards expires unless the Legislature extends or replaces it

This does not eliminate standards for:

- Setbacks
- Building height
- Fire access
- Accessibility
- Public health and safety
- Water quality
- Natural resource protections



Planning Action PA-L-2026-00019 – Ord 3307

6

Senate Bill 974

Planning Commission Recommended change to the draft Ordinance 3307 –

Set the Performance Standards Option threshold for mandatory prior Outline Plan approval at **12 lots** rather than the 20 lots in the draft.

Developments of more than 12 lots would continue to require prior Outline Plan approval, retaining the two-step outline and final plan review. Smaller developments could still file both plans concurrently.

The current code threshold is 10 lots, so this Planning Commission recommended amendment is a more modest increase than the 20 lots originally proposed.



Planning Action PA-L-2026-00019 – Ord 3307

7

Single Room Occupancy

HB 2138: Single Room Occupancy

Ordinance 3307 adds SROs as a housing type

- Allows SROs where required by state law
- Up to **6 SRO units** on lots allowing detached single-family housing
- In multi-unit zones, allows up to **3× the maximum density**
- Establishes local SRO standards and definitions
- Updates applicable use tables

A housing type where residents have individual private rooms and share common facilities such as kitchens, bathrooms, and/or living areas. SROs provide smaller, more affordable housing options while making efficient use of existing housing space.



Planning Action PA-L-2026-00019 – Ord 3307

8

Single Room Occupancy

Staff Recommended change to the draft Ordinance 3307 – 18.2.5.100:

5. Sanitary and Food Preparation Facilities Conditions.

a. Every unit must have access to both sanitary facilities and food preparation facilities.

which may be provided within the unit or as shared facilities.

b. An SRO unit may include private sanitary facilities or private food preparation facilities, but not both. At least one of these facility types must be shared among the units in the SRO occupancy.

c. A facility type that is not shared must be provided within each unit for the exclusive use of the occupant.

d. A unit containing both private sanitary facilities and private food preparation facilities is a dwelling unit, not an SRO unit. Such a unit does not count toward the minimum number of SRO units, and is subject to the density and development standards otherwise applicable to dwelling units in the zone.



Planning Action PA-L-2026-00019 – Ord 3307

9

Clear & Objective Housing Review

HB 4037 : More housing applications move to administrative review

Ordinance 3307 addresses the State mandated changes to hearing processes

- For housing applications subject only to clear and objective standards:
- Type I administrative review (Staff Decision)
- No public hearing
- Notice to property owners limited to 100 feet
- Written comments remain part of the process
- Applicant only may appeal to the Planning Commission
- Applicant only may appeal to LUBA



Planning Action PA-L-2026-00019 – Ord 3307

10

Housing Bill 4307

Planning Commission Recommended change to the draft Ordinance 3307 –

Apply the reduced mailed notice area of 100 feet, required by House Bill 4037 (2026) and codified at ORS 197A.400(5)(a), only to Type I housing applications reviewed under clear and objective standards.

Retain the City's existing notice area of 200 feet for all other Type I actions. The draft as presented would have reduced the notice area to 100 feet for every Type I application, and this Planning Commission recommended amendment limits that reduction to the housing applications where state law requires it.



Planning Action PA-L-2026-00019 – Ord 3307

11

Zone Changes and Annexations

Why Ordinance 3307 Deviates from SB 974

SB 974 would allow certain residential zone changes and annexations to be processed administratively without an initial public hearing.

However, other Oregon statutes (ORS 227.186) requires:

- Legislative zoning actions to be adopted by ordinance
- Prescribed mailed notice
- Notice of a public hearing for an ordinance
- Council action on legislative land use changes

Ordinance 3307 therefore:

- Does not amend Ashland's existing Zone Change procedures
- Does not amend Ashland's existing Annexation procedures
- Retains the existing public hearing and Council process
- Will be revisited if state rulemaking or legislation resolves the conflict

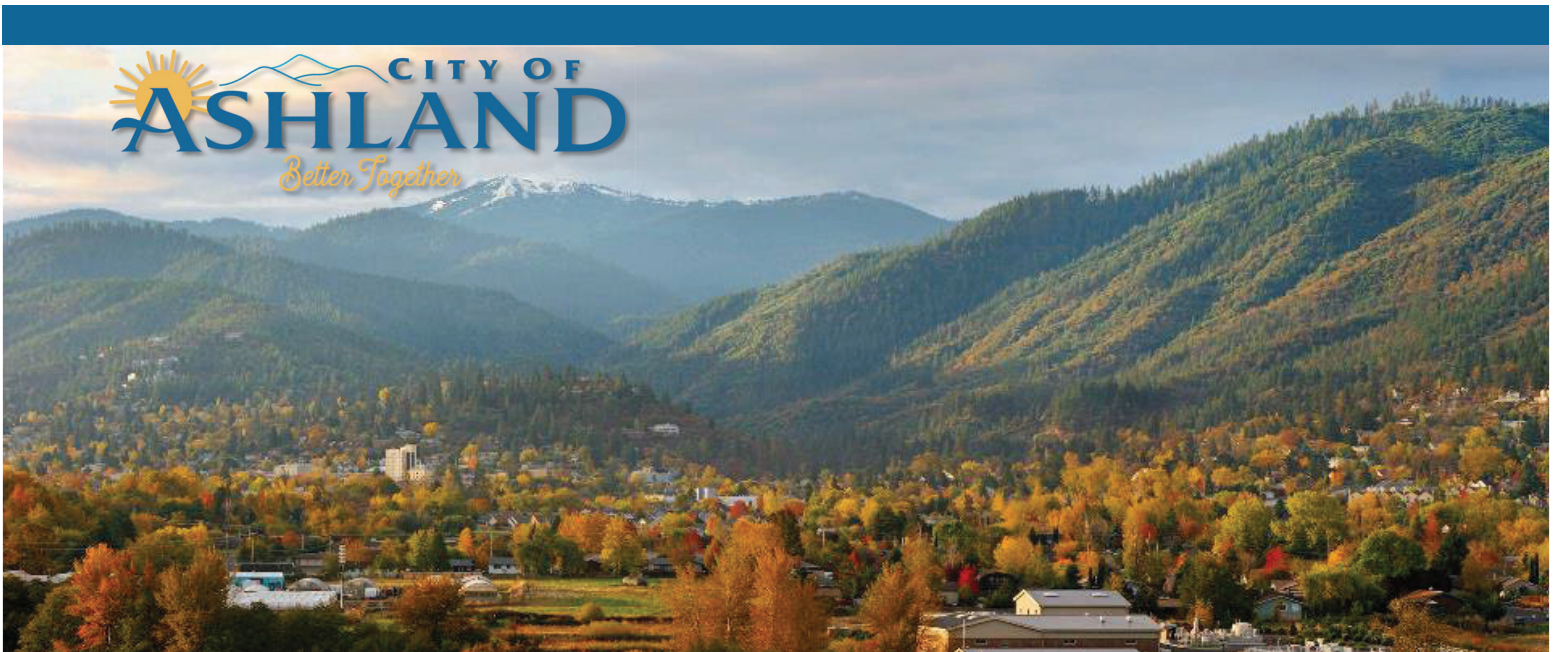


Planning Action PA-L-2026-00019 – Ord 3307

12

Suggested Motion

"I move to approve first reading of Ordinance No. 3307, an Ordinance relating to supporting housing production through streamlined review of residential development applications, implementing Senate Bill 974 (2025), House Bill 2138 (2025), and House Bill 4037 (2026), amending AMC 18.2.2.030, AMC 18.2.5.090, AMC 18.3.4.040, AMC 18.3.5.050, AMC 18.3.5.100, AMC 18.3.9.040, AMC 18.5.1.010, AMC 18.5.1.050, AMC 18.5.5.030, AMC 18.6.1.030, and adding AMC 18.2.5.100, *[Or as amended to include ...PC and or Staff Recommendations as presented]* and schedule second reading for September 15, 2026.





City Council Meeting

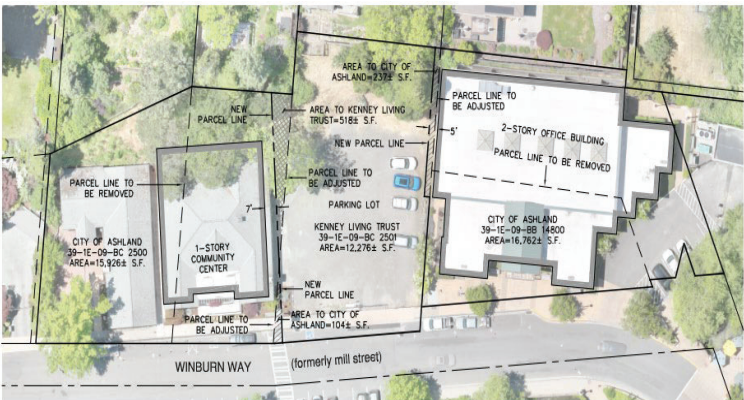
Resolution 2026-22 – Approval of a Resolution Authorizing a Parcel Line Adjustment (adjacent to 51 Winburn Way)

X. Ordinances, Resolutions, Contracts

Resolution 2026-22 – Approval of a Resolution Authorizing a Parcel Line Adjustment

Background

- Adjusts property boundaries between the City and Kenney Living Trust
- Provides required setback for future Community Development building window improvements
- Resolves utility placement on Kenney Living Trust property by incorporating infrastructure into the City parcel
- Transfers approximately **341 sq. ft. to the City** and **518 sq. ft. to the Kenney Living Trust**
- Creates a more functional property configuration while maintaining land use compliance.



X. Ordinances, Resolutions, Contracts

Resolution 2026-22 – Approval of a Resolution Authorizing a Parcel Line Adjustment
(adjacent to 51 Winburn Way)

Motion

I move to approve resolution 2026-22 authorizing the City Manager to execute a property line adjustment as shown in the Parcel Line Adjustment Map

Next Steps

1. City Manager executes the Property Line Adjustment documents.
2. Staff completes the land use review and approval process.
3. Finalize legal descriptions and survey documents.
4. Obtain all required signatures and record the Property Line Adjustment with Jackson County.



Thank you



City Council Meeting

Contract Amendment – Ashland Municipal Airport Pavement Rehabilitation

X. Ordinances, Resolutions, Contracts

Approval of a Contract Amendment with LTM, Inc, dba Knife River Materials, for the Ashland Municipal Airport Pavement Rehabilitation Project

Summary

Staff requests Council approve a contract amendment with Knife River Materials in the amount of \$394,000

1. Knife River Materials is currently performing pavement rehabilitation at the airport
2. While removing old asphalt in July, contractor uncovered more unsuitable material below the surface than we expected
3. The sub-surface material required stabilization before new paving could occur
4. Labor, equipment and materials costs were incurred to stabilize both:
 - Base material (the surface that supports new asphalt)
 - Subgrade (deeper materials, up to 18" below grade)



Anatomy & Chronology of a Change Order:

Breaking it down to build it back up

Day 1



Pavement removal reveals unstable subgrade & base

Day 2



Unsuitable material is over-excavated, up to 18" deep

Day 3



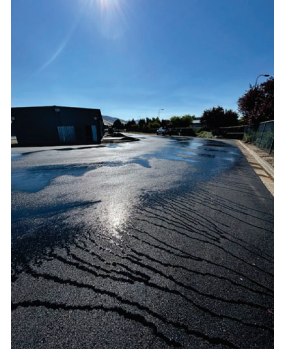
Geotextile, geogrid, and crushed rock are installed to stabilize subgrade & base

Day 4



The stabilized area is paved

Day 5



The new product has up to 10 *additional* years of life due to stabilization work



Approval of a Construction Contract with LTM, Inc, dba Knife River Materials, for the Ashland Municipal Airport Pavement Rehabilitation Project

Funding

- FAA's Airport Improvement Program will fund 90% (\$354,600)
- The State Critical Oregon Airport Relief (COAR) program may fund up to 9% (\$35,460)
- The Airport has sufficient revenue to fund its remaining match:
 - With full COAR funding, City match will be \$3,940
 - With no COAR funds, City match will be \$39,400

Potential Motion

I move to approve the amendment of a contract with Knife River Materials for the Ashland Municipal Airport Pavement Rehabilitation Project - Phase 2 in the amount of \$ 394,000





Thank you



City Council Meeting

Resolution 2026-18 – Authorizing a State Revolving Fund Loan Agreement to Finance Wastewater System Projects – WWTP Headworks Upgrade

X. Ordinances, Resolutions, Contracts

Approval of a Resolution Authorizing a State Revolving Fund Loan Agreement to Finance Wastewater System Projects – WWTP Headworks Upgrade

Background

- Headworks Upgrade Project – “high priority capital improvement”
 - Grit Removal
 - Screening
 - Flow Splitting
- Identified in the Treatment Plant Facilities Assessment completed in 2019
- The headworks is the only component of the treatment plant that was not improved during major plant modifications from 1998 to 2001
- Design phase nearing completion
- Bid construction phase in September
- Construction contract award anticipated in November



X. Ordinances, Resolutions, Contracts

Approval of a Resolution Authorizing a State Revolving Fund Loan Agreement to Finance Wastewater System Projects – WWTP Headworks Upgrade

Fiscal Impacts

- **Design loan:** Approximately **\$803,075.00**, included in the adopted 2025–2027 Biennial Budget and funded by rates
- **Financing:** The CWSRF Loan Agreement includes a 3.1% fixed interest rate, a 30 year repayment term, and principal forgiveness of up to 50% of eligible costs, not to exceed \$401,537.50, significantly reducing the overall project cost
- **Debt service:** Supported by the Wastewater Fund and the recently adopted wastewater utility rates
- **Future funding:** Construction financing is anticipated through an amendment to the CWSRF loan agreement



X. Ordinances, Resolutions, Contracts

Approval of a Resolution Authorizing a State Revolving Fund Loan Agreement to Finance Wastewater System Projects – WWTP Headworks Upgrade

Motion

I move to approve Resolution No. 2026-18, authorizing the City of Ashland to enter into a Clean Water State Revolving Fund (CWSRF) Loan Agreement with the Oregon Department of Environmental Quality (DEQ)

Next Steps

- **Council action today:** Approve Resolution No. 2026-18 authorizing the City to enter into a CWSRF loan agreement for the design phase
- **Loan agreement:** Loan Agreement RC0064 – Review, sign and return
- **November Council actions:** Approve an amendment to this resolution for construction financing (approximately \$9.1 million)
- **Construction financing:** Final loan amount will be based on completed design and competitive bid





Thank you



SPEAKER REQUEST FORM

Submit this form to the meeting Secretary
prior to the discussion item.

- 1) You will be called forward when it is your turn to speak
- 2) State your name and speak clearly into the microphone
- 3) Limit your comments to the time allotted
- 4) Provide any written materials to the meeting Secretary
- 5) Speakers are solely responsible for the content of their statement

Date:

8/18/24

Name: (Please Print)

Brandon Polanco

Ashland Resident:

☒ YES ☐ NO City: _____

Agenda Topic/Item Number:

Proclamation opposing ICE

Public Forum Topic (Non-agenda Item):

Please respect the order of proceedings and strictly follow the directions of the presiding officer. Behavior or actions which are loud or disruptive are disrespectful and offenders will be requested to leave.

Disclaimer: By submitting this request to address the Public Body, I agree that I will refrain from the use of any obscene, vulgar, or profane language. I understand that if I do not follow procedure my speaking time may be terminated, and I may be requested to sit down or leave the building.



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Date:

8/18/26

Name: (Please Print)

Cate Hartzell

Ashland Resident:



YES



NO

City: _____

Agenda Topic/Item Number:

XIII. a) b) Utility Bill fees ordinance

Public Forum Topic (Non-agenda Item):

Please respect the order of proceedings and strictly follow the directions of the presiding officer. Behavior or actions which are loud or disruptive are disrespectful and offenders will be requested to leave.

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Date:

8/18/26

Name: (Please Print)

Rick Landt

Ashland Resident:

☒ YES ☐ NO City: _____

Agenda Topic/Item Number:

Extending Park Fee

Public Forum Topic (Non-agenda Item):

Please respect the order of proceedings and strictly follow the directions of the presiding officer. Behavior or actions which are loud or disruptive are disrespectful and offenders will be requested to leave.

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Date: 8/18/26

Name: (Please Print)

Debbie Neisewander

Ashland Resident:

☒ YES ☐ NO City: _____

Agenda Topic/Item Number:

Public Forum Topic (Non-agenda Item):

this & that

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Date:

AUG 18

Name: (Please Print)

Alex SOL

Ashland Resident:



YES



NO

City:

ASHLAND

Agenda Topic/Item Number:

~~Failed Governance~~

Public Forum Topic (Non-agenda Item):

Failed Government

Please respect the order of proceedings and strictly follow the directions of the presiding officer. Behavior or actions which are loud or disruptive are disrespectful and offenders will be requested to leave.

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Date:

8/14/26

Name: (Please Print)

Denise M Garkey

Ashland Resident:

☒ YES ☐ NO City: _____

Agenda Topic/Item Number:

N/A

Public Forum Topic (Non-agenda Item):

Homeless population issues

Please respect the order of proceedings and strictly follow the directions of the presiding officer. Behavior or actions which are loud or disruptive are disrespectful and offenders will be requested to leave.

Disclaimer: By submitting this request to address the Public Body, I agree that I will refrain from the use of any obscene, vulgar, or profane language. I understand that if I do not follow procedure my speaking time may be terminated, and I may be requested to sit down or leave the building.



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Date:

8/18/26

Name: (Please Print)

Cate Hartzell

Ashland Resident:

☒ YES ☐ NO City: _____

Agenda Topic/Item Number:

X. a. Public Hearing & First Reading 3307

Public Forum Topic (Non-agenda Item):

Please respect the order of proceedings and strictly follow the directions of the presiding officer. Behavior or actions which are loud or disruptive are disrespectful and offenders will be requested to leave.

Disclaimer: By submitting this request to address the Public Body, I agree that I will refrain from the use of any obscene, vulgar, or profane language. I understand that if I do not follow procedure my speaking time may be terminated, and I may be requested to sit down or leave the building.



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Date:

8/18/26

Name: (Please Print)

SHARON BRYSON

Ashland Resident:



YES



NO

City: _____

Agenda Topic/Item Number:

Public Forum Topic (Non-agenda Item):

Herbicides

Please respect the order of proceedings and strictly follow the directions of the presiding officer. Behavior or actions which are loud or disruptive are disrespectful and offenders will be requested to leave.

Disclaimer: By submitting this request to address the Public Body, I agree that I will refrain from the use of any obscene, vulgar, or profane language. I understand that if I do not follow procedure my speaking time may be terminated, and I may be requested to sit down or leave the building.

SHARON BAYSON

08/18/2026

Thank you Council, I'm here to address the New Business agenda item for August 4th council meeting. Since the pause on glyphosate spray I tried to make contact with council members to learn where we go from here. I wasn't able to make contact but I believed for as long as it took council to hear the community concern regarding herbicides it would take a bit of time before we would be where we are with city management requesting vague exemptions before new policy is in place. I'm here to request consideration that this is a serious topic for many Ashland residents and it deserves the time to develop a strong policy that will prevent increase from 12 spray events 2024 to over 25 events in 2025 when Parks IPM was amended to allow parks staff to follow AMC 9.28. This amendment gave PW the liberty to make a quick phone call to parks to assign areas. Parks accepted there were no guidelines regarding process. I urge council to consider assigning a time limited committee to examine these practices and develop a policy that includes council oversight and transparency.

Alissa Kolodzinski

From: noreply@civicplus.com
Sent: Monday, August 17, 2026 4:23 PM
To: Ashland City Recorder; Dorinda Cottle
Subject: Online Form Submittal: City Council Public Comment Form

Follow Up Flag: Follow up
Flag Status: Flagged

[EXTERNAL SENDER]

City Council Public Comment Form

Public Comment

Use this form to submit public comment for City Council meetings. This form must be submitted by **10 a.m.** the day of the meeting to be on the record.

If you wish to speak to the Council in person at a meeting, you must fill out a Speaker Request form available on-site. Do not use this form.

Full Name	Emily Simon
Meeting Date	August 17, 2026
Email Address	Esimonesq@gmail.com
Are you a City of Ashland resident?	Yes
Indicate if you want to provide written testimony, or if you want to speak via Zoom.	Via Zoom
Which agenda item or general topic would you like to address?	The ICE proclamation being read by Mayor Graham
Comments (Leave this section blank if you are requesting to speak electronically.)	Field not completed.
Upload a file or image	Field not completed.

Alissa Kolodzinski

From: Alissa Kolodzinski
Sent: Tuesday, August 18, 2026 1:35 PM
To: 'jay.reeck@97520.net'
Subject: Testimony for City Council Meeting 8.18.26

Hi Jay,

I understand you want to provide testimony tonight on the Chapter 18 Code Amendment topic.

You will receive a link from Zoom. Please keep your microphone muted and camera off until you are called to speak.

You will have between one and three minutes depending on timing.

Best,

Alissa Kolodzinski,
Assistant to the City Manager/City Recorder

City of Ashland

City Manager's Office

Phone 541-552-2012|TTY 800.735.2900|Fax 541.488.5311

This email transmission is official business of the City of Ashland, and it is subject to Oregon Public Records Law for disclosure and retention. If you have received this message in error, please contact me at (541) 552-2012. Thank you.

Zoom
Jay Reeck

2025 Blotter Report

Found

Missing Data from Incomplete Entries
Located thru Muni Court Records

February (1) 25-0292 Proh Occupancy (The Grove)
(Missing case #)

March (4)

25-466 (ASSTPP) Prohibited Camping (Nite Lawn)

25-469 (ORD) Dog Control Req'd (Nite Lawn)

25-481 (ORD) Proh Camping (Nite Lawn)

25-486 (LLAWS) Open Container (Nite Lawn)

April (2)

25-529 (ORD) Proh Camping (N Mtn Park)

25-529 (ORD) Proh Camping (N Mtn Park)

May (3)

25-851 (ORD) Proh Camping (Nite Lawn)

25-877 (ORD) Loitering in Public Lot (Nite Lawn)

25-906 (ASSTAP) Proh Camping (Hersey/Water St)

June (6)

25-942 (ORD) Open Container (Nite Lawn)

25-992 (SS) Proh Camping (Skate Park)

25-1008 (DRUG) Mj Use In Public (Nite Lawn)

25-1008 (DRUG) Mj Use In Public (Nite Lawn)

25-1019 (SS) Proh Camping II (Safeway)

25-1077 (SS)
Proh Camping / Curfew
(Water St)

↑

2025 Blotter Report

Found

Missing Data From Incomplete Entries

July (5)

- 25-1129 (ORD) Proh Camping (1600 Ashland St)
- 25-1168 (Missing case #) Proh Camping (Skate Park)
- 25-1195 (FOOTP) Scattering Rubbish (Nite Lawn)
- 25-1246 (ORD) Prohibited Camp. (Mickelson/Takelma)
- 25-1277 (TRES) Proh Camping Mtn View Cemetery

August (1)

- 25-1463 (ORD) Proh Camping
- * Blotter says (Nite Lawn) Murri Court Record (Water St)

October (4)

- 25-1784 (Welch K) Proh Camping (Sinclair/Fast Break)
- 25-1785 (ORD) Proh Camping (~7/11)
- 25-1855 (ORD) Proh Camping (Butler Band Shell)
- 25-1882 (ORD) Proh Camping (Pioneer Hall)

November (2)

- 25-1971 (ORD) Proh Camping } 1175 E Main
- 25-1972 (ORD) Proh Camping } (Breeze Way)

December (1)

- 25-2243 (ORD) Proh Camping (Walker/Bike Path)



Council Business Meeting

Date: September 15, 2026

Agenda Item	Committee Member Appointment to PAAC
Department	Mayor and Council
From	Alissa Kolodzinski, City Recorder

TIME ESTIMATE

consent

CATEGORY

Action Needed - Motion to approve an action

SUMMARY

Approval of Mayor Graham's recommendation for the appointment of Marya Roland to position #2 on the Public Arts Advisory Committee, with a term ending December 31, 2028.

POLICIES, PLANS & GOALS SUPPORTED

Per the Ashland Municipal Code 2.04.090, all regular advisory committees and boards shall be appointed by the Mayor with the consent of the Council.

BACKGROUND AND ADDITIONAL INFORMATION

FISCAL IMPACTS

SUGGESTED ACTIONS, MOTIONS, AND/OR OPTIONS

REFERENCES & ATTACHMENTS

1. Roland_ Appointment Application for City Committee or Commission_Redacted



From: noreply@civicplus.com
To: [Ashland City Recorder](#); [Ashland City Recorder](#); [Dorinda Cottle](#); [Dorinda Cottle](#)
Subject: Online Form Submittal: Appointment Application for City Committee or Commission
Date: Monday, July 20, 2026 2:58:06 PM

[EXTERNAL SENDER]

Appointment Application for City Committee or Commission

Appointment Process

Thank you for your interest in serving on a committee.

Before applying, we kindly ask that you attend at least one committee meeting, or plan to attend an upcoming meeting. You must also review both the [Committee Handbook](#) and [Social Media Policy](#) to gain a comprehensive understanding of the committee's responsibilities and expectations.

Once your attendance has been confirmed, the Staff Liaison, Council Liaison, and Committee Chair will schedule a meeting with you to discuss your interest in serving. If you are recommended for an appointment, the Mayor will present your nomination to the City Council for approval.

Name	Marya Roland
Preferred Pronouns	Field not completed.
Committee or Commission You Wish to Serve On	Public Arts Advisory Committee
Date You Attended a Meeting	July 16, 2026
Or Date You Will Attend a Meeting	Field not completed.
I have reviewed the following documents:	Commission and Committee Handbook, Social Media Policy
Address	
Phone	
Email	
Occupation	artist
Educational Background	BFA, University of California Berkeley MFA, University of Washington, Seattle Art history grad study East Asian Art History special classes in video, industrial welding
Related Experience	Professor of Art, Sculpture Committee member of public art committees, and juror of many public art exhibitions Author of art reviews in Artweek, national craft and photography magazines Led discussions and assigned many readings in contemporary art, art theory, and public art Juried and curated art exhibits Grant writing for the arts experience Exhibiting artist Web designer - (art web sites) Art is the soul of a culture! And I have always been interested in the relationship/dialogue between art and "the public." Not sure what further training means but I am always open to further learning whether via conferences, seminars, casual conversation, or other
Interests	All the arts: ALL the visual arts, ALL performing (music, music, theater, dance) writing. Other: yoga, hiking running, travel, the environment, anything about the cosmos I want to actively support and advocate for artists and public art in this community. When I attended the Mural Project in July, I was so inspired by the art, project concept, had to apply!
Availability	Yes, available - special meetings usually - and most days and evenings
Additional Information	Lived in Ashland over one year and visited since childhood. I attended the Mural Project at the Science Museum in July, and was very impressed by the idea and the art. Talked to the several of the artists who told me the project was supported by the city and the Arts Council, which led to this application. You can see my info - bio and statement at : https://us01.z.antigena.com/l/VU2fLbuq3660BwqOHmc5-bxa44U4vhmqLVI-EQIL2Iu2M9OJ5ziSEMkDhG2i0YBubyIPRcO8T8GO0cJH61lgP6HRXKVjWNqDn4AycKxNs9vWqTOC4K9bTTQ6HZvC6il66XibigSWnKcIWxXzSEyeu967XGfSFdym02fMnVSC-N2pRG2NnErz6m and resume at: https://us01.z.antigena.com/l/Vs509bBmwaA2Hil6chlVtgoq24VqqQi76HIZbdx7goLQSIIB-25uG5Znh5lsbpTqOViXo0eDdtu4nv73ocQETiedBUlqdkKeV_PBFvNMd31sjMZKmLJfK0Ne7FFwBFKA-kfAIQd-GXpDYh7Hiq9ZglrRAdCOjxlo1jxOK0hfnvWYyVeF71-fo_NVEYV
Signature	Marya Roland

Email not displaying correctly? [View it in your browser.](#)



Council Business Meeting

Date: September 15, 2026

Agenda Item	Acceptance of the <i>Heart of Guanajuato</i> into City of Ashland Public Art Collection
Department	City Manager's Office
From	Jordan Rooklyn

TIME ESTIMATE

Consent Agenda

CATEGORY

Action Needed - Motion to approve an action

SUMMARY

Adoption of the *Heart of Guanajuato* into City of Ashland Public Art Collection

POLICIES, PLANS & GOALS SUPPORTED

- Belonging through mutual respect and openness, inclusion and equity
- Quality of life that underpins the City's economic vibrancy

BACKGROUND AND ADDITIONAL INFORMATION

One of Ashland's longest-standing partnerships is with our Sister City, Guanajuato, Mexico, established in 1969. Guanajuato is celebrated for its colonial architecture, silver mining history and vibrant arts scene. Exchanges with Guanajuato often focus on educational programs, cultural events, and the promotion of tourism between the two cities.

The *Hearts of Guanajuato* art exhibit, a collaborative installation made possible through the support of Southern Oregon University (SOU), the City of Ashland's Public Art Advisory Committee, and Guanajuato artist Gilberto Salazar Montes, is now on display near Calle Guanajuato and the front of Lithia park. This is the second of two hearts; the first was installed in summer 2025 on the SOU campus.

The Public Arts Advisory Committee recommends adopting the City's Heart of Guanajuato into the City's Public Art Collection.





Council Business Meeting



FISCAL IMPACTS

Ongoing maintenance costs for the Heart of Guanajuato are minimal.

SUGGESTED ACTIONS, MOTIONS, AND/OR OPTIONS

I move to accept the Guanajuato Heart into the City of Ashland public art collection.

REFERENCES & ATTACHMENTS

None



Council Business Meeting

Date: September 15, 2026

Agenda Item	Approval of Grant Application for Regional Infrastructure Fund
Department	Public Works
From	Jordan Rooklyn, Chance Metcalf, Deputy Public Works Director

TIME ESTIMATE

10 minutes

CATEGORY

Action Needed - Motion to approve an action

SUMMARY

Approval of a grant application for the Regional Infrastructure Fund program.

POLICIES, PLANS & GOALS SUPPORTED

BACKGROUND AND ADDITIONAL INFORMATION

The [Regional Infrastructure Fund \(RIF\)](#) is a State-provided grant to support infrastructure projects for jurisdictions with populations under 25,000. Eligible projects must align with at least one of the State-adopted [Community and Economic Development Priorities](#), demonstrate readiness and be able to be completed within 24 months.

The City of Ashland is applying for a grant of \$170,000 to support the Phase 1 Design of the Normal Avenue Neighborhood Lift Station.

Normal Avenue Neighborhood is a portion of undeveloped land outside the city limits but within the Urban Growth Boundary that, when developed, can provide an estimated 450 additional homes, roughly 100 of which would be designated as affordable housing per the City of Ashland's annexation requirements. One of the largest barriers to development, however, is that the City's wastewater infrastructure is not robust enough in this area to support the additional homes.

The Phase 1 Design of the Normal Avenue Neighborhood Lift Station will provide the planning, right-of-way dedication, permitting, surveying, and engineering design necessary to establish a new sanitary sewer lift station that can serve the future development of the Normal Avenue neighborhood. The proposed lift station will be located in the vicinity of East Main Street and will connect to the existing 12-inch sanitary sewer line. The attached documents provide further details of the proposed project.

Grant applications are due September 16th and must be authorized by the City Council.

FISCAL IMPACTS

If awarded, this grant would provide up to \$170,000 for the planning, right-of-way dedication, permitting, surveying and engineering design necessary for the Normal Avenue Neighborhood Lift Station project.

SUGGESTED ACTIONS, MOTIONS, AND/OR OPTIONS

I move to approve the Regional Infrastructure Fund Grant application and authorize the Mayor to sign.

REFERENCES & ATTACHMENTS

1. Normal Avenue Neighborhood Lift Station - Project Description
2. RIF - Budget Table
3. RIF - Project-Timeline





Council Business Meeting



Normal Avenue Neighborhood Lift Station – Phase 1 Design

Phase 1 of the Normal Avenue Neighborhood Lift Station project will provide the planning, right-of-way dedication, permitting, surveying, and engineering design necessary to establish a new sanitary sewer lift station serving the future development of the Normal Avenue neighborhood. The proposed lift station will be located in the vicinity of East Main Street and will connect to the existing 12-inch sanitary sewer line.

Phase 1 will include evaluation and selection of the preferred lift station site; acquisition of necessary property interests and/or dedication of public right-of-way or easements; required environmental and regulatory permitting; topographic and boundary surveying; utility coordination; geotechnical investigation as needed; hydraulic evaluation; and preparation of preliminary and final engineering plans, specifications, and cost estimates for the lift station and associated sewer improvements.

The project is intended to provide the future sewer infrastructure needed to support development of the Normal Avenue neighborhood and, ultimately, allow the City to retire and replace the existing Creek Drive Lift Station when development and system conditions warrant. The new facility will be designed to provide reliable long-term service, accommodate anticipated flows from the developing neighborhood, and connect efficiently to the City's existing sanitary sewer system.

Completion of Phase 1 design will establish the property, permitting, technical, and construction requirements necessary to advance the project into future construction phases as development of the Normal Avenue neighborhood proceeds.

Regional Infrastructure Fund

Project Budget

List individual project budget line items with requested budgeted amounts by RIF and non-RIF funding sources. Change budget column labels to identify the specific requested RIF funding sources. Non-RIF sources are those funds other than those requested from RIF.

Budget Line Item (Adjust budget items to suit the project)	RIF Funding	Non-RIF Other Funds	Total
Engineering/Architecture	169,848.00		169,848.00
Construction	943,600.00		943,600.00
Construction Contingency	283,080.00		283,080.00
Land Acquisition	150,000.00		150,000.00
Legal	30000		30,000.00
Construction Management	110,000.00		110,000.00
Planning			0.00
Research			0.00
Other:			0.00
Other:			0.00
Total	1,686,528.00	0.00	1,686,528.00

Details of Non-RIF Funds

Source of Non-RIF Funds	Amount	Status: C-Committed, A-Application S-Submitted, AI-Application Invited, PS-Potential Source	Date Funds will be Committed and Available
Total	0.00		

If "Non-RIF funds" include USDA Rural Development funding that will require interim financing, please indicate the source of the interim financing.



Regional Infrastructure Fund

Project Timeline Template

Instructions and Example

Project: *Example Project Title*

Applicant: *Sample RIF Applicant*

Project Tasks	Project - Year 1												Project– Year 2											
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24
Notice of Award																								
Planning/Design		D	D	D	D																			
Permitting					P	P	P	P	p	P														
Bid/Award											B	B	B											
Execution														E	E	E	E	E	E	E	E			
Closeout																						X	X	

Project Tasks	Estimated Start Date	Estimated Completion	Instructions: - This template is designed to provide a rough outline of key project tasks to assist with reviewing your project readiness and project feasibility. - There are (6) project tasks included. A non-construction project will likely not use all tasks. Please complete all tasks applicable to your project. - If one of the “Project Tasks” is not relevant to your project, insert (N/A) in the estimated start and completion dates.
Notice of Award (A)	1/1/2027	1/1/2027	
Planning/Design (D)	2/1/2027	5/30/2027	
Permitting (P)	5/1/2027	10/31/2027	
Bid/Award (B)	11/1/2027	1/30/2028	
Execution (E)	2/1/2028	9/30/2028	
Closeout (X)	10/1/2028	11/30/2028	



Regional Infrastructure Fund

Project Timeline

Project:

Applicant:

Project Tasks	Grant - Year 1												Grant – Year 2											
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24
Notice of Award	A																							
Planning/Design		D	D	D	D	D	D	D	D	D	D													
Permitting								P	P	P	P													
Bid/Award												B	B	B										
Execution															E	E	E	E	E	E	E			
Closeout																						X	X	

Mark an X in the cells above which correspond to the dates you provide for each category in the table below. See the example on page 1 for reference. Submit only this page to Business Oregon along with your application.

Project Tasks	Estimated Start Date	Estimated Completion
Notice of Award	01/2027	2/15/2027
Planning/Design	2/15/2027	11/15/2027
Permitting	8/15/2027	11/01/27
Bid/Award	12/01/2027	2/28/2028
Execution	3/15/2028	9/30/2027
Closeout	10/01/2027	11/30/2028



Council Business Meeting

Date: September 15, 2026

Agenda Item	Public Hearing and First Reading of Ordinance No. 3311, Creating Ashland Municipal Code Chapter 4.10: Process for the Creation of New or Increased Fees on Utility Bills
Department	Mayor and Council
From	Jordan Rooklyn

TIME ESTIMATE

10 minutes

CATEGORY

Ordinance/Resolution - a motion is needed to adopt the ORD. or RESO.

SUMMARY

Council is asked to review and approve Ordinance 3311, creating Ashland Municipal Code Chapter 4.10: Process for the Creation of New or Increased Fees on Utility Bills.

POLICIES, PLANS & GOALS SUPPORTED

- **Council Priority, Efficient and Effective Government:** An established process for considering fee changes will improve communication and transparency by guaranteeing a robust engagement process with the community.

BACKGROUND AND ADDITIONAL INFORMATION

Council Direction

Council reviewed the proposed process for creating new or increasing existing fees that are levied on utility bills at the July 21 and August 18 meetings, and directed staff to return with an ordinance codifying the process. The background below was presented to Council on August 18 and is included here for the record, not as new material. Ordinance No. 3311, provided as Attachment 1, reflects Council's direction. Upon approval following a public hearing, the ordinance would go to a second reading on October 6.

Background

Under the proposed code amendment, to consider a new fee or an increase to an existing fee, Council will:

- Devote a study session to the topic and the study session will be advertised on the City's website, social media platforms, and newsletter(s) ahead of the study session. The study session will include an analysis of the problem the City is considering addressing, identifying what can be done to address the problem with different fee levels, and sharing the consequences of not making a fee-based change. The public will be given the opportunity to speak at this study session.
- Should the Council direct staff to move forward with the process of developing a new fee or increasing an existing one, the City will undertake the following process:
 - Within one month of the study session, the City will develop and post online materials, including a resident survey, regarding the possibility of a new fee or fee increase including, but not limited to, the elements discussed at the study session. These materials will be shared through the City's website, social media platforms, newsletters, and a media release announcing the date and time of an upcoming public hearing at a council business meeting.
 - Council will hold a public hearing that is advertised through the same channels identified for the initial study session. Information about the proposed new fee or fee increase will be shared as before. All who come to speak will be provided the opportunity to do so and Council will also take online feedback directly to the council group email address and through an online survey. The





Council Business Meeting

public hearing will be scheduled so that there are at least four weeks between the date information was posted on the website and the hearing.

- Council will decide about the new fee or fee increase at a business meeting scheduled no sooner than two weeks after the public hearing. The survey must be open for at least four weeks in total and all survey data must be provided to the council through the council packet ahead of the business meeting. Per council rules, community members can speak to the agenda item during that meeting.

Changes to Proposed Ordinance Language

The following changes have been made to the proposed ordinance language presented on August 18, pursuant to Council direction.

- Removal of the exception for the renewal of fees that are sunseting.
- Additional clarification on how inflationary adjustments will be calculated.

FISCAL IMPACTS

There are no direct fiscal impacts from this ordinance.

SUGGESTED ACTIONS, MOTIONS, AND/OR OPTIONS

I move to adopt Ordinance No. 3311, creating Ashland Municipal Code Chapter 4.10: Process for the Creation of New or Increased Fees on Utility Bills

REFERENCES & ATTACHMENTS

1. Ordinance No. 3311, Creating Ashland Municipal Code Chapter 4.10



ORDINANCE NO. 3311

AN ORDINANCE CREATING ASHLAND MUNICIPAL CODE CHAPTER 4.10: PROCESS FOR THE CREATION OF NEW OR INCREASED FEES ON UTILITY BILLS

Annotated to show deletions and additions to the Ashland Municipal Code sections being modified. Deletions are ~~bold-lined through~~, and additions are **bold underlined**.

WHEREAS, the City on occasion desires to create new fees or increase existing fees which are attached to, and billed through, the utility billing service.

WHEREAS, the City desires an established process for these particular fees which promotes community involvement and transparency.

THE PEOPLE OF THE CITY OF ASHLAND DO ORDAIN AS FOLLOWS:

SECTION 1. If a new or increased fee, unrelated to the operations of the utility, is to be attached to, and billed through, the utility billing service, Council will place the topic of the new or increased fee on a Study Session.

SECTION 2. The study session shall analyze factors such as: the problem the City is attempting to address, what different fee levels are available to address the problem, and the consequences of failure to make a fee-based change. Public comment on the agenda item shall be heard in the normal course.

SECTION 3. Should the Council direct staff to move forward with the process of developing a new fee or increasing an existing fee under this section, staff shall undertake the following process:

- a. Within 60 days of the direction, the City will develop and make public relevant materials such as, but not limited to: a description of the fee and the problem it addresses, the elements discussed at the study session, opportunity to comment, or a resident survey. These materials may be shared through the City's website, social media platforms, newsletters, and media releases announcing the date and time of the upcoming public hearing.
- b. Council will hold a public hearing in the normal course. Public comment both at public hearing, and through written submitted comments, shall be taken in the normal course. Survey results or online comments will be available at the public hearing. This public hearing will be scheduled no less than four weeks after the information in section a above is made public.
- c. Council will make a decision about the new or increased fee at a regular business meeting no sooner than two weeks following the public hearing. Any resident surveys must be open for a minimum of four total weeks, and survey data should be provided to the Council prior to the business meeting.

SECTION 4. This process does not apply to increases that are required to maintain compliance with State or Federal Law.

SECTION 5. This process does not apply to increases adjusting for inflation which do not exceed the annual change in CPI-West, as measured each March.

SECTION 6. Severability. Each section of this ordinance, and any part thereof, is severable, and if any part of this ordinance is held invalid by a court of competent jurisdiction, the remainder of this ordinance shall remain in full force and effect.

SECTION 7. Codification. Provisions of this Ordinance shall be incorporated in the City Code and the word “ordinance” may be changed to “code”, “article”, “section”, “chapter” or another word, and the sections of this Ordinance may be renumbered, or re-lettered, provided however that any Whereas clauses and boilerplate provisions (i.e. Sections 3-5) need not be codified and the City Recorder is authorized to correct any cross-references and any typographical errors.

The foregoing ordinance was first read by title only in accordance with Article X, Section 2(C) of the City Charter on the _____ day of _____, 2026, and duly PASSED and ADOPTED this _____ day of _____, 2026.

PASSED by the City Council this _____ day of _____, 2026.

ATTEST:

Alissa Kolodzinski, City Recorder

SIGNED and APPROVED this _____ day of _____, 2026.

Tonya Graham, Mayor

Reviewed as to form:

Johan Pietila, City Attorney



Council Business Meeting

Date: September 15, 2026

Agenda Item	Approval of Second Reading of Ordinance No. 3307, Implementing Oregon Housing Legislation SB 974 (2025), HB 2138 (2025), and HB 4037 (2026). RE: Planning Action PA-L-2026-0019
Department	Community Development
From	Brandon Goldman, Director of Community Development, Derek Severson, Planning Manager

TIME ESTIMATE

15 min

CATEGORY

Ordinance/Resolution - a motion is needed to adopt the ORD. or RESO.

SUMMARY

Staff requests that the Council conduct second reading and adopt Ordinance No. 3307, which amends the Ashland Land Use Ordinance to implement Senate Bill 974 (2025), House Bill 2138 (2025), and House Bill 4037 (2026), and adopt the associated Findings and Conclusions of Law.

The Council held a public hearing and approved first reading of Ordinance No. 3307 on August 18, 2026, as presented, with one amendment. The Council removed the SRO wording in 118.2.5.100.5a stating that required facilities “*may be provided within the unit or as shared facilities*,” which staff and the Council agreed was confusing as drafted. The ordinance presented for second reading incorporates that change. No other changes have been made since first reading.

POLICIES, PLANS & GOALS SUPPORTED

The ordinance implements state law and advances adopted state and local housing policy. It supports the following.

1. **Oregon Statewide Planning Goal 10 (Housing).** Goal 10 directs cities to plan for an adequate supply of housing across a range of types, densities, and income levels within the urban growth boundary. Adding Single Room Occupancy housing and streamlining the review of residential development applications advance that direction.
2. **Housing Element of the Ashland Comprehensive Plan.** The Housing Element establishes the City policy of encouraging an adequate supply and variety of housing for residents at all income levels. Allowing a lower cost housing type and making residential review faster and more predictable support that policy.
3. **Ashland Housing Capacity Analysis, 2021 to 2041.** The analysis identifies the need to accommodate a range of housing types within the urban growth boundary through 2041, including more attached and multifamily housing. Allowing SRO units and reducing procedural barriers help meet that identified need.
4. **Ashland Housing Production Strategy (2023).** The Housing Production Strategy, adopted under House Bill 2003 (2019), commits the City to specific actions that encourage needed housing. Removing procedural barriers to residential development and adding SRO housing are consistent with those actions.
5. **Senate Bill 974 (2025), House Bill 2138 (2025), and House Bill 4037 (2026).** These bills, together with the related amendments to ORS 197A.400, require the procedural, notice, design standard, and appeal changes made by this ordinance. Under ORS 197.646 the operative provisions already apply directly to land use decisions, so adoption conforms the code to state law that is in effect.





Council Business Meeting

BACKGROUND AND ADDITIONAL INFORMATION

Senate Bill 974 (2025), House Bill 2138 (2025), and House Bill 4037 (2026) are part of a broader state effort to speed up the production of housing in Oregon by shortening and standardizing the local permitting process. Together the three bills move the initial decision on many residential applications from a public hearing to an administrative review, limit who can appeal certain housing decisions, require cities to allow new housing types such as single room occupancy units, and place limits on residential design standards and notice requirements for qualifying projects. These requirements are already in effect or carry near term compliance deadlines, and they leave the City little or no local discretion on the core procedural points. The staff report dated August 11, 2026 describes each bill's requirements and the specific code amendments they require in detail.

Ordinance No. 3307 updates the Ashland Land Use Ordinance to match state requirements, so that applicants, staff, and the public are working from one clear, accurate set of local rules rather than applying state law directly alongside code language it has already superseded.

Three items raised at the August 18 hearing are addressed below.

Outline and Final Plan threshold

The Performance Standards Option threshold for mandatory prior Outline Plan approval is currently 10 lots or more. Draft Ordinance No. 3307 as presented to the Planning Commission proposed raising that threshold to 20 lots. The Planning Commission recommended a smaller increase, to 12 lots, rather than the 20 lots in the draft. At the August 18 hearing, the Council did not adopt the Planning Commission's recommendation and instead directed that the 20 lot threshold in the draft ordinance be retained. The ordinance presented for second reading reflects that direction. Developments of 20 lots or more require Outline Plan approval before Final Plan, and smaller developments may file both plans concurrently.

Type I notice area

The Planning Commission had also recommended applying the reduced 100 foot mailed notice area only to Type I housing applications reviewed under clear and objective standards, and keeping the City's existing 200 foot notice area for all other Type I actions. The Council directed staff to look at whether notice for these applications could be reduced below 100 feet, or eliminated altogether, and to report back.

Staff reviewed the question and found that a single 100 foot notice area for all Type I applications is the only option available under state law. Senate Bill 974 sets 100 feet as a required minimum notice area for the applications it covers, including Outline Plan approvals and residential variances, so the City cannot provide less than 100 feet of notice for those actions. House Bill 4037 separately sets 100 feet as a maximum notice area for housing applications reviewed under clear and objective standards, so the City cannot provide more than 100 feet of notice for those actions. Because state law sets 100 feet as both a floor for one group of applications and a ceiling for the other, and both groups are reviewed under the same Type I procedure, a single 100 foot notice area is the one distance that satisfies both requirements. Applying a different, larger notice area to some Type I actions and 100 feet to others would create two parallel notice systems for the same procedure and would risk applying less notice than the law requires or more than the law allows, depending on which rule governs a given application. The ordinance presented for second reading therefore retains 100 feet as the notice area for all Type I applications, consistent with the draft as originally presented and with Council's August 18 direction.

SRO shared facilities wording

As drafted, AMC 18.2.5.100.5.a stated that every unit must have access to sanitary facilities and food preparation facilities, "which may be provided within the unit or as shared facilities." Read on its own, that phrase could be understood to allow a single SRO unit to include both private sanitary facilities and private food preparation facilities, which would make the unit a dwelling unit rather than an SRO unit under subsection 5.d. The limits on which facilities may be private versus shared are already set out fully in subsections 5.b through 5.d, so the phrase in subsection 5.a was unnecessary and created a potential conflict with those provisions. At the August 18 hearing, the Council directed staff to remove the phrase from subsection 5.a. The ordinance presented for second reading reflects that change, and the facility requirements for SRO units are governed solely by subsections 5.b through 5.d.

Incorporation of the public record

The complete record of the August 11, 2026 Planning Commission hearing and the August 18, 2026 Council first





Council Business Meeting

reading, including staff reports, testimony, and exhibits, is incorporated herein by reference and is available on the City's Agendas and Minutes portal at <https://ashlandoregon.gov/129/Agendas-Minutes>.

FISCAL IMPACTS

The ordinance moves two application types from Type II to Type I review, as required by state law: Outline Plan approval under the Performance Standards Option, and qualifying residential variances. Type I fees are lower than Type II fees, so the City may collect somewhat less planning application revenue. The amount depends on how many of these applications come in each year and cannot be predicted precisely, but staff does not expect a significant effect on the Community Development budget. No new staffing or appropriation is requested.

SUGGESTED ACTIONS, MOTIONS, AND/OR OPTIONS

I move to adopt Ordinance No. 3307, amending AMC Title 18, Land Use, as presented, and to adopt the accompanying Findings and Conclusions of Law.

REFERENCES & ATTACHMENTS

1. Ord3307_Second_reading_09182026
2. Ord3307_Findings_and_Conclusions_09152026
3. Ord3307_Staff_Report_08112026



ORDINANCE NO. 3307

AN ORDINANCE RELATING TO SUPPORTING HOUSING PRODUCTION THROUGH STREAMLINED REVIEW OF RESIDENTIAL DEVELOPMENT APPLICATIONS IMPLEMENTING SENATE BILL 974 (2025), HOUSE BILL 2138 (2025), AND HOUSE BILL 4037 (2026); AMENDING AMC 18.2.2.030, AMC 18.2.5.090, AMC 18.3.4.040, AMC 18.3.5.050, AMC 18.3.5.100, AMC 18.3.9.040, AMC 18.5.1.010, AMC 18.5.1.050, AMC 18.5.5.030, AND AMC 18.6.1.030; AND ADDING AMC 18.2.5.100

Annotated to show deletions and additions to the Ashland Municipal Code sections being modified. Deletions are ~~bold-lined through~~, and additions are **bold underlined**, and unchanged text that is omitted for brevity is indicated by “. . .”

WHEREAS, Article 2. Section 1 of the Ashland City Charter provides:

Powers of the City. The City shall have all powers which the constitutions, statutes, and common law of the United States and of this State expressly or impliedly grant or allow municipalities, as fully as though this Charter specifically enumerated each of those powers, as well as all powers not inconsistent with the foregoing; and, in addition thereto, shall possess all powers hereinafter specifically granted. All the authority thereof shall have perpetual succession.

WHEREAS, the 2025 Oregon Legislative Assembly enacted Senate Bill 974 (2025), establishing state mandated changes to local land use review procedures for certain residential development applications, referred to in the bill as urban housing applications; and

WHEREAS, Senate Bill 974 (2025) requires that the initial decision on an urban housing application, including certain zone changes to allow denser residential uses, Performance Standards Options subdivisions, and variances involving property within the urban growth boundary that is zoned primarily for residential use or mixed residential use or planned for residential use, be made administratively without an initial quasi-judicial public hearing, subject to mailed notice to owners within 100 feet and recognized neighborhood or community organizations, a 14 day written comment period, and a public hearing only on appeal; and

WHEREAS, ORS 227.186 requires zone changes to be adopted by ordinance after a public hearing, a requirement that conflicts with Senate Bill 974's administrative review process for zone changes, and this ordinance therefore limits the local definition of Urban Housing Application to Performance Standards Options subdivisions and variances, without extending administrative review to zone changes; and

WHEREAS, Senate Bill 974 further prohibits the application of certain residential design standards, including standards regulating aesthetics, landscaping, building orientation, and building design, to one and two family residential developments of 20 or more residential units, with this prohibition scheduled for repeal on January 2, 2033; and

WHEREAS, the 2025 Oregon Legislative Assembly also enacted House Bill 2138 (2025), which among other provisions expands the required allowance of middle housing types, requires cities to allow single room occupancy developments within the urban growth boundary,

establishes expedited land division and middle housing land division procedures, and revises mandatory review timelines for residential development applications; and

WHEREAS, the 2026 Oregon Legislative Assembly enacted House Bill 4037 (2026), which amends ORS 197A.400 to establish uniform procedures for local government review of applications for the development of housing that are subject only to clear and objective standards, conditions, and procedures, with the amendments operative on July 1, 2026; and

WHEREAS, ORS 197A.400(5), as amended by House Bill 4037 (2026), provides that for such applications a local government may provide notice of the application only to owners of record of property located within 100 feet of the subject property, may not require a public hearing prior to making a decision on the application, and may provide an opportunity for a local appeal only to the applicant; and

WHEREAS, ORS 197A.400(6), as amended by House Bill 4037 (2026), provides that notwithstanding ORS 197.825, only the applicant may appeal a decision on such an application to the Land Use Board of Appeals; and

WHEREAS, ORS 197A.400(2) exempts applications for residential development within historic areas designated for protection under a statewide land use planning goal protecting historic areas, and existing review procedures continue to apply within the City's designated Historic Districts; and

WHEREAS, local land use regulations implementing Senate Bill 974 are required to be in effect by July 1, 2026, local land use regulations implementing House Bill 2138 are required to be adopted no later than January 1, 2027, the amendments to ORS 197A.400 made by House Bill 4037 (2026) became operative on July 1, 2026 and apply to qualifying housing applications submitted on or after that date, and amendments to the Ashland Land Use Ordinance are necessary to align the City's application review procedures, notice provisions, and appeal processes with state law; and

WHEREAS, the Planning Commission of the City of Ashland considered the proposed amendments at a duly advertised public hearing on August 11, 2026, and, following deliberations, recommended approval of the amendments; and

WHEREAS, the City Council of the City of Ashland conducted a duly advertised public hearing on the proposed amendments on August 18, 2026; and

WHEREAS, the City Council of the City of Ashland, following the close of the public hearing and record, deliberated and conducted first and second readings approving adoption of the Ordinance in accordance with Article 10 of the Ashland City Charter; and

WHEREAS, the City Council of the City of Ashland has determined that, in order to protect and benefit the health, safety, and welfare of existing and future residents of the City, it is necessary to amend the Ashland Municipal Code and Land Use Ordinance in the manner proposed, that an adequate factual base exists for the amendments, that the amendments are consistent with the Comprehensive Plan, and that such amendments are fully supported by the record of this proceeding.

THE PEOPLE OF THE CITY OF ASHLAND DO ORDAIN AS FOLLOWS:

SECTION 1. Table 18.2.2.030 [Uses Allowed by Zone] of the Ashland Municipal Code is hereby amended to address allowing Single Room Occupancy (SRO) uses as follows:

Table 18.2.2.030. Uses Allowed by Zone

B. Residential Uses										
	R-1	R-1-3.5	R-2	R-3	RR	WR	C-1 & C-1-D	E-1	M-1	Special Use Standards
... <u>Single Room Occupancy (SRO)</u> ...	<u>S</u>	<u>S</u>	<u>S</u>	<u>S</u>	<u>S</u>	<u>S</u>	<u>S</u>	<u>S</u>	<u>N</u>	<u>See SRO standards in Sec. 18.2.5.100</u> <u>Sec. 18.2.3.130 for dwellings in C-1 zone and E-1 zone</u> <u>Dwellings and additions in Historic District Overlay, see Sec. 18.2.3.120 and 18.2.5.070</u>

SECTION 2. Section 18.2.5.090 [Standards for Single-Family Dwellings and Duplexes] of the Ashland Municipal Code is hereby amended to read as follows:

18.2.5.090 Standards for Single-Family Dwellings and Duplexes

A. The following standards apply to new single-family dwellings and duplexes constructed in the R-1, R-1-3.5, R-2, and R-3 zones; the standards do not apply to dwellings in the WR or RR zones. **Notwithstanding the foregoing, residential design standards shall not apply to new one- and two-family developments of twenty (20) or more residential units in any zone as provided in Section 8 of Senate Bill 974 (2025). This temporary exemption shall remain in effect through January 1, 2033, and shall expire on January 2, 2033, consistent with Section 9 of Senate Bill 974 (2025).**

...

SECTION 3. Section 18.2.5.100 [Single Room Occupancy] is hereby added to the Ashland Municipal Code to read as follows:

18.2.5.100 Single Room Occupancy

A. Single Room Occupancy (SRO). Single Room Occupancy (SRO) means a residential development with no fewer than four attached or detached units that are independently rented and lockable and provide living and sleeping space for the exclusive use of an occupant but require that the occupant share sanitary *or* food preparation facilities with other units in the occupancy. Units with private sanitary *and* food preparation facilities are not an SRO.

B. Single room occupancies must comply with the following standards in addition to the standards of the applicable zoning district:

1. Single room occupancies are permitted as follows:

- a. Up to six SRO units are permitted on any lot or parcel on which a detached single-unit dwelling is a permitted use, regardless of the base density otherwise applicable to the lot or parcel.**
- b. On any lot or parcel on which multiunit housing with five or more dwelling units is allowed, SRO units are permitted up to three times the number of dwelling units allowed by the maximum density standards applicable to the lot or parcel.**
- c. Where both subsections 1.a and 1.b apply to a lot or parcel, the provision allowing the greater number of SRO units governs.**
- d. In Commercial and Employment zones (C-1, C-1-D and E-1) multi-unit residential development is subject to the requirements of AMC 18.2.3.130.**

2. Review Procedure.

- a. *Six or Fewer Units.* Requires a building permit.**
- b. *More Than Six Units.* Requires Site Design Review. See AMC 18.5.2.**

3. Single room occupancies must include a minimum of four SRO units that are independently rented and lockable.

4. Each unit must provide living and sleeping space for the exclusive use of the occupant.

5. Sanitary and Food Preparation Facilities Conditions.

- a. Every unit must have access to both sanitary facilities and food preparation facilities.**

b. An SRO unit may include private sanitary facilities or private food preparation facilities, but not both. At least one of these facility types must be shared among the units in the SRO occupancy.

c. A facility type that is not shared must be provided within each unit for the exclusive use of the occupant.

d. A unit containing both private sanitary facilities and private food preparation facilities is a dwelling unit, not an SRO unit. Such a unit does not count toward the minimum number of SRO units, and is subject to the density and development standards otherwise applicable to dwelling units in the zone.

6. Single room occupancy units may not be used as Traveler's Accommodations.

SECTION 4. Table 18.3.4.040 [Normal Neighborhood District Uses Allowed by Zone] of the Ashland Municipal Code is hereby amended to address include Single Room Occupancy (SRO) uses in Table 18.3.4.040 as follows:

Table 18.3.4.040. Normal Neighborhood District Uses Allowed by Zone¹

	Normal Neighborhood District Zones ²			
	NN-1-5	NN-1-3.5	NN-1-3.5-C	NN-2
A. Residential Uses				
<u>Single Room Occupancy (SRO).</u> <u>section 18.2.5.100</u>	<u>S</u>	<u>S</u>	<u>S</u>	<u>S</u>

SECTION 5. Table 18.3.5.050 [North Mountain Neighborhood Uses Allowed by Zone] of the Ashland Municipal Code is hereby amended to include Single Room Occupancy (SRO) uses in Table 18.3.5.050 as follows:

Table 18.3.5.050. North Mountain Neighborhood Uses Allowed by Zone¹

	North Mountain Neighborhood Zones ²				
	NM-R-1-7.5	NM-R-1-5	NM-MF	NM-C	NM-Civic
A. Residential					

	North Mountain Neighborhood Zones ²				
	NM-R-1-7.5	NM-R-1-5	NM-MF	NM-C	NM-Civic
<u>Single Room Occupancy (SRO), section 18.2.5.100</u>	<u>S</u>	<u>S</u>	<u>S</u>	<u>S</u>	<u>N</u>

SECTION 6. Subsection 18.3.5.050 [Allowed Uses] of the Ashland Municipal Code is hereby amended to add Single Room Occupancy as a permitted use with special use standards as follows:

18.3.5.050.D

...

14. Single Room Occupancy (SRO). Subject to the standards in section 18.2.5.100.

SECTION 7. Subsection 18.3.5.100.A [North Mountain Neighborhood District - Site Development and Design Standards – Housing] of the Ashland Municipal Code is hereby amended to read as follows, and the remainder of section 18.3.5.100 remains unchanged:

18.3.5.100 Site Development and Design Standards

A. Housing. The following design standards apply to residential developments. **AMC 18.3.5.100.A.1-A.3, AMC 18.3.5.100.A.6, and AMC 18.3.5.100.B.1-B.2 shall not be applied to one- and two-family developments of 20 or more residential units prior to January 2, 2033, consistent with the temporary design standard exemption established under Senate Bill 974.** While the standards are specific, the intent is not to limit innovative design, but rather provide a framework for clear direction and minimum standards.

...

SECTION 8. Section 18.3.9.040 [Review Procedures and Criteria] of the Ashland Municipal Code is hereby amended to read as follows:

18.3.9.040 Review Procedures and Criteria

...

A. Outline Plan. A proposed outline plan shall accompany applications for subdivision approval under this chapter. For developments of fewer than ten lots, the outline plan may be filed concurrently with the final plan, as that term is defined in subsection 18.3.9.040.B.4. For developments of ~~ten~~ **twenty (20)** or more lots, prior outline plan approval is mandatory.

1. Review Procedure. The ~~Type II~~ **Type I** procedure in section **18.5.1.050** ~~18.5.1.060~~ shall be used for the approval of the outline plan.

...

B. Final Plan.

1. Review Procedure. The Type I procedure in section 18.5.1.050 shall be used for approval of final plans, unless an outline plan has been filed concurrently, in which case ~~Type II procedure shall be used, and~~ the criteria for approval of an outline plan shall also be applied.

...

SECTION 9. Table 18.5.1.010 [Summary of Approvals by Type of Review Procedure] in section 18.5.1.010 of the Ashland Municipal Code is hereby amended to change the review procedure for Outline Plan approval under the Performance Standards Option from Type II to Type I, as shown below, and the remainder of Table 18.5.1.010 remains unchanged:

Planning Actions	Review Procedures	Applicable Regulations
...		
Performance Standards Option		
Outline Plan	Type II Type I	Chapter 18.3.9
Final Plan	Type I	Chapter 18.3.9
Minor Amendment	Ministerial	Subsection 18.5.3.020.F
...		

SECTION 10. Section 18.5.1.050 [Type I Procedure (Administrative Decision with Notice)] of the Ashland Municipal Code is hereby amended as follows, and the remainder of section 18.5.1.050 remains unchanged:

18.5.1.050 Type I Procedure (Administrative Decision with Notice)

Type I decisions are made by the Staff Advisor, following public notice and a public comment period. Type I decisions provide an opportunity for appeal to the Planning Commission. **An application for the development of housing is subject to a clear and objective standard, applying the standards, conditions, and procedures identified in ORS 197A.400(1). Notwithstanding any other provision of this ordinance assigning a review procedure, an application for residential development within a designated Historic District shall be reviewed under a Type 1 procedure. An application for which the applicant elects review under the discretionary approval of ORS 197A.400(3) shall be reviewed under the review procedure prescribed by this code.**

...

B. Notice of Application.

1. Mailing of Notice of Application. The purpose of the notice of application is to give nearby property owners and other interested people the opportunity to review and submit written comments on the application before the City makes a decision on it. Within ten days of deeming a Type I application complete, the City shall mail a notice of a pending Type I application to the following.

- a. Applicant.
- b. Owners of the subject property.
- c. Owners of record for properties located within ~~200 feet~~ **100 feet** of the perimeter of the subject site.
- ~~d. Neighborhood group or community organization officially recognized by the City that includes the area of the subject property.~~
- e. Where an application subject to Type I review is preceded by a Type II decision, to parties of record from the subject Type II decision.
- f. For applications to amend an approval, to persons who requested notice of the original application that is being amended or modified, except that where the mailing address of a person entitled to notice is not the same as the mailing address of record in the original approval, the City is not required to mail notice.

...

6. Housing Applications Subject to Clear and Objective Standards.
Notwithstanding subsections 18.5.1.050.B.1.c and 18.5.1.050.D.1.c, for an application for the development of housing subject only to clear and objective standards, conditions, and procedures pursuant to ORS 197A.400(1), the notice of application and the notice of decision shall be mailed to owners of record for properties located within 100 feet of the perimeter of the subject site, consistent with the notice limitations of ORS 197A.400(5)(a). This subsection does not apply to an application reviewed under discretionary approval criteria at the election of the applicant pursuant to ORS 197A.400(3).

C. Decision.

1. At the conclusion of the comment period, the Staff Advisor shall review the comments received and prepare a decision approving, approving with conditions, or denying the application based on the applicable ordinance criteria. The Staff Advisor shall prepare a decision within 45 days of the City's determination that an application is complete, unless the applicant agrees to a longer time period. Alternatively, the Staff Advisor may transmit written comments received along with a copy of the application to the Planning Commission for review and decision at its next regularly scheduled meeting. **An application for the development of housing is subject to clear and objective standards, conditions, and procedures pursuant to ORS 197A.400(1) and shall not be referred to the Planning Commission for review and decision under this subsection or subsection 18.5.1.050.C.2.**

...

D. Notice of Decision.

1. Mailing of Notice of Decision. Within five days after the Staff Advisor renders a decision, the City shall mail notice of the decision to the following.

- a. Applicant.
- b. Owners of the subject property.
- c. Owners of record for properties located within ~~200 feet~~ 100 feet of the perimeter of the subject site.

~~d. Neighborhood group or community organization officially recognized by the City that includes the area of the subject property.~~

~~d. e.~~ Parties of record; this includes any group or individual who submitted written comments during the comment period.

~~e. f.~~ Those groups or individuals who requested notice of the decision.

~~f. g.~~ For applications to amend an approval, to persons who requested notice of the original application that is being amended or modified, except that where the mailing address of a person entitled to notice is not the same as the mailing address of record in the original approval, the City is not required to mail notice.

...

G. Appeal of Type I Decision. A Type I decision may be appealed to the Planning Commission, pursuant to the following:

1. Who May Appeal. The following persons have standing to appeal a Type I decision, except as provided in subsection 18.5.1.050.G.1.d.

- a. The applicant or owner of the subject property.
- b. Any person who is entitled to written notice of the Type I decision pursuant to subsection 18.5.1.050.B.
- c. Any other person who participated in the proceeding by submitting written comments on the application to the City by the specified deadline.

d. Notwithstanding subsections 18.5.1.050.G.1.a through 18.5.1.050.G.1.c, for a decision on an application for the development of housing subject only to clear and objective standards, conditions, and procedures pursuant to ORS 197A.400(1), only the applicant may appeal the decision at the local level, pursuant to ORS 197A.400(5)(c). Pursuant to ORS 197A.400(6), only the applicant may appeal such a decision to the Land Use Board of Appeals.

...

SECTION 11. Section 18.5.5.030 [Review Procedure] of the Ashland Municipal Code is hereby amended to read as follows:

18.5.5.030 Review Procedure

Applications for Variances are reviewed as follows.

A. Type I. The following Variances are subject to the Type I review procedure in section 18.5.1.050.

1. Sign placement, per chapter 18.4.7.
2. Non-conforming signs, when bringing them into conformance as described in chapter 18.4.7.
3. Up to a 50 percent reduction of standard yard requirements.
4. Parking in setback areas.
5. Up to ten percent reduction in the required minimum lot area.
6. Up to ten percent increase in the maximum lot coverage percentage.
7. Up to 20 percent reduction in lot width or lot depth requirements.
8. Up to ten percent variance on height, width, depth, length, or other dimension not otherwise listed in this section.

9. Variances involving Urban Housing Applications (UHAs).

B. Type II. Variances not listed in subsection 18.5.5.030.A, above, are subject to the Type II review procedure in section 18.5.1.060. (Ord. 3229 § 12, amended, 12/19/2023)

SECTION 12. Section 18.6.1.030 [Definitions] of the Ashland Municipal Code is hereby amended to add the following definitions for Single Room Occupancy (SRO) and Urban Housing Application (UHA), to be placed in alphabetical order:

Dwelling. A structure conforming to the definition of a dwelling under applicable building codes and providing complete, independent living facilities for one family, including permanent provisions for living, sleeping, eating, cooking, and sanitation. Buildings with more than one set of cooking facilities are considered to contain multiple dwelling units unless the additional cooking facilities are clearly accessory to the primary use, such as an outdoor grill or wet bar. For the purposes of this title, the following types of dwelling units are defined as follows:

...

Single Room Occupancy (SRO). Single Room Occupancy (SRO) means a residential development with no fewer than four attached or detached units that are independently rented and lockable and provide living and sleeping space for the exclusive use of an occupant but require that the occupant share sanitary or food preparation facilities with other units in the occupancy. A unit with both private sanitary and private food preparation facilities is a dwelling unit, not an SRO unit.

...

Urban Housing Application (UHA) – A land use application for a Performance Standards Options subdivision or a variance from a residential approval standard, involving property that is, at the time of application, within the urban growth boundary (UGB) and zoned primarily for residential use or mixed residential use, or planned for residential use. An urban housing application does not include an application that would reduce the minimum residential density of land, or an application subject to a ministerial or other expedited approval procedure, including a residential use allowed outright. The initial decision of the city on an urban housing application is an administrative (Type I) action and is not subject to quasi-judicial review unless appealed as provided in this ordinance and applicable state law.

SECTION 13. Severability. Each section of this ordinance, and any part thereof, is severable, and if any part of this ordinance is held invalid by a court of competent jurisdiction, the remainder of this ordinance shall remain in full force and effect.

SECTION 14. Codification. Provisions of this Ordinance shall be incorporated in the City Code and the word “ordinance” may be changed to “code”, “article”, “section”, “chapter” or another word, and the sections of this Ordinance may be renumbered, or re-lettered, provided however that any Whereas clauses and boilerplate provisions (i.e. Sections 8 and 9) need not be codified and the City Recorder is authorized to correct any cross-references and any typographical errors.

The foregoing ordinance was first read by title only in accordance with Article X, Section 2(C) of the City Charter on the _____ day of _____, 2026, and duly PASSED and ADOPTED this _____ day of _____, 2026.

SIGNED and APPROVED this _____ day of _____, 2026.

ATTEST:

Alissa Kolodzinski, City Recorder

Tonya Graham, Mayor

Reviewed as to form:

Johan Pietila, City Attorney

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

September 15, 2026

In the matter of Planning Action #PA-L-2026-00019	)
which includes amendments to the Ashland Municipal	)
Code (AMC) Title 18 Land Use implementing Senate	) FINDINGS OF FACT AND
Bill 974 (2025), House Bill 2138 (2025), and House	) CONCLUSIONS OF LAW
Bill 4037 (2026) concerning the review of residential	)
development applications, single room occupancy	)
housing, and residential design standards.	)

PURPOSE:

The proposal is a series of legislative amendments to the Ashland Land Use Ordinance, AMC Title 18, adopted through Ordinance No. 3307. The amendments implement three acts of the Oregon Legislative Assembly that revise the state framework for local review of residential development applications: Senate Bill 974 (2025), House Bill 2138 (2025), and House Bill 4037 (2026).

The amendments are procedural in character. They change the review procedure applied to specified residential development applications, establish notice, comment, decision, and appeal provisions consistent with state law, add Single Room Occupancy as a permitted housing type, and remove specified residential design standards from application to larger one- and two-family developments. The amendments do not change the zoning of any property, do not amend the Comprehensive Plan Map or the Zoning Map, and do not alter the substantive approval criteria applicable to residential development other than as described in these findings.

The amendments serve three purposes. First, they bring the Land Use Ordinance into compliance with state requirements that are already operative or that carry near term compliance deadlines. Second, they place the applicable procedures in the local code so that applicants, staff, and the public work from a single, consistent set of local procedures rather than applying state statute directly alongside local code language that state law has superseded. Third, they preserve the City's established notice, comment, findings, and local appeal practices to the extent state law continues to permit them.

PUBLIC HEARINGS:

Notice of the Planning Commission public hearing was published in The Ashland News on July 15, 2026, and notice of the City Council public hearing was published in The Ashland News on July 24, 2026. Notice was sent to the Department of Land Conservation and Development on June 5, 2026. A public hearing was held before the Planning Commission on August 11, 2026, at which the Commission recommended that the City Council approve Ordinance No. 3307 with amendments. A public hearing and first reading were held before the City Council on August 18, 2026. Second reading was held on September 15, 2026.

The proposed amendments were also reviewed at Planning Commission study sessions on April 14, 2026, and May 26, 2026, and at a City Council study session on June 1, 2026.

SUMMARY OF AMENDMENTS

The amendments revise multiple sections of the Ashland Land Use Ordinance relating to review procedures, notice, appeals, residential design standards, and single room occupancy housing. There are no map amendments associated with this planning action.

Code Amendments

Amendments to AMC Title 18 Land Use are adopted through Ordinance No. 3307 and include:

AMC Section	Description of Amendment
18.2.2.030	Amend Table 18.2.2.030, Uses Allowed by Zone, to add Single Room Occupancy (SRO) as a use permitted subject to special use standards in the R-1, R-1-3.5, R-2, R-3, RR, WR, C-1, C-1-D, and E-1 zones, and not permitted in the M-1 zone.
18.2.5.090	Amend the applicability of the standards for single-family dwellings and duplexes so that the standards do not apply, until January 2, 2033, to new one- and two-family developments of 20 or more residential units in any zone.
18.2.5.100	Add a new section establishing standards for Single Room Occupancy (SRO) development, including the number of SRO units allowed by zone and base density, review procedure, minimum number of units, unit and shared facility standards, and a prohibition on use as a traveler's accommodation.
18.3.4.040	Amend Table 18.3.4.040, Normal Neighborhood District Uses Allowed by Zone, to add Single Room Occupancy (SRO) subject to the standards of section 18.2.5.100.
18.3.5.050	Amend Table 18.3.5.050, North Mountain Neighborhood Uses Allowed by Zone, and subsection 18.3.5.050.D, to add Single Room Occupancy (SRO) subject to the standards of section 18.2.5.100.
18.3.5.100	Amend the North Mountain Neighborhood site development and design standards so that subsections A.1 through A.3, A.6, and B.1 through B.2 are not applied, until January 2, 2033, to one- and two-family developments of 20 or more residential units.
18.3.9.040	Amend the Performance Standards Options review procedures to change Outline Plan review from the Type II procedure to the Type I procedure, to raise from ten lots to 20 lots the threshold above which prior Outline Plan approval is mandatory, and to remove the reference applying the Type II procedure to concurrently filed Final Plans.
18.5.1.010	Amend Table 18.5.1.010, Summary of Approvals by Type of Review Procedure, to show Outline Plan approval under the Performance Standards Option as a Type I procedure.

18.5.1.050	Amend the Type I procedure to require Type I review of applications for the development of housing subject only to clear and objective standards under ORS 197A.400(1), excluding applications within a designated Historic District and applications for which the applicant elects discretionary review; to change the notice of application radius from 200 feet to 100 feet; to remove the requirement to mail notice to a recognized neighborhood group or community organization; to establish notice provisions for housing applications subject to clear and objective standards; to prohibit referral of those applications to the Planning Commission for initial decision; and to limit local appeal of those decisions to the applicant.
18.5.5.030	Amend the Variance review procedures to add Variances involving Urban Housing Applications to the list of Variances subject to the Type I procedure.
18.6.1.030	Add definitions of Single Room Occupancy (SRO) and Urban Housing Application (UHA).

Senate Bill 974 (2025)

Senate Bill 974 requires that the initial decision on an urban housing application be made administratively, without an initial quasi-judicial public hearing. The bill applies to applications for a zone change to allow a denser residential use designation, a planned unit development, or a variance from a residential approval standard, where the subject property is, at the time of application, within an urban growth boundary and zoned primarily for residential use or mixed residential use, or planned for residential use. The bill excludes applications that would reduce minimum residential density, final subdivision and partition plats, residential construction permits issued under the building code, final engineering plans, and applications subject to ministerial or other expedited approval procedures.

For qualifying applications the bill requires mailed notice to owners of property within 100 feet of the subject site, a 14 day written comment period preceding the decision, prescribed notice content including applicable criteria and appeal rights, an affidavit or certification of notice, and a decision accompanied by a brief statement of the criteria, the facts relied upon, and the justification for the decision. A local government may provide a hearing on appeal. Senate Bill 974 also prohibits the application of residential design standards regulating aesthetics to one- and two-family developments of 20 or more residential units within an urban growth boundary, with that prohibition scheduled for repeal on January 2, 2033. The urban housing application and design standard provisions became operative July 1, 2026.

House Bill 2138 (2025)

House Bill 2138 makes broad changes to state housing law, including expansion of required middle housing types, revised definitions, bonus unit allowances, expedited and middle housing land division procedures, revised review timelines, and a requirement that cities allow single room occupancy development. Local implementation is required no later than January 1, 2027, with state rulemaking to be completed by January 1, 2028.

Ordinance No. 3307 implements the single room occupancy requirements of House Bill 2138. The remaining elements of the bill will be brought forward as a separate legislative package following further state rulemaking. Single room occupancy is a housing type that is not presently addressed in the Land Use Ordinance, is addressed in current building codes, and has already been the subject of one application in Ashland at 431 North Main Street. Addressing single room occupancy in advance of the compliance deadline provides applicants and staff with clear local standards for a housing type that is already being proposed.

House Bill 4037 (2026)

House Bill 4037 amends ORS 197A.400 to establish uniform procedures for local review of applications for the development of housing that are subject only to clear and objective standards, conditions, and procedures. For qualifying applications, ORS 197A.400(5) limits mailed notice to owners of record within 100 feet of the subject property and does not permit notice to be extended to other parties, including neighborhood or community organizations; provides that a local government may not require a public hearing prior to making a decision; and provides that any local appeal opportunity may be limited to the applicant. Under ORS 197A.400(6), and notwithstanding ORS 197.825, only the applicant may appeal such a decision to the Land Use Board of Appeals. ORS 197A.400(2) exempts applications for residential development within historic areas designated for protection under a statewide planning goal, and ORS 197A.400(3) preserves an applicant's election of discretionary review. These amendments became operative July 1, 2026.

Applications Not Proposed for Amendment

Ordinance No. 3307 does not amend the Zone Change procedures and criteria of chapter 18.5.9 or the Annexation procedures and criteria of chapter 18.5.8. The basis for that decision is set forth in the findings below.

REVIEW CRITERIA

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

- Consistency with City of Ashland approval criteria for legislative amendments, AMC 18.5.9.020.B.
- Consistency with the City of Ashland Comprehensive Plan and other City policies.
- Consistency with applicable state law governing local review of residential development applications, including Senate Bill 974 (2025), House Bill 2138 (2025), House Bill 4037 (2026), ORS 197A.400, ORS 197.646, and ORS 227.186.
- Consistency with the Oregon Statewide Planning Goals.

EVALUATION AND COUNCIL FINDINGS:

A. Consistency with City of Ashland approval criteria for legislative amendments, AMC 18.5.9.020.B

18.5.9.020 Applicability and Review Procedure

Applications for Plan Amendments and Zone Changes are as follows:

B. Type III. *It may be necessary from time to time to make legislative amendments in order to conform with the Comprehensive Plan or to meet other changes in circumstances or conditions. The Type III procedure applies to the creation, revision, or large-scale implementation of public policy requiring City Council approval and enactment of an ordinance; this includes adoption of regulations, zone changes for large areas, zone changes requiring comprehensive plan amendment, comprehensive plan map or text amendment, annexations (see chapter 18.5.8 for annexation information), and urban growth boundary amendments. The following planning actions shall be subject to the Type III procedure.*

3. *Land Use Ordinance amendments.*

Finding: AMC 18.5.9.020.B provides that legislative amendments may be necessary from time to time to conform with the Comprehensive Plan or to meet other changes in circumstances or conditions, and identifies Land Use Ordinance amendments as subject to the Type III procedure. Ordinance No. 3307 amends the text of the Land Use Ordinance and no other official map or plan, and has been processed under the Type III procedure, including a recommendation from the Planning Commission following a duly advertised public hearing and a decision by the City Council following a duly advertised public hearing and enactment by ordinance.

The Council finds that the enactment of Senate Bill 974 (2025), House Bill 2138 (2025), and House Bill 4037 (2026), and the operative dates and compliance deadlines established by those acts, are changes in circumstances and conditions within the meaning of AMC 18.5.9.020.B. The amendments are necessary to conform the City's review procedures, notice provisions, design standards, and appeal provisions to state law, and to add a housing type that state law requires the City to allow.

The Council finds that the land use ordinance amendments are consistent with AMC 18.5.9.020.B.

B. Consistency with the Ashland Comprehensive Plan and other City Policies

The Ashland Comprehensive Plan Housing Goal 6.10.1 states, "Ensure a range of different dwelling types that provide living opportunities for the total cross section of Ashland's population." Policy 3 states, "Integrate housing with other compatible land uses through flexible zoning provisions."

The amendments add Single Room Occupancy as a housing type allowed in the City's residential, commercial, and employment zones and in the Normal Neighborhood and North Mountain Neighborhood plan districts. Single room occupancy housing is not presently addressed in the Land Use Ordinance. Establishing standards for this housing type expands the range of dwelling types available in Ashland and provides a form of housing suited to single person households, which the Housing Capacity Analysis (2021) identifies as a significant and growing share of the City's household composition.

The *Ashland Comprehensive Plan* Housing Goal 6.10.2 states, “Support the creation and preservation of housing that is affordable to low- and moderate-income households and that is commensurate with the incomes of Ashland’s workforce.”

Single room occupancy units share sanitary or food preparation facilities and are smaller than conventional dwelling units. They are among the lower cost forms of housing that can be produced without subsidy. The amendments allow up to six single room occupancy units on any lot on which a detached single unit dwelling is allowed, and up to three times the maximum density otherwise allowed on lots where multiunit housing of five or more units is permitted, consistent with House Bill 2138.

The amendments also reduce the time, cost, and uncertainty associated with review of qualifying residential applications. Moving Outline Plan approval under the Performance Standards Options chapter from the Type II procedure to the Type I procedure, raising the concurrent filing threshold from ten lots to 20 lots, and classifying qualifying Variances as Type I actions shortens the review period for residential subdivisions and reduces holding costs that are ultimately reflected in the price of housing. The Council finds that these procedural changes support Housing Goal 6.10.2.

Ashland’s Housing Goal 6.10.3 encourages housing development patterns that reduce environmental impacts and support efficient land use. The amendments apply within the urban growth boundary to land already planned and zoned for residential and mixed use development. Single room occupancy housing is a compact housing form that makes efficient use of existing serviced land.

Comprehensive Plan Chapter III, Citizen Participation and Involvement, establishes the City’s commitment to public involvement in land use decisions. The Council recognizes that certain elements of these amendments narrow the opportunity for public participation in individual application reviews. The notice of application radius for Type I actions is reduced from 200 feet to 100 feet, the requirement to mail notice to a recognized neighborhood group or community organization is removed, the initial decision on qualifying applications is made administratively rather than at a public hearing, and local appeal of decisions on applications reviewed under ORS 197A.400 is limited to the applicant.

The Council finds that each of these changes is required by state law rather than adopted as a matter of local policy preference. Senate Bill 974 (2025) requires that the initial decision on an urban housing application be made without a hearing. House Bill 4037 (2026) prohibits a required public hearing prior to the initial decision on an application for housing subject only to clear and objective standards, does not permit notice of such an application to neighborhood or community organizations, and permits local appeal of such a decision to be limited to the applicant. The removal of the requirement to mail notice to a recognized neighborhood group or community organization also reflects existing practice, in that the City does not presently maintain a database of recognized neighborhood or community organizations and has not historically provided the notice described in former subsection 18.5.1.050.B.1.d.

The Council further finds that the 100 foot notice radius retained for Type I housing applications reflects a specific determination that state law sets both a floor and a ceiling at that distance. At its August 18, 2026 hearing, the Council directed staff to examine whether Type I notice for

housing applications could be eliminated or reduced below 100 feet. On review, staff determined that it cannot. Senate Bill 974, codified at ORS 197A.146(5)(a), provides that the local government shall provide written notice to owners of property within 100 feet of the site for the applications it covers, including Performance Standards Options Outline Plan approvals and residential Variances; that notice is mandatory. House Bill 4037, codified at ORS 197A.400(5)(a), provides that for applications subject only to clear and objective standards the local government may provide notice only to owners within 100 feet; that provision is a ceiling on notice rather than a requirement to provide it. Because both acts apply to the applications governed by this ordinance, and because ORS 197A.146(5)(a) makes 100 foot notice mandatory for a portion of them, eliminating or reducing notice below 100 feet is not available under state law. The Council finds that applying a single 100 foot notice standard to all Type I applications satisfies the mandatory notice requirement of ORS 197A.146(5)(a), reduces the risk of procedural error that parallel notice systems would create, and provides one consistent standard for applicants, neighbors, and staff rather than differing rules depending on which act governs a given application.

The Council further finds that the amendments preserve public participation where state law permits. Mailed notice of application and notice of decision continue to be provided, the 14 day written comment period is retained, written decisions supported by findings are retained, and appeal to the Planning Commission is retained for all Type I decisions other than those governed by ORS 197A.400. Legislative amendments to the Land Use Ordinance, zone changes, and annexations continue to be decided by the City Council following duly advertised public hearings.

The City Council finds and determines that the land use ordinance amendments are consistent with the *Ashland Comprehensive Plan* and other adopted long-range plans.

C. Consistency with Applicable State Law

1. Performance Standards Options subdivisions as planned unit developments.

Senate Bill 974 applies the urban housing application procedures to an application for a planned unit development. The Ashland Land Use Ordinance does not use the term planned unit development. The functional equivalent in the Ashland Land Use Ordinance is the Performance Standards Options (PSO) chapter, AMC 18.3.9, which provides the City's procedure for residential subdivisions that depart from the standard lot area, lot dimension, and setback requirements of the base zone in exchange for coordinated site planning, common open space, and clustered development at the density permitted by the underlying zone. PSO subdivisions are reviewed through a two tiered Outline Plan and Final Plan process and are the mechanism through which Ashland approves flexible, master planned residential subdivisions.

The Council finds that a Performance Standards Options subdivision under AMC 18.3.9 is a planned unit development for purposes of Senate Bill 974, and that applying the urban housing application procedures to Performance Standards Options subdivisions implements that element of the bill as it applies in Ashland. The definition of Urban Housing Application added at AMC 18.6.1.030 accordingly includes applications for a Performance Standards Options subdivision.

2. Alignment of the Type I procedure with the Senate Bill 974 model.

The Council finds that the City's existing Type I procedure at AMC 18.5.1.050 already provides the procedural elements that Senate Bill 974 requires: an administrative decision by the Staff Advisor, mailed notice of the application to surrounding property owners, a 14 day written comment period, a written decision supported by findings that identify the applicable criteria and the facts relied upon, and an appeal to the Planning Commission. The amendments therefore implement the bill primarily by moving qualifying applications into the Type I procedure and by defining which applications qualify, rather than by creating a new and parallel review track. Outline Plan approval is moved from the Type II procedure to the Type I procedure, qualifying Variances are added to the list of Type I Variances at AMC 18.5.5.030.A, and Table 18.5.1.010 is amended to correspond. Under this structure, all Performance Standards Options subdivisions receive an administrative initial decision with notice and comment, and a public hearing occurs only on appeal to the Planning Commission, as Senate Bill 974 permits.

3. Residential design standards.

Senate Bill 974 prohibits the application of residential design standards regulating aesthetics to one- and two-family developments of 20 or more residential units within the urban growth boundary, until the prohibition is repealed on January 2, 2033. The Council finds that the Ashland Land Use Ordinance applies such standards to one- and two-family development in two places: the general standards for single-family dwellings and duplexes at AMC 18.2.5.090, and the housing design standards of the North Mountain Neighborhood plan district at AMC 18.3.5.100.A and B. The amendments exempt qualifying developments from those standards for the period of the state prohibition and retain the standards for all other development. The Council finds that this targeted approach brings the code into compliance with the bill while preserving the City's design standards to the fullest extent state law allows.

The Council further finds that the prohibition in Senate Bill 974 does not extend to setbacks, building height, accessibility, fire ingress and egress, public health and safety, water quality, hazard, or natural resource regulations, and that the amendments do not modify any of those standards. The amendments also do not modify the Historic District Development standards of AMC 18.4.2.050 or the standards for dwellings and additions in the Historic District overlay at AMC 18.2.3.120.

4. Zone changes and annexations.

Senate Bill 974 includes a zone change to allow a denser residential use designation among the applications for which an initial decision must be made administratively. The Council finds that implementing this element of the bill through the local code would place the City in direct conflict with other state law.

ORS 227.186(2) provides that all legislative acts relating to comprehensive plans, land use planning, or zoning adopted by a city shall be by ordinance. ORS 227.186(5) requires prescriptive mailed notice to affected property owners stating the date of a public hearing on the proposed change. Zoning map amendments in Ashland are adopted by ordinance of the City Council following a noticed public hearing, consistent with those statutes and with Article X of the Ashland City Charter. Annexations are likewise legislative decisions of the Council processed under ORS chapter 222 and chapter 18.5.8, and are accompanied by ordinances establishing the zoning and comprehensive plan designations of the annexed territory. Processing

these actions administratively, without a hearing and without adoption by ordinance, would comply with Senate Bill 974 while violating ORS 227.186.

The Department of Land Conservation and Development has not adopted rules or issued guidance reconciling these statutes. The Council finds that retaining the existing zone change and annexation procedures, which comply with ORS 227.186, until the conflict is resolved through rulemaking or legislation, is the approach most protective of applicants and the City, in that it avoids procedural appeals arising from a locally adopted procedure that conflicts with a statute the City remains obligated to follow. The local definition of Urban Housing Application at AMC 18.6.1.030 accordingly does not include zone changes. Staff will monitor Department of Land Conservation and Development rulemaking and return with amendments if the conflict is resolved in a manner requiring local implementation.

5. Applications submitted before adoption of these amendments.

The urban housing application provisions of Senate Bill 974 and the amendments to ORS 197A.400 made by House Bill 4037 became operative July 1, 2026. Under ORS 197.646, where a new state land use statute becomes applicable and a local government has not yet amended its comprehensive plan or land use regulations to implement it, the statute applies directly to land use decisions. The Council finds that qualifying applications submitted on or after July 1, 2026, are subject to the requirements of those statutes regardless of the effective date of Ordinance No. 3307, and that adoption of the ordinance does not create a new obligation on applicants but rather places the governing procedure in the local code where applicants, staff, and the public can find it.

6. Single room occupancy.

House Bill 2138 requires that cities allow up to six single room occupancy units on each lot or parcel zoned to allow the development of a detached single-family dwelling, and, on lots or parcels zoned to allow multiunit housing with a base density of five or more dwelling units, up to three times the number of units allowed by the maximum density standards. The bill also limits the off-street parking that may be required for single room occupancy development. The Council finds that new section AMC 18.2.5.100 and the associated amendments to Tables 18.2.2.030, 18.3.4.040, and 18.3.5.050 and to the definitions at AMC 18.6.1.030 implement these requirements. The parking limitations of the bill have no local effect because the City no longer maintains off-street parking requirements.

The Council further finds that the standards at AMC 18.2.5.100 are clear and objective. Single room occupancy developments of six or fewer units require a building permit only. Developments of more than six units are subject to Site Design Review under chapter 18.5.2, consistent with the treatment of other multiunit residential development. The remaining local implementation of House Bill 2138 will be brought forward as a separate legislative package in advance of the January 1, 2027 compliance deadline and following further state rulemaking.

7. Housing applications subject to clear and objective standards.

The amendments to AMC 18.5.1.050 provide that an application for the development of housing subject only to clear and objective standards, conditions, and procedures under ORS 197A.400(1) is reviewed under the Type I procedure notwithstanding any other review

procedure otherwise assigned by the Land Use Ordinance, except an application for residential development within a designated Historic District under ORS 197A.400(2) and an application reviewed under discretionary approval criteria at the election of the applicant under ORS 197A.400(3). Consistent with ORS 197A.400(5), notice of such an application is limited to owners of record within the applicable notice radius, no public hearing is held prior to the initial decision, and the application may not be referred to the Planning Commission for initial decision. Consistent with ORS 197A.400(5)(c) and ORS 197A.400(6), local appeal and appeal to the Land Use Board of Appeals are limited to the applicant.

The Council finds that these provisions conform the Land Use Ordinance to ORS 197A.400 as amended by House Bill 4037 (2026), and that the exemption for residential development within a designated Historic District preserves the City's existing review procedures and historic design standards within those districts, consistent with ORS 197A.400(2).

D. Consistency with Oregon Statewide Planning Goals

The *Ashland Comprehensive Plan* was originally adopted by the City Council on November 2, 1982, and acknowledged by the Land Conservation and Development Commission on October 7, 1983. Numerous updates have been completed and acknowledged since the originally acknowledged plan, including but not limited to: Chapter III Citizen Participation and Involvement (2016), Chapter IV Environmental Resources (1991), Chapter V Population Projection and Growth (1991), Chapter VI Housing Element (2019), Chapter VII Economy (1991), Chapter VIII Parks, Open Space and Aesthetics (1991), Chapter X Transportation (1996), Chapter XI Energy, Air, Water, Conservation (1991), and Chapter XIC Regional Plan Element (2012). Technical reports and supporting documents were also acknowledged and adopted as part of the *Ashland Comprehensive Plan* and include but are not limited to the Housing Capacity Analysis (2021), Housing Production Strategy (2023), Buildable Lands Inventory (2024), and Transportation System Plan Update (2013). The City follows the post-acknowledgement plan amendment process to update the Plan with new state and regional regulations as necessary and relies in part upon these prior state review processes to demonstrate compliance with all necessary requirements.

GOAL 1: CITIZEN INVOLVEMENT

To develop a citizen involvement program that ensures the opportunity for citizens to be involved in all phases of the planning process.

Finding: The City provided opportunities for public involvement consistent with adopted public participation procedures and Comprehensive Plan Chapter III. The proposed amendments were reviewed at Planning Commission study sessions on April 14, 2026, and May 26, 2026, and at a City Council study session on June 1, 2026. A duly advertised public hearing was held before the Planning Commission on August 11, 2026, and duly advertised public hearings and readings were held before the City Council on August 18, 2026, and [date], 2026. Notice was published in The Ashland News on [date], 2026, and notice was provided to the Department of Land Conservation and Development on [date], 2026. All meetings were conducted as hybrid meetings providing the opportunity to participate in person or virtually, and the draft ordinance and staff reports were available on the City website in advance of each meeting. The Council acknowledges that the amendments narrow public participation in the review of certain

individual applications, and finds, as set forth in Section B above, that those narrowings are required by state law. This Goal is met.

GOAL 2: LAND USE PLANNING

To establish a land use planning process and policy framework as a basis for all decisions and actions related to use of land and to assure an adequate factual base for such decisions and actions.

Finding: The amendments were processed under the Type III legislative procedure of AMC 18.5.9.020.B, which requires a Planning Commission recommendation and City Council adoption by ordinance following public hearings. The factual base for the amendments includes the text and operative dates of Senate Bill 974 (2025), House Bill 2138 (2025), and House Bill 4037 (2026); the requirements of ORS 197A.400, ORS 197.646, and ORS 227.186; the acknowledged Housing Capacity Analysis (2021), Housing Production Strategy (2023), and Buildable Lands Inventory (2024); the staff reports and draft ordinance; and the testimony and exhibits in the record. The amendments implement the acknowledged Comprehensive Plan and do not amend it. This Goal is met.

GOAL 3: AGRICULTURAL LANDS

To preserve and maintain agricultural lands.

Finding: The amendments apply within the urban growth boundary and do not propose any land use regulation changes affecting agricultural lands. This Goal is not applicable.

GOAL 4: FOREST LANDS

To conserve forest lands by maintaining the forest land base and to protect the state's forest economy.

Finding: The amendments apply within the urban growth boundary and do not propose any land use regulation changes affecting forest lands. This Goal is not applicable.

GOAL 5: NATURAL RESOURCES, SCENIC AND HISTORIC AREAS, AND OPEN SPACES

To protect natural resources and conserve scenic and historic areas and open spaces.

Finding: The City's acknowledged Comprehensive Plan includes Goal 5 resource protections. The amendments do not alter Goal 5 inventories or protection programs. Consistent with ORS 197A.400(2), applications for residential development within a designated Historic District are excluded from the review procedures established for housing applications subject only to clear and objective standards, and existing review procedures continue to apply within those districts. The amendments do not modify the Historic District Development standards of AMC 18.4.2.050, the standards for dwellings and additions in the Historic District overlay at AMC 18.2.3.120, or the City's tree preservation, water resource protection, or physical and environmental constraints regulations. This Goal is met.

GOAL 6: AIR, WATER AND LAND RESOURCES QUALITY

To maintain and improve the quality of the air, water and land resources of the state.

Finding: The City's acknowledged Comprehensive Plan complies with this goal and the amendments do not modify the goals and policies related to solid waste, wastewater, noise and thermal pollution, air pollution, or industry related contaminants. This Goal is met.

GOAL 7: AREAS SUBJECT TO NATURAL HAZARDS

To protect people and property from natural hazards.

Finding: The City's acknowledged Comprehensive Plan complies with this goal and the amendments do not modify the goals and policies related to Goal 7. The design standard exemption established by Senate Bill 974 and implemented at AMC 18.2.5.090 and AMC 18.3.5.100 does not extend to hazard regulations, and the City's Physical and Environmental Constraints regulations at chapter 18.3.10 continue to apply to all development. This Goal is met.

GOAL 8: RECREATIONAL NEEDS

To satisfy the recreational needs of the citizens of the state and visitors and, where appropriate, to provide for the siting of necessary recreational facilities.

Finding: The City's acknowledged Comprehensive Plan complies with this goal and the amendments do not modify the existing goals and policies related to Goal 8. This Goal is met.

GOAL 9: ECONOMIC DEVELOPMENT

To provide adequate opportunities throughout the state for a variety of economic activities vital to health, welfare, and prosperity of Oregon's citizens.

Finding: The City's acknowledged Comprehensive Plan complies with this goal and the amendments do not modify the existing goals and policies related to Goal 9. The amendments allow single room occupancy housing in the C-1, C-1-D, and E-1 zones subject to the existing standards of AMC 18.2.3.130 governing residential development in those zones, and therefore do not reduce the supply of land available for employment uses. Housing that is affordable to the local workforce supports the City's economic development objectives. This Goal is met.

GOAL 10: HOUSING

To provide for the housing needs of citizens of the state.

Finding: The Statewide Planning Program requires each city to inventory its buildable residential lands, project future housing needs, and provide the appropriate types and amounts of land within the urban growth boundary necessary to meet those needs. The Housing Element of the Ashland Comprehensive Plan was amended and acknowledged in 2019. The City has an acknowledged Housing Capacity Analysis (2021), Housing Production Strategy (2023), and Buildable Lands Inventory (2024), which provide a factual basis for needed housing types and available land supply. The Housing Capacity Analysis determined that Ashland has unmet needs for affordable housing, particularly for extremely low, very low, low, and middle income households, and that a substantial share of the City's forecast new households will have incomes well below the level required to afford market rate rents.

The amendments support Goal 10 by:

- Adding single room occupancy as an allowed housing type, expanding the range of dwelling types available in Ashland and providing a lower cost housing form suited to single person households;
- Reducing the time and cost of review for Performance Standards Options subdivisions by moving Outline Plan approval to the Type I procedure and raising the concurrent filing threshold from ten lots to 20 lots;
- Providing an administrative review path for Variances involving Urban Housing Applications;
- Establishing a uniform Type I review procedure for applications for housing subject only to clear and objective standards, providing applicants a predictable path to approval consistent with ORS 197A.400; and
- Removing the application of certain design standards to larger one- and two-family developments as required by state law, reducing regulatory cost for those developments.

The Council finds that the amendments increase housing choice, reduce barriers to housing production, and are consistent with the City's acknowledged Housing Element and Housing Production Strategy. This Goal is met.

GOAL 11: PUBLIC FACILITIES AND SERVICES

To plan and develop a timely, orderly and efficient arrangement of public facilities and services to serve as a framework for urban and rural development.

Finding: The City has master plans in place for water, wastewater, and stormwater that address population growth within the Ashland city limits and urban growth boundary. The amendments apply within the existing urbanized area served by public infrastructure and utilities. The amendments are procedural and do not modify the public facility adequacy requirements of chapter 18.4.6. Individual development proposals, including single room occupancy developments, will continue to be required to demonstrate adequate public facility capacity and compliance with applicable utility standards. This Goal is met.

GOAL 12: TRANSPORTATION

To provide and encourage a safe, convenient and economic transportation system.

Finding: The City has an acknowledged Transportation System Plan (2013), which is planned to accommodate the population growth of the community over a 20 year planning period. The amendments are consistent with the Transportation Planning Rule, OAR 660-012-0060. The amendments are principally procedural. They do not change the functional classification of any transportation facility, do not change any standard implementing a functional classification system, and do not amend the Transportation System Plan. The single room occupancy provisions allow a compact housing type within zones already planned and designated for residential and mixed use development, and single room occupancy units, which consist of individual rooms with shared sanitary or food preparation facilities, generate fewer vehicle trips per unit than conventional dwelling units. The Council finds that the amendments do not significantly affect an existing or planned transportation facility within the meaning of OAR 660-012-0060(1). Development authorized under these amendments remains subject to the City's

adopted street standards and to transportation improvement requirements applied through land use review. This Goal is met.

GOAL 13: ENERGY CONSERVATION

To conserve energy.

Finding: The City's acknowledged Comprehensive Plan complies with this goal. The amendments allow a compact housing type within the existing urbanized area and support efficient land use patterns consistent with energy conservation objectives. This Goal is met.

GOAL 14: URBANIZATION

To provide for an orderly and efficient transition from rural to urban land use, to accommodate urban population and urban employment inside urban growth boundaries, to ensure efficient use of land, and to provide for livable communities.

Finding: The amendments apply within the city limits and urban growth boundary, support efficient use of urban land and infrastructure, and do not expand the urban growth boundary. This Goal is met.

GOAL 15: WILLAMETTE RIVER GREENWAY

To protect, conserve, enhance and maintain the natural, scenic, historical, agricultural, economic and recreational qualities of lands along the Willamette River as the Willamette River Greenway.

Finding: The City of Ashland is not located within or adjacent to the Willamette River Greenway. This Goal is not applicable.

GOAL 16: ESTUARINE RESOURCES

To recognize and protect the unique environmental, economic and social values of each estuary and associated wetlands.

Finding: The City of Ashland is not located within or adjacent to a designated estuarine resource. This Goal is not applicable.

GOAL 17: COASTAL SHORELANDS

To conserve, protect, where appropriate develop, and where appropriate restore the resources and benefits of all coastal shorelands.

Finding: There are no coastal shorelands within the vicinity of Ashland. This Goal is not applicable.

GOAL 18: BEACHES AND DUNES

To conserve, protect, where appropriate develop, and where appropriate restore the resources and benefits of coastal beach and dune areas.

Finding: There are no designated beaches or dunes within the vicinity of Ashland. This Goal is not applicable.

GOAL 19: OCEAN RESOURCES

To conserve marine resources and ecological functions for the purpose of providing long-term ecological, economic, and social value and benefits to future generations.

Finding: There are no designated ocean resources within the vicinity of Ashland. This Goal is not applicable.

The City Council finds that the amendments are consistent with the Oregon Statewide Planning Goals.

OVERALL COUNCIL CONCLUSIONS

- The City Council finds and determines that the approval criteria for this decision have been fully met, based on the detailed findings set forth herein, the recommendation and findings of the Planning Commission arising from its August 11, 2026 public hearing, and the whole record before the Council, including the staff reports, testimony, and exhibits received at the Planning Commission's August 11, 2026 hearing and the Council's August 18, 2026 hearing, all of which are incorporated herein by reference.
- Specifically, the Council finds that the proposed land use ordinance amendments are consistent with the City of Ashland approval criteria for land use ordinance amendments set forth in AMC 18.5.9.020.B, and are consistent with the Ashland Comprehensive Plan and other City policies.
- The Council further finds and determines that the amendments are consistent with Senate Bill 974 (2025), House Bill 2138 (2025), House Bill 4037 (2026), ORS 197A.400, ORS 197.646, and ORS 227.186, and with the Oregon Statewide Planning Goals.

Accordingly, based on the above Findings of Fact and Conclusions of Law, and based upon the evidence in the whole record, the City Council hereby APPROVES the ADOPTION of Ordinance No. 3307 amending AMC Title 18 Land Use, as reflected in the attached ordinance.

Ashland City Council Approval

Tonya Graham, Mayor

Date

Signature authorized and approved by the full Council this _____ day of _____, 2026.

Attest:

Alissa Kolodzinski, City Recorder

Date

Approved as to form:

Johan Pietila, City Attorney

Date

ASHLAND PLANNING DIVISION
STAFF REPORT
August 11, 2026

PLANNING ACTION: PA-L-2026-00019

APPLICANT: City of Ashland

ORDINANCE	AMC 18.2.2.030:	Uses Allowed by Zone
REFERENCES:	AMC 18.2.5.090:	Standards for Single-Family Dwellings and Duplexes
	AMC 18.2.5.100:	Single Room Occupancy (SRO)
	AMC 18.3.4.040:	Normal Neighborhood District Uses Allowed by Zone
	AMC 18.3.5.050:	North Mountain Neighborhood Uses Allowed by Zone
	AMC 18.3.5.100:	Site Development and Design Standards (North Mountain Neighborhood)
	AMC 18.3.9.040:	Review Procedures and Criteria (Performance Standards Option)
	AMC 18.5.1.010:	Summary of Approvals by Type of Review Procedure
	AMC 18.5.5.030:	Review Procedure (Variances)
	AMC 18.6.1.030:	Definitions

REQUEST: The proposal before the Planning Commission includes draft ordinance amendments to the Ashland Land Use Ordinance to implement Senate Bill 974 (2025) and a request to forward a recommendation to the City Council. The draft ordinance amends AMC 18.2.5.090, AMC 18.3.5.100, AMC 18.3.9.040, Table 18.5.1.010, AMC 18.5.5.030, and AMC 18.6.1.030. Code changes to comply with SB 974 are required to be in effect by July 1, 2026. Additional amendments implementing House Bill 2138 (2025) requirements with regard to Single Room Occupancies (SROs) are proposed for AMC 18.2.2.030, 18.2.5.100, 18.3.4.040, 18.3.5.050 and 18.6.1.030.D. These SRO requirements must be implemented by January 1, 2027; additional code changes with regard to other sections of HB 2138 will be brought forward as a separate package following further state rulemaking. Additional amendments implementing House Bill 4037 (2026) are proposed for AMC 18.5.1.050 to establish a uniform review procedure for applications for housing subject only to clear and objective standards, consistent with amendments to ORS 197A.400 operative July 1, 2026. SB 974, HB 2138, and HB 4037 together revise the state framework for the review of residential development applications.

STATE LEGISLATION REQUIREMENTS

Senate Bill 974 (2025).

SB 974 requires that the initial decision on certain residential land use applications be made administratively, without a quasi-judicial public hearing. The bill applies to applications for a zone change to allow a denser residential use designation, a planned unit development, or a variance from a residential approval standard, where the property is, at the time of application, inside the urban growth boundary and zoned primarily for residential use or mixed residential use or planned for residential use. The bill does not apply to applications that would reduce minimum residential density, final subdivision or partition plats, residential construction permits under the building code, final engineering plans, or applications subject to ministerial or other expedited approval procedures.

For qualifying applications, the bill requires mailed notice to owners of property within 100 feet of the site, a 14 day written comment period before the decision, prescribed notice content including the applicable criteria and appeal rights, and an affidavit or certification of the notice given. The decision must be accompanied by a brief statement explaining the criteria, the facts relied upon, and the justification for the decision. The initial decision must be made without a hearing; a local government may provide a hearing on appeal, which may be limited to the record or may allow new testimony, in which case the hearing must comply with ORS 197.797. SB 974 also amends ORS 197.830 and ORS 197.835 to establish the pathways for appeal of these decisions to the Land Use Board of Appeals.

Separately, SB 974 establishes a review timeline for final engineering plans for residential development inside the UGB: a 30 day completeness check and a 120 day period to complete final review and approve or deny site development permits, enforceable by writ of mandamus. Because final engineering review occurs after land use approval and is administered by the Engineering Division, no Land Use Ordinance amendment is required; the Engineering Division is aware of the new timelines.

Finally, SB 974 prohibits applying residential design standards to housing development inside the UGB unless the application is for a multifamily structure as defined in ORS 197A.465 or for fewer than 20 residential units. Standards regulating aesthetics such as facade materials, roof decoration, window trim, porches, and yard landscaping cannot be applied to qualifying one and two family developments of 20 or more units. The prohibition does not extend to setbacks, building height, accessibility, fire ingress or egress, public health or safety, water quality, hazard, or natural resource regulations, and it sunsets January 2, 2033. The operative date for these provisions is July 1, 2026.

House Bill 2138 (2025).

HB 2138 makes broad changes to Oregon housing law. Among other provisions, it expands the middle housing types that cities must allow, revises the definitions of cottage cluster, duplex, triplex, and quadplex, allows bonus units where middle housing includes accessible or affordable units, requires cities to allow single room occupancy developments of up to six units on lots zoned for a detached single unit dwelling and up to three times maximum density on multiunit zoned lots, restructures expedited land divisions with a 63 day decision timeline and applicant

only appeal, integrates middle housing land divisions into local review, revises the review timelines in ORS 227.178, and voids certain private covenants that restrict middle housing. Local implementation is required no later than January 1, 2027, with state rulemaking to be complete by January 1, 2028.

HB 2138 includes a requirement that cities allow Single Room Occupancy (SRO) as a housing type. SROs are not currently addressed in the Land Use Ordinance, however they are now addressed in building codes and there has already been one application for an SRO (431 North Main Street) and other cities in the region are beginning to see SRO applications as well. On that basis, staff are proposing new SRO regulations to address these requirements now.

Staff will return to the Commission with additional HB 2138 implementation amendments as a separate legislative package.

House Bill 4037 (2026).

HB 4037 amends ORS 197A.400 to establish uniform procedures for local government review of applications for the development of housing subject only to clear and objective standards, conditions, and procedures. For qualifying applications, ORS 197A.400(5) sets a ceiling on mailed notice, limiting recipients to owners of record within 100 feet of the subject property and not permitting notice to any other party, such as a neighborhood or community organization; the bill also provides that a local government may not require a public hearing prior to a decision, and may limit any local appeal opportunity to the applicant only.

The most consequential change HB 4037 makes to local practice is a state mandated limit on who may appeal a decision on a qualifying housing application. For an application for the development of housing subject only to clear and objective standards, conditions, and procedures under ORS 197A.400(1), the following are set by state law and are not local policy choices:

1. **No public hearing before the initial decision.** The State mandates an administrative decision. The Staff Advisor issues the decision based on the applicable clear and objective standards, and the application is not referred to the Planning Commission for the initial decision.
2. **A local appeal to the Planning Commission is available only to the applicant.** Under ORS 197A.400(5)(c), the opportunity for a local appeal is limited to the applicant. Neighboring property owners and other members of the public who receive notice and submit written comments may participate in the initial decision, but they may not appeal that decision to the Planning Commission.
3. **An appeal to the Land Use Board of Appeals is available only to the applicant.** Under ORS 197A.400(6), and notwithstanding the general standing provisions of ORS 197.825, only the applicant may appeal the City's decision on a qualifying application to LUBA.

This is a departure from Ashland's standard Type I procedure. Under the general Type I appeal provisions in AMC 18.5.1.050.G, the applicant, the owner of the subject property, any person

entitled to notice, and any person who submitted written comments may appeal a decision to the Planning Commission. HB 4037 removes that broader appeal right for this narrow category of housing applications and reserves the appeal, both locally and at LUBA, to the applicant alone.

The practical effect is to close the local appeal path that neighboring residents would otherwise use to challenge these housing decisions before the Planning Commission. That result is the stated purpose of the legislation. The Legislature intended to reduce the delay and uncertainty caused by third party objections and appeals for housing that already meets clear and objective standards, and to give applicants a more predictable and timely path to a final decision.

The draft ordinance implements these state mandated limits through the amendments to AMC 18.5.1.050, which route qualifying applications to Type I review, limit notice to nearby owners of record, provide that these applications are not referred to the Planning Commission, and restrict both the local appeal and the appeal to LUBA to the applicant consistent with ORS 197A.400(6).

The state law exemptions continue to apply. Applications for residential development within a designated Historic District, and applications for which the applicant elects discretionary review under ORS 197A.400(3), are not subject to these appeal limits and retain the review and appeal procedures otherwise assigned by the code.

These amendments became operative July 1, 2026. Because HB 4037 is already in effect, its requirements govern qualifying housing applications submitted on or after that date, whether or not the local code has yet been amended. Consistent with ORS 197.646, where a local government has not updated its land use regulations to reflect a newly operative state statute, the statute applies directly to land use decisions. Adopting these amendments therefore does not establish new local policy. It conforms the Ashland Land Use Ordinance to state law already in effect, so that applicants, staff, and the public work from a single, consistent set of local procedures rather than applying the statute directly alongside code language that does not yet reflect it.

I. Ordinance Amendments

A. Summary of Proposed Code Amendments for SB974

The draft ordinance makes the following amendments to bring the Land Use Ordinance into compliance with SB 974. Ashland's existing Type I procedure in AMC 18.5.1.050 already aligns closely with the SB 974 model: it provides an administrative decision by the Staff Advisor, mailed notice of application to surrounding owners, a 14 day written comment period, a written decision supported by findings, and an appeal to the Planning Commission. For applications subject only to clear and objective standards, HB 4037 limits that appeal to the applicant. The amendments also reduce the Type I mailed notice radius from 200 feet to 100 feet, for both the notice of application and the notice of decision. HB 4037 sets 100 feet as the maximum notice radius for these applications, and the City applies that radius to all Type I applications to avoid a disparate notice standard within the same procedure. The amendments therefore work primarily

by moving qualifying applications into the Type I procedure and defining which applications qualify.

1. Urban Housing Application definition (AMC 18.6.1.030).

A new definition of Urban Housing Application (UHA) is added, tracking the applicability and exclusion language of SB 974 for the application types the city is implementing administratively. The definition covers applications for a Performance Standards Options subdivision or a variance from a residential approval standard, on property that is, at the time of application, within the UGB and zoned primarily for residential use or mixed residential use or planned for residential use. Zone changes to allow a denser residential use designation are addressed separately in Section B below, and are not included in the local UHA definition due to a conflict with ORS 227.186. The definition excludes applications that would reduce minimum residential density and applications subject to ministerial or other expedited approval procedures, and states that the initial decision on a UHA is an administrative Type I action not subject to quasi-judicial review unless appealed. The Performance Standards Options chapter is Ashland's planned unit development equivalent, and the findings for the ordinance will make that equivalence explicit.

2. Performance Standards Options subdivisions (AMC 18.3.9.040 and Table 18.5.1.010).

Outline Plan approval is changed from the Type II procedure to the Type I procedure, with the corresponding reference change from section 18.5.1.060 to section 18.5.1.050, and Table 18.5.1.010 is amended to match. The two-tiered Outline and Final Plan structure is retained. The threshold above which prior Outline Plan approval is mandatory is raised from ten lots to 20 or more lots, expanding the ability to file Outline and Final Plans concurrently. Final Plan review remains Type I, with a housekeeping deletion of the concurrent review reference to the Type II procedure. Under this structure all PSO subdivisions receive an administrative initial decision with notice and comment, and a hearing occurs only on appeal to the Planning Commission, consistent with SB 974.

3. Variances (AMC 18.5.5.030).

A new item 9 is added to the list of Type I Variances: Variances involving Urban Housing Applications (UHAs). Variances from residential approval standards that meet the UHA criteria will receive an administrative initial decision with the possibility of appeal to the Planning Commission. All other Variances retain their existing Type I or Type II classification.

4. Residential design standards (AMC 18.2.5.090 and AMC 18.3.5.100).

AMC 18.2.5.090 is amended so the general design standards for single family dwellings and duplexes do not apply to new one and two family developments of 20 or more residential units in any zone. AMC 18.3.5.100 in the North Mountain Neighborhood Plan district is amended so that the specific residential design standards in subsections A.1 through A.3, A.6, and B.1 through B.2 are not applied to one and two family developments of 20 or more

residential units. Generally, Ashland's site development and design standards do not otherwise apply to one and two family development, so these two targeted exemptions bring the code into compliance with the SB 974 design standard prohibition.

B. Annexation and Zone Change criteria are not proposed for amendment

SB 974 includes zone changes to allow denser residential use designations among the applications to be decided administratively without an initial hearing. Staff are not proposing amendments to the city's Zone Change procedures or criteria in chapter 18.5.9, or to the Annexation procedures and criteria in chapter 18.5.8, to implement this element of the bill.

The reason is a direct conflict with other state law. ORS 227.186(2) provides that all legislative acts relating to comprehensive plans, land use planning, or zoning adopted by a city shall be by ordinance, and ORS 227.186(5) requires prescriptive mailed notice to affected property owners that states the date of a public hearing on the proposed change. Zoning map amendments in Ashland are adopted by ordinance of the City Council following a noticed public hearing, consistent with these statutes and with Article X of the City Charter.

Annexations likewise are legislative decisions of the Council processed under ORS chapter 222 and AMC 18.5.8, and are accompanied by ordinances establishing the zoning and comprehensive plan designations of the annexed territory. Processing these legislative actions administratively, without a hearing and without Council adoption by ordinance, would comply with SB 974 while violating ORS 227.186.

The state has not yet provided rulemaking or guidance reconciling these statutes. In staff's assessment, retaining the existing zone change and annexation procedures, which comply with ORS 227.186, until the conflict is resolved through rulemaking or legislation avoids the potential for drawn out procedural appeals that could adversely affect both applicants and the city. Staff will monitor Department of Land Conservation and Development rulemaking and return with amendments if the conflict is resolved in a manner that requires local implementation.

C. Applications submitted on or after July 1, 2026

The urban housing application provisions of SB 974 become operative on July 1, 2026. Under ORS 197.646, when a new state land use statute becomes applicable and a local government has not yet amended its comprehensive plan or land use regulations to implement it, the statute applies directly to land use decisions. This means qualifying urban housing applications submitted on or after July 1, 2026 may be processed under the requirements of SB 974, including administrative review without an initial hearing, regardless of whether the local code amendments are yet in effect.

The proposed ordinance incorporates these allowances for urban housing development into the Ashland Land Use Ordinance so that applicants, staff, and the public work from a single, consistent set of local procedures rather than applying the statute directly alongside conflicting local code language. Adopting the amendments reduces uncertainty about which procedure governs a given application, ensures local notice, comment, findings, and appeal provisions

match state law, and preserves the local appeal to the Planning Commission that SB 974 permits, except for applications subject only to clear and objective standards, for which HB 4037 limits the appeal to the applicant.

D. House Bill 2138 (HB 2138)

With the passage of HB 2138, cities are required to allow up to six SRO units on each lot or parcel zoned to allow for the development of a detached single-family dwelling. In addition, for lots or parcels zoned to allow multi-unit housing and having a base density of five or more dwelling units, cities must allow up to three times the number of units allowed by the maximum density standards (i.e. each SRO unit counts as one-third of a unit of density). There are also limits on how much parking can be required, but as Ashland no longer has off-street parking requirements these limits do not apply.

The draft ordinance makes the following amendments implementing House Bill 2138 (2025) with regard to Single Room Occupancies (SROs): the 'Allowed Uses by Zone' Table in AMC 18.2.2.030 is updated to include SROs; a new section AMC 18.2.5.100 addressing SROs is added; the allowed uses tables for the Normal Avenue Neighborhood (AMC 18.3.4.040) and the North Mountain Neighborhood (AMC 18.3.5.050) are updated; and a new definition of Single Room Occupancy (SRO) is included as a dwelling type in AMC 18.6.1.030.D.

The SRO requirements must be implemented by January 1, 2027; additional code changes with regard to other sections of HB 2138 will be brought forward as a separate package following further state rulemaking.

E. House Bill 4037 (HB 4037)

The draft ordinance amends AMC 18.5.1.050 to provide that an application for the development of housing subject only to clear and objective standards, conditions, and procedures under ORS 197A.400(1) is reviewed under the Type I procedure, notwithstanding any other review procedure otherwise assigned by this code, except an application for residential development within a designated Historic District under ORS 197A.400(2), or an application reviewed under discretionary approval criteria at the election of the applicant under ORS 197A.400(3).

Consistent with ORS 197A.400(5) and (6), notice of such an application is limited to owners of record within the applicable notice radius, no public hearing is held prior to the initial decision, and appeal of the decision, both to the Planning Commission and to the Land Use Board of Appeals, is limited to the applicant.

The current working draft of AMC 18.5.1.050 removes the existing requirement to mail notice to a recognized neighborhood or community organization (current subsection 18.5.1.050.B.1.d). For applications reviewed under ORS 197A.400, ORS 197A.400(5), as amended by HB 4037, sets a ceiling on mailed notice, limiting recipients to owners of record within 100 feet of the subject property and not permitting notice to be extended to neighborhood or community organizations for those applications. Because this notice item is being eliminated for applications governed by HB 4037, staff recommends removing it from AMC 18.5.1.050.B.1 for all Type I applications for consistency. The City does not presently maintain a database of recognized neighborhood or community organizations and has not historically provided this notice in practice.

F. Discussion

The proposed amendments are the product of an iterative review process before both the Planning Commission and the City Council. The Planning Commission reviewed the requirements of Senate Bill 974 and House Bill 2138 and staff's preliminary code concepts at study sessions on April 14, 2026 and May 26, 2026, and the City Council was briefed on the legislation and the proposed local approach at its study session on June 1, 2026.

Draft Ordinance No. 3307 incorporates the recommendations and direction provided to staff at those sessions, including retention of the two tiered Outline and Final Plan review process with the concurrent review threshold raised to 20 or more lots, classification of qualifying Variances as Type I actions subject to appeal to the Planning Commission, and retention of the existing Zone Change and Annexation procedures pending resolution of the conflict with ORS 227.186. For clarity, a flag drive grade clarification for pre-existing legal lots of record including an effective date for preexisting lots has been shifted to a separate ordinance.

As noted at those study sessions, state guidance on implementation of SB 974 and HB 2138 remains limited. The statute establishes the overall procedural requirements but provides little direction on how local governments should restructure existing review classifications such as the Type I and Type II procedures, leaving jurisdictions to align their codes in a manner that meets the intent of the legislation while maintaining internal consistency. Staff believe the draft ordinance accomplishes this as it satisfies the state mandates for administrative review, notice, comment, findings, appeal of urban housing applications and single room occupancies while preserving Ashland's established public notice practices and the local appeal to the Planning Commission that state law permits for urban housing applications, subject to the HB 4037 limitation that restricts the appeal to the applicant for applications reviewed under clear and objective standards. Staff will continue to monitor Department of Land Conservation and Development rulemaking under both bills and will return to the Commission with any needed refinements.

II. Procedural

18.5.9.020 Applicability and Review Procedure

Applications for Plan Amendments and Zone Changes are as follows:

B. Type III. It may be necessary from time to time to make legislative amendments in order to conform with the Comprehensive Plan or to meet other changes in circumstances or conditions. The Type III procedure applies to the creation, revision, or large-scale implementation of public policy requiring City Council approval and enactment of an ordinance; this includes adoption of regulations, zone changes for large areas, zone changes requiring comprehensive plan amendment, comprehensive plan map or text amendment, annexations (see chapter 18.5.8 for annexation information), and urban growth boundary amendments. The following planning actions shall be subject to the Type III procedure.

1. Zone changes or amendments to the Zoning Map or other official maps, except where minor amendments or corrections may be processed through the Type II procedure pursuant to subsection 18.5.9.020.A, above.
2. Comprehensive Plan changes, including text and map changes or changes to other official maps.
3. Land Use Ordinance amendments.
4. Urban Growth Boundary amendments.

III. Conclusions and Recommendations

Staff recommends the Planning Commission recommend approval of the proposed amendments to the City Council. The proposed amendments are scheduled for a public hearing and first reading at the City Council on August 18, 2026.

IV. Suggested Motion

"I move that the Planning Commission recommend that the City Council approve first reading of Ordinance No. 3307, titled an Ordinance relating to supporting housing production through streamlined review of residential development applications; implementing Senate Bill 974, House Bill 2138, and House Bill 4037 ; amending AMC 18.2.2.030, AMC 18.2.5.090, AMC 18.3.4.040, AMC 18.3.5.050, AMC 18.3.5.100, AMC 18.3.9.040, AMC 18.5.1.010, AMC 18.5.1.050, AMC 18.5.5.030, and AMC 18.6.1.030, and adding a new subsection AMC 18.2.5.100 as presented in the staff report and attachments."



Council Business Meeting

Date: September 15, 2026

Agenda Item	Approval of Resolution No. 2026-25 Updating the Building Division Permit Fee Schedule, Community Development Fee, and Fire Plan Check Fees, and Repealing Resolution 2006-09
Department	Community Development
From	Brandon Goldman, Director of Community Development, Steven Maticco

TIME ESTIMATE

15 minutes

CATEGORY

Ordinance/Resolution - a motion is needed to adopt the ORD. or RESO.

SUMMARY

Council is asked to review and approve Resolution No. 2026-25, adopting the Building Division Permit Fees Schedule, repealing Resolution 2006-09, and amending Resolution 2026-07's Miscellaneous Fee Tables.

POLICIES, PLANS & GOALS SUPPORTED

- **ORS 455.210 and applicable Building Codes Division rules (OAR Chapter 918):** Require building permit fees fund collected are used to fund the building inspection program.
- **Council Priority, Efficient and Effective Government:** A self-supporting Building Fund aligns program revenues with the services they fund and reduces reliance on the General Fund. This resolution does not establish the Building Fund, but enables its creation in the next Biennium.
- **Council Priority, Risk Reduction:** A resourced Building Division enforces wildfire hardening and life safety standards and supports disaster response and recovery.

BACKGROUND AND ADDITIONAL INFORMATION

Council Direction

Council reviewed the proposed fee changes and methodology at study sessions on April 20 and August 17, and directed staff to return with a resolution implementing the fee structure presented. The background below was presented to Council on August 17 and is included here for the record, not as new material. Resolution No. 2026-25, provided as Attachment 1, reflects Council's direction. Upon approval following a public hearing, the fees would not go into effect until January 1, 2027.

No Building Fund is presently proposed. Consistent with Council's prior direction, establishment of a dedicated Building Fund will be presented as part of the Biennium Budget process.

Background

The Building Division reviews construction plans and inspects work to confirm that buildings meet the state building code. Under Oregon law this is a required local responsibility, carried out under the oversight of the State Building Codes Division. The code sets minimum standards for structural strength, fire and life safety, and plumbing, mechanical, and electrical systems, and the Division applies those standards to every project, from a residential remodel to a large commercial building. State law also sets service deadlines for Building Departments to conduct their reviews and inspections.

Ashland operates a full service Building Division, meaning we provide plan review and inspections. This is a significant benefit to the community because a local division keeps projects moving, gives builders and homeowners a direct point of contact, and avoids the delays and added cost that come with routing work to





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another jurisdiction or an outside firm. Responsive local inspection service is one of the most valuable things the Division provides to those building in Ashland.

The Building Division staff includes one Building Official, two full time inspectors, one full time equivalent front counter permit technician, a half time Development Services Coordinator, and two tenths of the Community Development Director's time. This is the equivalent of 4.7 full time employees, which is the minimum necessary to accommodate permit requests, plan reviews, and inspection services over the past five years.

The Division is also a vital resource in disaster response and recovery. Following an earthquake, wildfire, flood, or other event that damages buildings, the Division's certified staff assess structures to determine whether they remain safe to occupy or must be posted as hazardous. This work protects life safety in the critical period after a disaster and supports the community's recovery.

The Division is currently operating with 4.2 full time equivalents, reflecting a temporary reduction of half a position in response to City funding constraints and a current slowdown in permit activity. Cost recovery is assessed against the full 4.7 full time equivalent complement, which represents the staffing needed to serve development at normal activity levels. As permit activity recovers, the City anticipates restoring the reduced position and adding permit technician capacity so the Division can continue to review and inspect development in a timely way. More broadly, the Community Development Department has reduced its staffing from 16 positions in 2023, to just 12 current staff in 2026 as part of Citywide cost saving efforts.

Professional Services and Training

The Division's costs also include professional services and ongoing training, both necessary to deliver reliable service. Professional services cover third party plan review and inspections when a project requires a certification the Division does not hold in-house, such as an A-Level Electrical and Plumbing inspector and plans examiner, or when workload temporarily exceeds staff capacity or qualifications. The recent transfer of fire alarms and fire suppression review and inspections from the Fire Division to the Building Division is another example where reliance on additional professional services and additional staff training is necessary. Training is not optional. Oregon requires inspectors and plans examiners to complete continuing education to maintain their certifications, and the building code itself is updated on a regular cycle. Funding this training keeps staff certified across the disciplines the Division relies on and ensures that reviews and inspections reflect the current codes. Both costs are part of the true cost of operating the Division.

Building Safety Division Expenses, BN 2025-2027 Adopted

Expense category	BN2027 Adopted		Projected expenses	
	FY2026	FY2027	FY2027	FY2028
Staff Costs, Salaries, & Benefits (4.7 FTE)	\$744,082.00	\$772,258.00	\$772,258.00	\$792,283.00
Professional Services (3rd Party Review, IGAs, Contracts)	\$22,500.00	\$15,000.00	\$50,000.00	\$50,000.00
Training & Certification	\$17,450.00	\$17,450.00	\$17,450.00	\$17,450.00
Technology	\$25,342.00	\$21,413.00	\$21,413.00	\$22,483.65
Internal Charges	\$48,764.00	\$49,267.00	\$49,267.00	\$70,841.00
Other Materials & Services	\$6,675.00	\$6,675.00	\$6,675.00	\$7,008.75
Total Building Safety Division expenses	\$864,813.00	\$882,063.00	\$917,063.00	\$960,066.40

These figures reflect the full cost of operating the Building Division, including staff and benefits for the 4.7 full time equivalent complement, professional services, training and certification, technology, and internal charges. Building permit and plan review fees currently recover approximately 74 percent of this amount. The remaining share absorbed by the General Fund has averaged \$115,689 each year over the last five years, rising to as much

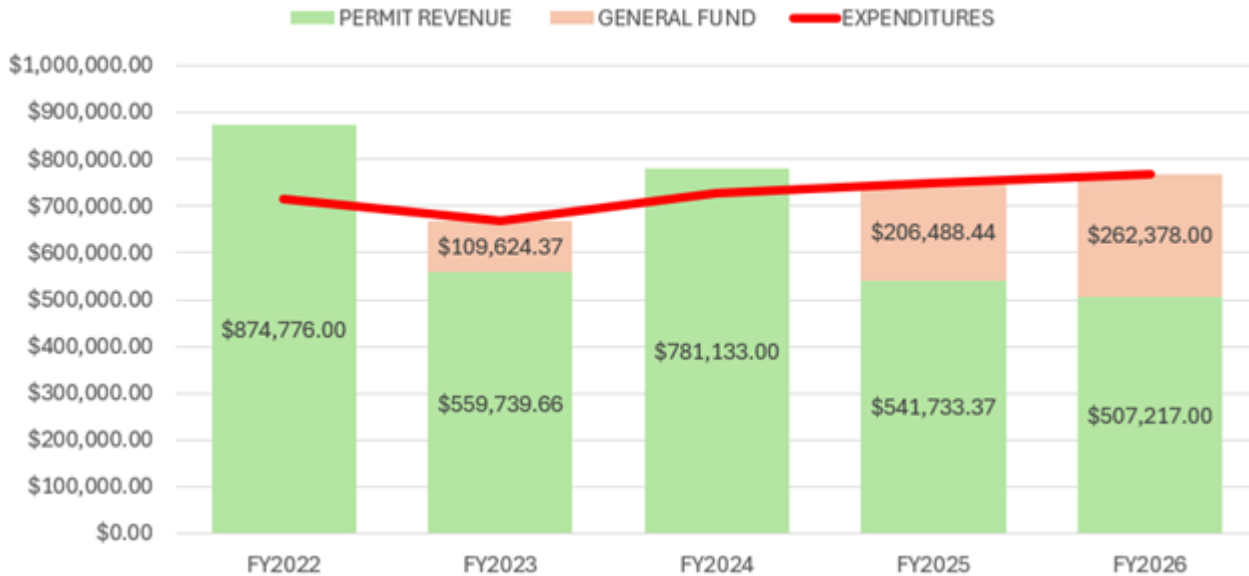




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as \$262,378 in the most recent fiscal year, FY2026. Establishing a dedicated Building Fund with full cost recovery would shift that cost to the development activity that generates it, instead of tax payers at large.

Building Division Revenue and Expenditures



Why a Dedicated Building Fund

A central purpose of this effort is to establish the Building Division as a dedicated fund beginning in July 2027, separate from the General Fund, so that development pays for the services it uses and the General Fund is relieved of that ongoing obligation. Oregon law requires that building permit revenue be used solely for the administration and enforcement of the building inspection program, and it may not be spent on unrelated City services. In practice, the State Building Codes Division expects building programs to be self-supporting, funded by the permit and plan review fees paid by those undertaking development, and most Oregon jurisdictions operate their programs this way.

Ashland's Building Division currently operates within the General Fund and does not fully recover its costs through fees, so a portion of the program is supported by property taxpayers who are not engaged in development. A dedicated Building Fund would hold building revenues and expenses separately, give Council and the public a transparent picture of the program's true cost, and maintain a reserve to keep service steady through the normal ups and downs of development activity.

Proposed Fee Structure

Resolution No. 2026-25 as attached does not apply a uniform increase across all building fees. Instead, it implements a structure that concentrates increases on charges that scale with a building's valuation, along with targeted adjustments to fees that no longer reflect the cost of service. The result is a progressive structure in which the size of the increase tracks the value and review effort of each project. Resolution No. 2026-25 makes targeted adjustments across six fee categories, described below.

Staff has projected the revenue these adjustments would generate. Because the new fees would take effect January 1, 2027, partway through the fiscal year, FY2027 reflects only a partial year at the proposed rates, while FY2028 is the first full year under the new structure. The table below shows the projection by revenue category. At full implementation, the fees implemented by Resolution No. 2026-25 are expected to generate approximately





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\$1.06 million per full year, supporting the move to full cost recovery and the modest reserve described under Fiscal Impacts.

Building Safety Division Revenues, FY2027 and FY2028, with New Fees Effective January 1, 2027

Revenue category	FY2027	FY2028
Building permits (structural, plan review, mechanical, electrical, plumbing, and Building Division services)	\$759,603	\$823,373
Community Development Fee (0.5 percent to Building Fund)	\$104,384	\$208,767
Technology Fee	\$12,351	\$24,701
Total Building Safety Division revenues	\$876,338	\$1,056,841

Resolution No. 2026-25 makes targeted adjustments across six fee categories, summarized below.

1. Structural Permit and Plan Check Fee. Based on project valuation, this fee absorbs a share of the increase to better reflect the inspection and plan review effort larger projects require.
2. Community Development Fee. Currently 1.2 percent of construction valuation, this fee would increase by 0.3 percent to a total of 1.5 percent, with 1.0 percent to the General Fund and 0.5 percent dedicated to the new Building Fund.
3. Minimum permit fees. The minimum charge for minor permits would rise to \$135, reflecting the actual cost of review and inspection. This applies only to the smallest standalone permits; most projects involve multiple components whose combined fees already exceed the minimum.
4. Commercial mechanical fees. These fees, based on installation value, would be brought in line with the current cost of plan review and field inspection, so larger and more complex systems pay in proportion to the review effort required.
5. Technology Fee (new). A new flat 3 percent fee on the building permit fee (exclusive of the Community Development Fee, System Development Charges, and similar charges) would recover the cost of permit software, the online portal, and related systems. This fee is now standard among Oregon jurisdictions and reflects statutory requirements for electronic plan submission (ORS 455.095 and 455.098). It is expected to generate approximately \$24,000 annually.
6. Fire Plan Check Fee. This category is restructured rather than increased. Ashland Fire and Rescue currently collects a fee equal to 24 percent of the Structural Plan Check and Permit Fee, though its review role is now limited to fire code items outside the building code. Resolution No. 2026-25 replaces the percentage based fee with a cost based charge of \$125 per hour, billed only when that review occurs. This restructuring is described in full in the Fire Plan Check Fee section.

Fixed fees are charges for individual building components and minor permits, rather than fees calculated from a project's valuation. They cover discrete items such as a plumbing fixture like a sink or water heater, an electrical service or circuit, a mechanical appliance like a furnace or fan, or a reinspection. Resolution No. 2026-25 leaves these fixed fees unchanged in the coming year. Future adjustments would be limited to expected CPI increases in subsequent years, consistent with the annual cost of living adjustments already applied to the fee schedule.

Because the increases are concentrated on valuation-based fees, the structure Resolution No. 2026-25 implements is progressive in its effect. Larger, higher value developments pay fees that reflect their higher valuation and the greater review effort they require, while smaller, lower value projects see a proportionately smaller increase in real dollars, with projects valued under \$50,000 having a reduced permit cost. This aligns the cost of service more closely with the scale of each project, and allows the City to reach full cost recovery while limiting the effect on the smallest and lowest value permits.

Fire Plan Check Fee





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Fire related plan review currently involves two separate percentage based charges. The Building Division collects a Fire Life Safety Fee equal to 40 percent of the Structural Plan Check Fee, and Ashland Fire and Rescue collects a Fire Plan Check Fee equal to 24 percent of the combined Structural Permit and Plan Check Fee. Ashland Fire and Rescue historically reviewed all fire and life safety components of a development, including fire suppression and alarm systems.

That review is now divided. Oregon Building Codes Division rules require fire and life safety plan review to be performed by certified staff (OAR 918-098-1015), so review of fire suppression, alarm, and sprinkler systems has shifted to the Building Division, at an estimated cost of \$35,000 per year that the Building Division's proposed fee increases are set to cover. Ashland Fire and Rescue now reviews only fire code items outside the building code, principally fire apparatus access and hydrant and water supply capacity.

Because Ashland Fire and Rescue's fee is still calculated as a percentage of the Structural Plan Check Fee, it no longer matches the limited work Ashland Fire and Rescue performs. It currently generates about \$93,000 per year, and would rise to more than \$150,000 under the proposed structural fee increase, far exceeding the cost of the work involved.

Resolution No. 2026-25 repeals Resolution 2006-09 (Attachment 5) and replaces the percentage based fee with a cost based charge of \$125 per hour, billed only when Ashland Fire and Rescue reviews fire code items outside the building code. This is incorporated into the Miscellaneous Fees and Charges Table adopted under the resolution and is expected to generate \$20,000 to \$25,000 per year, matching the actual cost of the work performed. The Building Division's proposed structural permit increases will generate additional revenue to help offset the cost of the reviews and inspections the Building Division has taken on. Together, these changes substantially reduce the fire related charges applicants pay, while ensuring each agency recovers the cost of the work it actually performs.

STAFF RECOMMENDATION

Staff recommend Council approve Resolution No. 2026-25, which amends the Miscellaneous Fees and Charges Document and repeals and replaces Resolution 2006-09. The revised fee schedule is intended to reduce the impact on the City's General Fund by having building permit fee revenue cover the full cost of providing Building Division services.

FISCAL IMPACTS

Full cost recovery ensures that development pays for the cost of the services it uses, rather than shifting that cost to property taxpayers through the General Fund. The proposed fee structure is designed to reach full cost recovery, with fees set modestly above 100 percent as needed to build and maintain a reserve. Reaching that target would eliminate the annual General Fund subsidy and allow the City to redirect those funds to other community priorities through the biennium budget process.

Once established, the Building Fund would maintain a reserve target of approximately 15 percent of annual expenditures, along with a contingency of approximately 3 percent, to manage fluctuations in development activity.

The proposed fee changes would take effect January 1, 2027, with no cost of living adjustment applied at this time. Annual CPI increases would then be proposed beginning in July 2027 to hold cost recovery over time.

SUGGESTED ACTIONS, MOTIONS, AND/OR OPTIONS

I move to approve Resolution No. 2026-25, adopting the Building Division Permit Fees Schedule in Exhibit A, repealing and replacing Resolution 2006-09, and amending Resolution 2026-07 to incorporate the Community Development Fee, Building Division Permit Fees, and Fire Marshal Review Fees as set forth in Exhibit A.

REFERENCES & ATTACHMENTS

1. Resolution 2026 -25 - Building Permit Fees





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2. EXHIBIT A - Miscellaneous Fee Table Amendments
3. Building_Fund_Study_Session_08172026_presentation
4. Resolution 2006-09 Fire Protection Review Fees
5. BCD_Backgrounder ORS 455-210 and 479-845



RESOLUTION NO. 2026-25

A RESOLUTION ADOPTING A BUILDING DIVISION PERMIT FEES SCHEDULE, REPLACING THE EXISTING BUILDING DIVISION PERMIT FEES SCHEDULE ADOPTED BY RESOLUTION NO. 2019-33, REPEALING AND REPLACING THE FIRE PROTECTION PLAN REVIEW AND INSPECTION FEE SCHEDULE ADOPTED BY RESOLUTION NO. 2006-09, AND AMENDING CERTAIN COMMUNITY DEVELOPMENT, BUILDING, AND FIRE FEES IN THE MISCELLANEOUS FEES AND CHARGES SCHEDULE ADOPTED BY RESOLUTION NO. 2026-07

RECITALS:

- A. The City of Ashland (City) has an interest in providing comprehensive building safety program services to the community.
- B. Oregon Administrative Rules require every municipality that administers and enforces an approved building program to establish and maintain standards, policies, and procedures that provide the funds, equipment, and other resources necessary to maintain conformance with its state approved operating plan.
- C. The City Council finds it necessary to update the Building Division Permit Fees Schedule to adequately fund the resources needed by the City's Building Division to administer a municipal building safety program.
- D. The City Council finds it necessary to establish a separate Building Division fund in the next budget cycle, consistent with state law requiring that revenues generated through building permit fees be allocated to a fund dedicated solely to building division services, separate from the General Fund.
- E. The City Council finds it necessary to increase the Community Development Fee to continue supporting Community Development services funded through the General Fund, with a portion of the increase earmarked for future allocation to the Building Division fund once established.
- F. The City Council finds it necessary to change the methodology used to charge for Fire Plan Checks provided by Ashland Fire and Rescue, to better align those charges with the cost of the services actually provided.
- G. The City Council finds it appropriate to set January 1, 2027 as the effective date for the fees adopted by this Resolution, to provide adequate notice to applicants and the development community

THE CITY OF ASHLAND HEREBY RESOLVES AS FOLLOWS:

SECTION 1. The Building Division Permit Fees Schedule as set forth in attached Exhibit "A" and incorporated herein by reference, is hereby approved and establishes building division permit fees.

SECTION 2. The Building Division Permit Fees Schedule, as set forth in attached Exhibit "A" and incorporated herein by reference, amends and supersedes the corresponding Building Division permit fee line items in the Miscellaneous Fees and Charges Document adopted by Resolution 2026-07. All other fees in that document remain in full force and effect.

SECTION 3. The Fire Marshal Review Fees for the Fire Protection Plans Review and Inspection Fee Schedule as set forth in attached Exhibit "A" and incorporated herein by reference, repeal Resolution 2006-09 in its entirety and replace the Fire Marshal Review Fees listed in the Miscellaneous Fees and Charges Document adopted by Resolution 2026-07.

SECTION 4. The 1.5 percent Community Development Fee established in Exhibit "A" shall be allocated 1.0 percent to the General Fund and 0.5 percent for future allocation to the Building Division fund upon its establishment.

SECTION 5. If any section, provision, or portion of this Resolution is found to be invalid or unconstitutional, the remaining sections, provisions, and portions shall remain in full force and effect.

SECTION 7. This resolution is effective January 1, 2027.

This resolution was duly PASSED and ADOPTED this _____ day of _____, and takes effect upon signing by the Mayor.

Alissa Kolodzinski, City Recorder

SIGNED and APPROVED this _____ day of _____, 2026.

Tonya Graham, Mayor

Reviewed as to form:

Johan Pietila, City Attorney

Other Planning/Community Development Fees

Fee Description	2026/2027 Fee
Appeals	
Appeal for initial public hearing (Building Appeals Board/Demolition Review Board/Planning Commission)	\$158.65
Appeal for final decision of City	\$343.80
Solar Access Permits	\$66.15+15.10/lot
Community Development Fee	
This fee is charged concurrently with Building Permit Fees at the time of building permit application for all building permits requiring a plan review. Fee shall not exceed \$30,000 per building permit for the Ashland School District. Of the 1.5% fee charged, 1% will be allocated to the planning division under the general fund and the other .5% will be allocated to the building division fund.	1.2% 1.5% of new construction per building code definition of valuation
Copy Fees/Prepared Documents	
Site Design & Use Standards	\$5.00
Street Tree Guide	\$5.00
Transportation Element	\$5.00
Downtown Plans (2001, 1998)	\$5.00
Street Standards Guide	\$5.00
Comprehensive Plan/Land Use Code	\$40.00
Marijuana/Hemp/Psilocybin Land Use Compatibility Statement (LUCS)	\$248.30
Zoning Verification Letter (ZVL)	\$54.75
1200-C Permit Verification	\$54.75

Research Fee

Electronic documents that can be located by a routine file search of 15 minutes or less will be provided at no charge. Record requests that exceed 15 minutes of staff time to complete will be charged a minimum \$25 research fee (see page 2). Prepayment and written approval to proceed is required before any research work is done by staff.

Planning Refund Policy

Applications withdrawn prior to completeness review: A \$100 administrative fee shall be retained; the remaining balance shall be refunded.

Applications withdrawn following completeness review but prior to public notice: Twenty-five percent (25%) of the total fee shall be retained; the remaining balance shall be refunded.

Applications withdrawn following public notice but prior to a hearing or final decision: Fifty percent (50%) of the total fee shall be retained; the remaining balance shall be refunded.

Applications withdrawn at or after the hearing stage: No refund shall be issued.

Building Miscellaneous Fees and Charges

Exhibit A

Permit Fees for Commercial and Residential

In accordance with OAR 918-050-0100: "Residential construction permit fees shall be calculated using the following methodologies. (c) Effective January 1, 2009, a structural permit fee for new construction and additions shall be calculated using the ICC Building Valuation Data Table current April 1 of each year, multiplied by the square footage of the dwelling unit to determine the valuation. The valuation shall then be applied to the municipality's fee schedule to determine the permit fee. The plan review fee shall be based on a pre-determined percentage of the permit fee set by the municipality. (A) The square footage of a dwelling, addition, or garage shall be determined from outside exterior wall to outside exterior wall for each level. (B) The square footage of a carport, covered porch, or deck shall be calculated separately at fifty percent of the value of a private garage from the ICC Building Valuation Data Table current as of April 1. (C) Permit fees for an alteration or repair shall be calculated based on the fair market value as determined by the Building Official, and then applying the valuation to the municipality's fee schedule

Commercial construction permit fees shall be calculated using the following methodologies. (c) A structural permit fee shall be calculated by applying the valuation to the municipality's fee schedule with a set minimum fee. Valuation shall be the greater of either. (A) The valuation based on the ICC Building Valuation Table current as of April 1 of each year, using the occupancy and construction type as determined by the Building Official, multiplied by the square footage of the structure; or (B) The value as stated by the applicant and approved by the building official. (C) When the construction or occupancy does not fit the ICC Building Valuation Data Table, the valuation shall be determined by the Building Official with input from the applicant."

A 1.5% Community Development Fee will be charged to all Building permits scoped from the Oregon Residential Specialty Code (ORSC) and the Oregon Structural Specialty Code (OSSC). The fee will be applied to the total valuation of the permit. Example; (\$100,000 Valuation = \$100,000 x .015 = \$1,500 Community Development Fee). Of the 1.5% fee charged, 1% will be allocated to the planning division under the general fund and the other .5% will be allocated to the building division fund.

Beginning July 1, 2027, and each July 1 after that, all building fees will increase by the Consumer Price Index for All Urban Consumers, West Region, based on the most recent 12 month period available.

Building Permit Fees

Fee Description	2026/2027 Fee
One and two family dwellings and townhouses scoped under the ORSC	
Total Value of Work Performed	
\$1.00 to \$500.00 \$15,000	\$95.20 per hour \$135 Minimum Fee
\$501.00 to \$2,000.00 \$15,001 to \$100,000	\$95.20 for the first \$500.00 plus \$10.60 for each additional \$1,000.00 or fraction thereof, to and including \$2,000.00 \$135 plus \$9 for each additional \$1,000 or fraction thereof
\$100,001.00 and up to \$375,000	\$786.95 \$900.00 for the first \$100,000.00 plus \$4.36 \$5 for each additional \$1,000.00 or fraction thereof up to \$375,000.00
\$375,000.00 and up	\$2,275 for the first \$375,000 plus \$8 for each additional \$1,000 or fraction thereof
All other Structural permits scoped under the OSSC	
\$1.00 to \$13,000	\$135 Minimum Fee
\$13,001 to \$100,000	\$130 for the first \$13,000 plus \$10 for each additional \$1,000 or fraction thereof
\$100,001 and up	\$1,000 for the first \$100,000 plus \$7 for each additional \$1,000 or fraction thereof

Plan Review Fee for Commercial and Residential

Fee Description	2026/2027 Fee
Plan Review Fee	A plan review fee equal to 65% of the structural permit fee shall be due at application
Fire and Life Safety Plan Review <i>(When applicable)</i>	40% of structural permit fee
Additional Plan Review required by changes, additions, or revisions	\$95.20 per hour (1/2-hour minimum) Plus valuation increase based on tables
Special Inspection Agreement (QAA) Review Fee	\$95.20 per hour
Foundation Only	\$290.90 + 10% of the total building permit fee for each phase of work. Not to exceed \$1,538.85 for each phase.
Residential Deferred Submittal Fee	65% of the structural permit fee calculated using the total valuation of the deferred portion + \$103.10 per deferred item
Commercial Deferred Submittal <i>(Payable at building plan review and is addition to plan review of deferred work)</i>	65% of the structural permit fee calculated using the total valuation of the deferred portion + \$103.10 per deferred item
Phased Permit Fee	\$290.90 + 10% of the total building permit fee for each phase of work. Not to exceed \$1,538.85 for each phase.
Shell Building and Tenant Improvement Spaces	Permit fee for the construction of the shell building is based on 80% the valuation determined by building valuation data. The tenant improvement permit fee is based on 20% of the valuation.
Foundation Only	\$290.90 + 10% of the total building permit fee for each phase of work. Not to exceed \$1,538.85 for each phase.

Miscellaneous Fees for Commercial

Fee Description	2025/2026 Fee
Commercial Fire Sprinkler/ Fire Suppression/Fire Alarm	Total value of work performed (structural permit fee)
Commercial Fire Sprinkler/ Fire Suppression/Fire Alarm Review	65% of structural permit fee

Note: See appendix for methodology for calculation of valuation for all permit fees utilizing valuation/value of work

Inspection Fees for Commercial and Residential

Exhibit A

Fee Description	2026/2027 Fee
Re-inspection Fee - Per Hour, 1/2 Hour Min.	\$95.20
Inspections Outside Normal Business Hours - Per Hour, Per Inspector, 1 Hour Min.	\$137.55
Temporary Certificate of Occupancy and Reapplication Fee(s)	\$52.90 per discipline/permit. Renewal required every 30 days
Site Observation-Inspection - Per Hour, 1 Hour Min. (e.g. pre permit consultation)	\$95.20
Without additional work done - per hour, \$150 min	\$95.20
Special inspection report - per hour	\$68.75
Re-issued Certificate of Occupancy	No Charge

Demolition Fees

Fee Description	2026/2027 Fee
Demolition Review Fee (non-exempt structures)	\$380.80
Demolition Permit Fee - Per Building, 1 Hour Min. (Permit fee for verifying utilities have been safely removed and capped off)	\$95.20
Demolition Capping off Sewer, Water, Rain Drain - Per Hour, 1 Hour Min. Minimum Fee	\$95.20 \$135.00

Residential Plumbing Permit Fees

Fee Description	2026/2027 Fee
New Residential	
1 bathroom/kitchen (includes: first 100 feet of water/sewer lines; hose-bibs ice maker; under floor low-point drains; and rain-drain packages)	\$423.10
2 bathrooms/1 kitchen	\$528.85
3 bathrooms/1 kitchen	\$608.20
Each additional bathroom (over 3)	\$52.90
Each additional kitchen (over 1)	\$52.90
Remodel / Alterations	
Remodel / Alterations (minimum fee)	\$79.35 \$135
Each fixture, appurtenance, and first 100 ft. of piping	\$21.20
Minimum fee (when purchased as a bathroom unit(s) - includes the first 100 ft. of water service, sanitary & storm)	\$79.35 \$135
Piping or private storm drainage systems exceeding the first 100 ft.	\$21.20
Backflow assembly	\$26.45
Re-pipe water supply	\$95.20
Alternate water heating systems (coils, heat pumps, etc)	\$63.50
Solar	\$63.50
Swimming pool piping	\$52.90

Residential Plumbing Permit Fees, Continued

Fee Description	2026/2027 Fee
Residential Fire Sprinkler <i>(includes plan review)</i>	
0-2,000 square feet	\$211.55
2,001-3,600 square feet	\$264.45
3,601-7,200 square feet	\$370.25
7,201+ square feet	\$476.00
Manufactured Dwelling or Pre-Fab	
Connections to building sewer and water supply - per space	\$52.90
RV and Manufactured Dwelling Parks	
Installation fee	\$158.65
State fee	\$31.75
Factory manufactured awning/carport	Fee based on valuation of installation cost and system equipment. Refer to structural permit fees.
Each additional 10 spaces	\$105.80
Minimum Plumbing Fee for any Plumbing Permit	\$135.00

Commercial Plumbing Permit Fees

Fee Description	2026/2027 Fee
Commercial, Industrial, and Dwellings Other than One- or Two-family	
Minimum fee	\$79.35 \$135
Each fixture	\$42.30
Swimming pool piping	\$63.50
Piping - per foot	\$0.80
Plumbing plan review	30% of permit fee
Sanitary Services	
First 100 feet	\$0.80
Each additional 100 Feet or fraction thereof	\$0.80
Storm Services	
First 100 feet	\$0.80
Each additional 100 Feet or fraction thereof	\$0.80
Water Services	
First 100 feet	\$0.80
Each additional 100 Feet or fraction thereof	\$0.80

Commercial Plumbing Permit Fees, Continued

Fee Description	2026/2027 Fee
Commercial Fire Sprinkler (including plan review)	
<i>Fee based on valuation of installation cost and system equipment</i>	
\$1.00 to \$500.00	\$95.20 per hour \$135 Min./
\$501.00 to \$2,000.00	\$95.20 for the first \$500.00 plus \$10.60 for each additional \$1,000.00 or fraction thereof, to and including \$2,000.00
\$2,001.00 to \$25,000.00	\$116.35 for the first \$2,000.00 plus \$8.50 for each additional \$1,000.00 or fraction thereof, to and including \$25,000.00
\$25,001.00 to \$50,000.00	\$311.00 for the first \$25,000.00 plus \$8.50 for each additional \$1,000.00 or fraction thereof, to and including \$50,000.00
\$50,001.00 to \$100,000.00	\$522.50 for the first \$50,000.00 plus \$5.30 for each additional \$1,000.00 or fraction thereof, to and including \$100,000.00
\$100,001.00 and up	\$786.95 for the first \$100,000.00 plus \$4.30 for each additional \$1,000.00 or fraction thereof
Fire sprinkler/fire suppression/fire alarm plan review	65% of structural permit fee
Minimum permit fee	\$95.20 \$135
Miscellaneous	
Minimum fee	\$95.20 \$135
Specialty fixtures	\$42.30
Re-inspection (no. of hrs. x fee per hour)	\$95.20/hr. (1/2 hr. minimum)
Special requested inspections (no. of hrs. x fee per hour)	\$95.20
Medical Gas Piping	
Minimum fee	\$52.90 \$135
Valuation \$500 to \$2,000	\$52.90 + \$5.30 per \$1000 of valuation
Valuation \$2,001 to \$25,000	\$132.25 + \$19.05 per \$1000 of valuation
Valuation \$25,001 to \$50,000	\$571.15 + \$14.85 per \$1000 of valuation
Valuation \$50,001 to \$100,000	\$941.35 + \$9.55 per \$1000 of valuation
Valuation greater than \$100,000	\$1,417.35 + \$8.50 per \$1000 of valuation
Rainwater Harvesting System	
<i>Fee based on valuation of work to be performed.</i>	
Minimum fee	\$79.35 \$135
Valuation \$1 to \$500	\$79.35 for the first \$500 plus \$9.55 for each additional \$100 or fraction thereof, to and including \$2,000
Valuation \$2,001 to \$25,000	\$222.15 for the first \$2,000 plus \$10.60 per \$1,000, or fraction thereof, to and including \$25,000
Valuation \$25,001 to \$50,000	\$465.40 for the first \$25,000 plus \$10.60 per \$1,000, or fraction thereof, to and including \$50,000
Valuation \$50,001 to \$100,000	\$729.85 for the first \$50,000 plus \$9.55 per \$1,000, or fraction thereof, to and including \$100,000
Valuation greater than \$100,000	\$1,205.25 for the first \$100,000 plus \$9.55 per \$1,000 or fraction thereof

Commercial Mechanical Permit Fees

Fee Description	2026/2027 Fee
Commercial Mechanical Permit Fees	
Valuation \$1 to \$500 \$1,000	\$95.20 \$135 /minimum
Valuation \$501 \$1,001 to \$10,000	\$95.20 \$135 for the first \$2,000.00 \$1,000 plus \$10.60 \$18.60 for each additional \$1,000.00 or fraction thereof.
\$10,001 to \$100,000	\$302.40 for the first \$10,000 plus \$12.40 for each additional \$1,000 or fraction thereof.
Valuation \$100,000+	\$1,103.15 1418.40 for the first \$100,000 plus \$10.30 \$8.68 for each additional \$1,000.00 or fraction thereof.
Deferred submittals + fees	\$103.10 each item plus 65% of mechanical permit fee of deferred submittal valuation.
Plan review fee	25% of permit fee
Miscellaneous Fees	
Re-inspection	\$95.20
Specially requested inspection (per hour)	\$68.75
Regulated equipment (un-classed)	\$52.90

Residential Mechanical Permit Fees

Fee Description	2026/2027 Fee
Mechanical Permit Minimum Fee	\$79.35 \$135
Furnace/Burner including ducts & vents	
Up to 100k BTU/hr.	\$21.20
Over 100k BTU/hr.	\$21.20
Heaters/Stoves/Vents	
Unit heater	\$21.20
Wood/pellet/gas stove/flue	\$21.20
Repair/alter/add to heating appliance or refrigeration unit or cooling system/absorption system	\$21.20
Evaporated cooler	\$21.20
Vent fan with one duct/appliance vent	\$21.20
Hood with exhaust and duct	\$21.20
Floor furnace including vent	\$21.20
Gas Piping	
One to four outlets (any number of outlets)	\$21.20
Air-handling Units, including Ducts	
Up to 10,000 CFM	\$21.20
Over 10,000 CFM	\$21.20

Residential Mechanical Permit Fees, Continued

Exhibit A

Fee Description	2026/2027 Fee
Compressor/Absorption System/Heat Pump	
Up to 3 hp/100K BTU	\$21.20
Up to 15 hp/500K BTU	\$21.20
Up to 30 hp/1,000 BTU	\$21.20
Up to 50 hp/1,750 BTU	\$37.05
Over 50 hp/1,750 BTU	\$47.65
Incinerator	
Domestic incinerator	\$21.20

Electrical Permit Fees

Fee Description	2026/2027 Fee
Minimum Electrical Fee for any Permit Type	<u>\$135.00</u>
Residential per unit, service included	
1,000 sq. ft. or less	\$142.80
Each additional 500 sq. ft. or portion thereof	\$26.45
Limited energy	\$33.85
Each manufactured home or modular dwelling service or feeder	\$52.90
Multi-family residential	\$37.05
Residential and Commercial—Services or Feeders/Installation, Alteration, Relocation	
200 amps or less	\$100.50
201 to 400 amps	\$121.65
401 to 600 amps	\$201.00
601 to 1,000 amps	\$264.45
Over 1,000 amps or volts	\$581.75
Reconnect only	\$79.35
Temporary Services or Feeders	
200 amps or less	\$79.35
201 to 400 amps	\$105.80
401 to 600 amps	\$158.65
601 to 1000 amps	\$264.45
Over 1,000 amps or volts	\$476.00
Branch Circuits: New, Alteration, Extension Per Panel	
Branch circuits with purchase of a service or feeder	\$6.40
Branch circuits without purchase of a service or feeder:	
First branch circuit	\$68.75
Each additional branch circuit	\$7.95

Electrical Permit Fees, Continued

Exhibit A

Fee Description	2026/2027 Fee
Miscellaneous Fees: service or feeder not included	
Each pump or irrigation circuit	\$68.75
Each sign or outline lighting	\$68.75
Signal circuit(s) or low voltage system, alteration or extension (each system)	\$68.75
Subdivision lighting per pole in addition to service	\$42.30
Swimming pool (panel, 3 circuits and bonding)	\$95.20
Specially requested inspection (per hour)	\$95.20
Each additional inspection over the allowable in any of the above, for those not covered under residential inspection caps (per inspection) - per hour, 1/2 hour min.	\$95.20
Special inspection - per hour, 1/2 hour min.	\$95.20
Reinspection - per hour, 1/2 hour min.	\$95.20
Field review-change of use - per hour, 1/2 hour min.	\$95.20

Residential Restricted Energy Electrical Permit Fees

Fee Description	2026/2027 Fee
Fee for All Systems¹, Including:	\$26.45
Audio and stereo systems	
Burglar alarm system	
Doorbell	
Garage-door opener	
Heating, ventilation, & air-conditioning systems	
Landscape lighting & sprinkler controls	
Landscape irrigation controls	
Outdoor landscape lighting	
Vacuum Systems	
Each Additional Inspection	\$26.45

¹For new construction, this permit fee covers all systems listed or can be sold separately.

Renewable Energy Systems

Fee Description	2026/2027 Fee
Renewable Energy Systems	
5 KVA or less	\$105.00 \$135
5.01 KVA to 15 KVA	\$105.00 \$135
15.01 KVA to 25 KVA	\$165.00
25.01 KVA and above	\$165.00 plus \$6.65/KVA for each additional
Minimum Fee	\$135.00

Renewable Energy Systems, Continued

Exhibit A

Fee Description	2026/2027 Fee
Engineered Systems <i>(Separate Electrical application required)</i>	
Plan Review	65% of permit
Re-Inspection Fee - per hour, 1/2 hour minimum	\$95.20
Wind generation systems in excess of 25 KVA:	
25.01 KVA to 50 KVA	\$215.80
50.10 KVA to 100 KVA	\$496.05
<i>For wind generations systems that exceed 100 KVA the permit fee shall be calculated in accordance with OAR 918-309-0040</i>	
Solar generation systems in excess of 25 KVA, per KVA	\$6.65
The permit charge will not increase beyond the calculation for 100 KVA. Permits issued under this sub-section include three inspections. Additional inspections will be billed at an hourly rate.	

Building Permit Reinstatement Fee

Fee Description	2026/2027 Fee
A building permit expires after a period of 180 days from the date of issue with no inspection activity.	
To reactivate an expired permit, a fee of \$50.00 per construction discipline is required (Building, Plumbing, Mechanical, Electrical).	
If the sum of the original permit fee subject to reinstatement is less than \$50.00, a reinstatement fee equal to half of the value of the original permit fee shall be accessed for permit reinstatement.	

Grading/Excavation Fees

Fee Description	2026/2027 Fee
Minimum Permit Fee	<u>\$135.00</u>
Grading Fees	
Plan Review Fee - per hour	\$95.20
50 cubic yards or less	No Fee
51-100 cubic yards	\$132.25
101-1,000 cubic yards	\$211.55
1,001-10,000 cubic yards	\$423.10
10,001-100,000 cubic yards	\$528.85 for the first 10,001 cubic yards plus \$52.90 for each additional 10,000 cubic yards or fraction thereof
Additional plan review required for changes, additions, or revisions to approved plans - per hour, 1/2 hour minimum	\$95.20
Permit Fees	
50 cubic yards or less	No fee
51-100 cubic yards	\$105.80
101-1,000 cubic yards	\$105.80 for first 101 yards plus \$37.05 for each additional 100 cubic yards or fraction thereof

Other Building Fees

Fee Description	2026/2027 Fee
Investigation Fees	
Investigation Fee A - Low effort to determine compliance. Per hour.	\$95.20
Investigation Fee B - Medium effort to gain compliance. Stop work order posted. Applicant obtains required permits within 10 business days. Per hour, \$150 minimum.	\$95.20
Investigation Fee C - High effort to gain compliance. Applicant failed to meet deadline or has had more than one documented violation in 12 months for starting work without permits. Per hour, \$250 minimum.	\$95.20
Technology Fee	3% of the fee of all building permits issued will be charged a Technology Fee to help support costs of maintaining the building division's electronic permitting systems.

State of Oregon Surcharge - ORS 455.210(4)

State of Oregon permit surcharge is 12% of structural, plumbing, mechanical and electrical components of the overall building permit.

Building Permit Refund Policy

The City of Ashland Community Development Department offers partial refunds for building permits that have been issued, have had no inspections performed and have not yet expired (six months from issue date). Refunds for permits that have expired are limited to any Systems Development Charges (SDC's) that were part of the permit fees.

How to Request a Refund

Submit a letter of refund request signed by applicant/owner with a mailing address for the refund check to the Community Development Department at 51 Winburn Way. The refund will be processed within 30 days of the date of the request letter.

The following fees are not refundable

- Building Plan Check Fee
- Fire Protection Review Fee
- 50% of Community Development Fee (maximum equal to Building Plan Check Fee)
- 50% of Engineering Development Fee (maximum equal to Building Plan Check Fee)

The remainder of the permit fees are refundable. A \$50.00 administrative fee will be subtracted from the eligible refund amount for costs associated with the refund process.

Fire Miscellaneous Fees and Charges, Continued

Fee Description	2026/2027 Fee
Emergency Medical Services	
AF&R ambulance membership- basic annual	\$55.00
Ambulance waiting time, per 1/2 hour	\$58.20
Ambulance stand by - per hour, 2 hour minimum	\$126.95
On scene coordinator - per hour	\$63.50
Extra attendant - each	\$58.20
Emergency Medical Services/Standby Fees	
Structure engine standby for events - per hour	\$513.05
Brush engine standby for events - per hour	\$322.60
Fire and Life Safety Division standby - per hour	\$116.35

Fire Marshal Review Fees

Fee Description	2026/2027 Fee
Plan Checks	
Any building permit requiring Fire Plan Check	24% of the Building Division Structural Permit Fee and Plan Check Fee \$125/Hr. – 1hr Min.
Condominium Any review required by Oregon Fire Code not requiring a building permit.	24% of the Building Division Structural Permit Fee and Plan Check Fee \$125/Hr. – 1hr Min
Survey Plat Review Fees	
Partition plats	\$113.20
Condominium plats	\$243.30
Subdivision plats	\$243.30
Other	
All hydrant flow requests. To be charged to the developer or installer	\$158.65
False alarm charge	\$264.45
First Aid/CPR Classes - Per Person Cost	
Basic Life Support (BLS) for Healthcare Providers CPR Class	\$74.10
Heart Saver CPR & First Aid Class	\$74.10
Heart Saver CPR Class	\$47.65
Family and Friends CPR Class	\$7.40

Proposed Building Division Fee Structure and a Dedicated Building Fund

Council Study Session
August 17, 2026

What We Are Asking

Staff seeks Council direction to establish a dedicated Building Fund supported by full cost recovery from building permit fees.

1

Separate from the General Fund

Development pays for the plan review and inspection services it uses, rather than the general taxpayer.

2

Full cost recovery

Fees are aligned to the true cost of operating the Building Division, with a modest reserve for slow years.

3

Support for affordable housing

A recommended path to cover permit costs for affordable housing from a Construction Excise Tax

*This is a request for direction, not adoption.
Implementing resolutions would return to Council on October 6, 2026.*



The Building Division

- Reviews construction plans and inspects work to confirm buildings meet the state building code.
- A required local responsibility under the State Building Codes Division, covering structural, fire and life safety, plumbing, mechanical, and electrical work.
- A full service, local division keeps projects moving, gives builders and homeowners a direct contact, and provides responsive, often next day, inspections.
- A vital resource in disaster response, assessing whether damaged buildings are safe to occupy after wildfire, earthquake, or flood.

4.7 FTE

minimum staffing to serve development

Full service

plan review and inspections handled locally

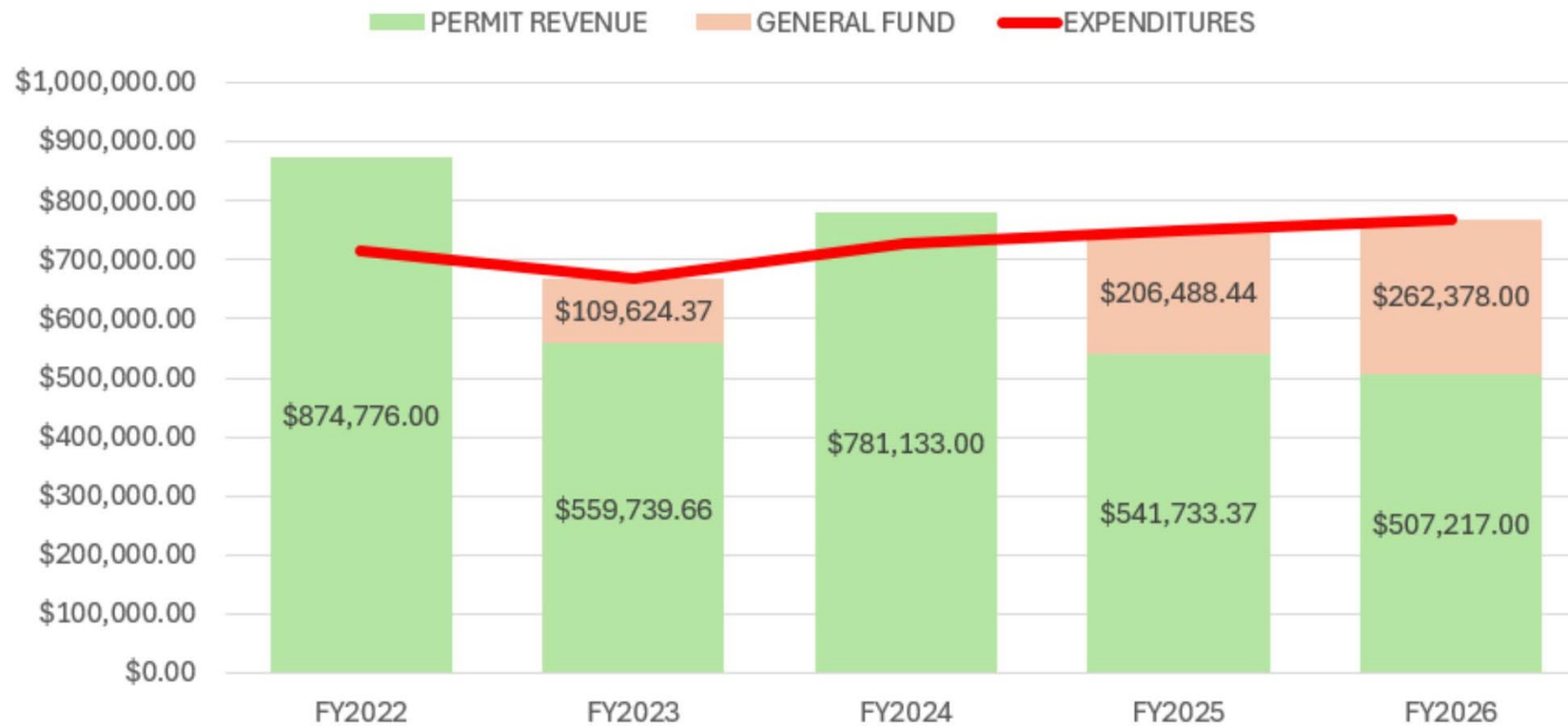
16 to 12

All Community Development positions since 2023



The Funding Gap

Building Division Revenue and Expenditures



Building Division revenue and expenditures, FY2022 to FY2026

~74%
of program costs
recovered through
permit fees today

\$115,689
average annual
General Fund
subsidy over five
years
**rising to \$262,378
in FY2026**

Taxpayers who are not building currently help pay for the review and inspection of private construction.

Building Safety Division Expenses

Expense category	BN2027 Adopted		Projected expenses	
	FY2026	FY2027	FY2027	FY2028
Staff Costs, Salaries, & Benefits (4.7 FTE)	\$744,082.00	\$772,258.00	\$772,258.00	\$792,283.00
Professional Services (3rd Party Review, IGAs, Contracts)	\$22,500.00	\$15,000.00	\$50,000.00*	\$50,000.00
Training & Certification	\$17,450.00	\$17,450.00	\$17,450.00	\$17,450.00
Technology	\$25,342.00	\$21,413.00	\$21,413.00	\$22,483.65
Internal Charges	\$48,764.00	\$49,267.00	\$49,267.00	\$70,841.00
Other Materials & Services	\$6,675.00	\$6,675.00	\$6,675.00	\$7,008.75
Total Building Safety Division expenses	\$864,813.00	\$882,063.00	\$917,063.00	\$960,066.40

Why a Dedicated Building Fund

1

State law

Building permit revenue may fund only the building inspection program (ORS 455.210). It cannot subsidize, or be subsidized by, other City services.

2

Standard practice

The State expects building programs to be self supporting, and most Oregon jurisdictions run them that way.

3

Transparency and stability

A dedicated fund shows the program's true cost and holds a reserve to keep service steady through slow periods.

4

Relieves the General Fund

Full cost recovery ends the annual subsidy and frees those dollars for other community priorities.



Proposed Fee Structure

Increases concentrated on valuation based fees

1 Structural Permit and Plan Check

Scales with project value; a share of the increase concentrated here.

2 Community Development Fee

1.2% to 1.5% of valuation; with 0.5% allocated to the Building Fund.

3 Minimum permit fees

A \$135 minimum reflects the actual cost of reviewing and inspecting minor permits.

4 Commercial mechanical fees

Aligned to the value of the mechanical installation and current review cost.

5 Technology Fee (new)

A flat 3% of the building permit fee; about \$24,000 a year for required e-permitting systems.

6 Fire Plan Check Fee reduced

Restructured from a percentage to an hourly, cost based charge (next slide).

Fixed per item fees, such as a single fixture, circuit, or appliance, are unchanged this year, with future CPI adjustments only.



Fire Plan Check Fee Restructure

Current

- 24% of the Structural Plan Check Fee, collected by Fire.
- Tied to permit value, not to the work performed.
- Generates about \$93,000 a year.
- Would exceed \$150,000 if left as a percentage as structural fees rise.



Proposed

- \$125 per hour, cost based.
- Billed only when Fire actually reviews items outside the building code.
- Expected to generate \$20,000 to \$25,000 a year (reduction of \$68,000 to \$73,000 per year).
- Correlates the charge to the actual work performed.

The Building Division's existing Fire Life Safety Fee (40% of the Structural Plan Check Fee) is unchanged and with increases in Structural Plan Review Fees covers the fire and life safety review that moved to the Division. Implemented by repealing and replacing Resolution 2006-09.



What It Means for a Typical Project

Project type	Existing total	Proposed total	Fire Plan Check
New ADU (600 sf)	\$12,738	\$13,199	\$312 → \$125
New single family (2,000 sf)	\$32,093	\$33,399	\$743 → \$125
Residential addition (300 sf)	\$3,665	\$3,659	\$201 → \$125
Multi-family (10 units)	\$135,986	\$146,150	\$2,135 → \$250
Commercial tenant improvement	\$2,277	\$2,353	\$252 → \$0
New commercial (30,000 sf)	\$485,516	\$552,060	\$13,656 → \$375

Total Overall fees increase modestly (includes SDCs, School Excise tax, change modestly Community Development Fees, Engineering Fees, Fire Fees, and Building Permit Fees)

Fire Plan Check charge drops sharply (estimates of hourly review).



Projected Revenue and Full Cost Recovery

Revenue category	FY2027	FY2028
Building permits (structural, plan review, mechanical, electrical, plumbing, services)	\$759,603	\$823,373
Community Development Fee (0.5% to Building Fund)	\$104,384	\$208,767
Technology Fee	\$12,351	\$24,701
Total Building Safety Division revenues	\$876,338	\$1,056,841

New fees take effect January 1, 2027, so FY2027 is a partial year and FY2028 is the first full year. At full implementation the structure reaches full cost recovery and begins building the reserve.



Affordable Housing and the Construction Excise Tax

- System Development Charges, Community Development Fees, and Engineering fees are already waived for qualified affordable housing.
- Building permit fees are not. Waiving them from within the Building Fund would undercut cost recovery or raise fees on everyone else.
- Staff recommends a Construction Excise Tax, Action M of the adopted Housing Production Strategy, as the funding source.
- The tax draws from market rate construction and can pay permit fees for affordable housing from outside the Building Fund, preserving cost recovery.
- A separate process through the Housing and Human Services Advisory Committee, targeting implementation by July 1, 2027.

The CET

- Authorized under ORS 320.170 to 320.195
- Separate from permit fees and SDCs
- Affordable housing is itself exempt
- Rate could range about 0.33% to 1%



Affordable Housing and the Construction Excise Tax

Use of CET proceeds	State Required allocation
Developer incentives / offsets	50%
State homeownership / down payment assistance	15%
Local affordable housing programs	35%
Administrative costs	Up to 4% before the above allocations

Developer Incentives: property tax exemptions, fee reductions/waivers, cash payments and other offsets as mechanisms that can be used to compensate developers for the cost of providing affordable housing.



Affordable Housing and the Construction Excise Tax

- Potential FY 2028 CET Revenue Generation based on 5-year average of annual valuations*

Potential CET Revenue	1-year average
0.33% of Residential Valuation	\$47,500
0.5% of Residential Valuation	\$72,000
1.0% of Residential Valuation	\$144,500
0.33% of Commercial Valuation	\$29,000
0.5% of Commercial Valuation	\$43,500
1.0% of Commercial Valuation	\$87,000

* rounded to nearest \$500 – Calculations remove Public Facilities and Affd. Housing valuations

The CET Exemptions

Affordable Housing

Housing guaranteed to remain affordable for households at or below 80% AMI for at least 60 years.

Public and Essential Facilities

Public improvements, hospitals, schools, and certain nonprofit care facilities.

Religious Facilities

Facilities primarily used for religious worship or related education.

Disaster Replacement Housing

Housing replacing homes damaged or destroyed by a qualifying disaster.



Affordable Housing and the Construction Excise Tax

Assuming a **0.33% CET on Residential** and a **1.0% CET on Commercial** Developments, the revenue generated would be approximately **\$134,500** annually, allocated per State requirements as follows:

Use of CET proceeds	State Required allocation	Potential Annual Revenue
Developer incentives / offsets	50%	\$64560
State homeownership / down payment assistance	15%	\$19368
Local affordable housing programs	35%	\$45192
Administrative costs	Up to 4% before the above allocations	\$5380



Direction Requested

1

A dedicated, self supporting Building Fund

Proceed toward a Building Fund, separate from the General Fund, funded by permit fees at full cost recovery with a modest reserve.

2

The proposed fee structure

Proceed with the fee approach, returning October 6 with implementing resolutions to take effect January 1, 2027.

3

The Construction Excise Tax

Fund affordable housing permit costs through a CET, and begin that work with the Housing and Human Services Advisory Committee toward July 1, 2027.





Questions and Discussion

Brandon Goldman, Community Development Director | Brandon.goldman@ashland.or.us
Steven Mاتيaco, Building Official | Steven.Matiaco@ashland.or.us



Appendix

Construction Excise Tax Rates

Oregon Affordable Housing CET Rates

Community	Residential	Commercial	Adopted
Medford	0.33%	0.33%	2018
Bend	0.33%	0.33%	2006
Grants Pass	0.50%	1.00%	2021
Eugene	0.50%	0.50%	2019
Portland	1.00%	1.00%	2016
Corvallis	1.00%	1.50%	2016
McMinnville	1.00%	1.00%	2022
Milwaukie	1.00%	1.00%	2017
Newberg	1.00%	1.00%	2020
Newport	1.00%	1.00%	2017



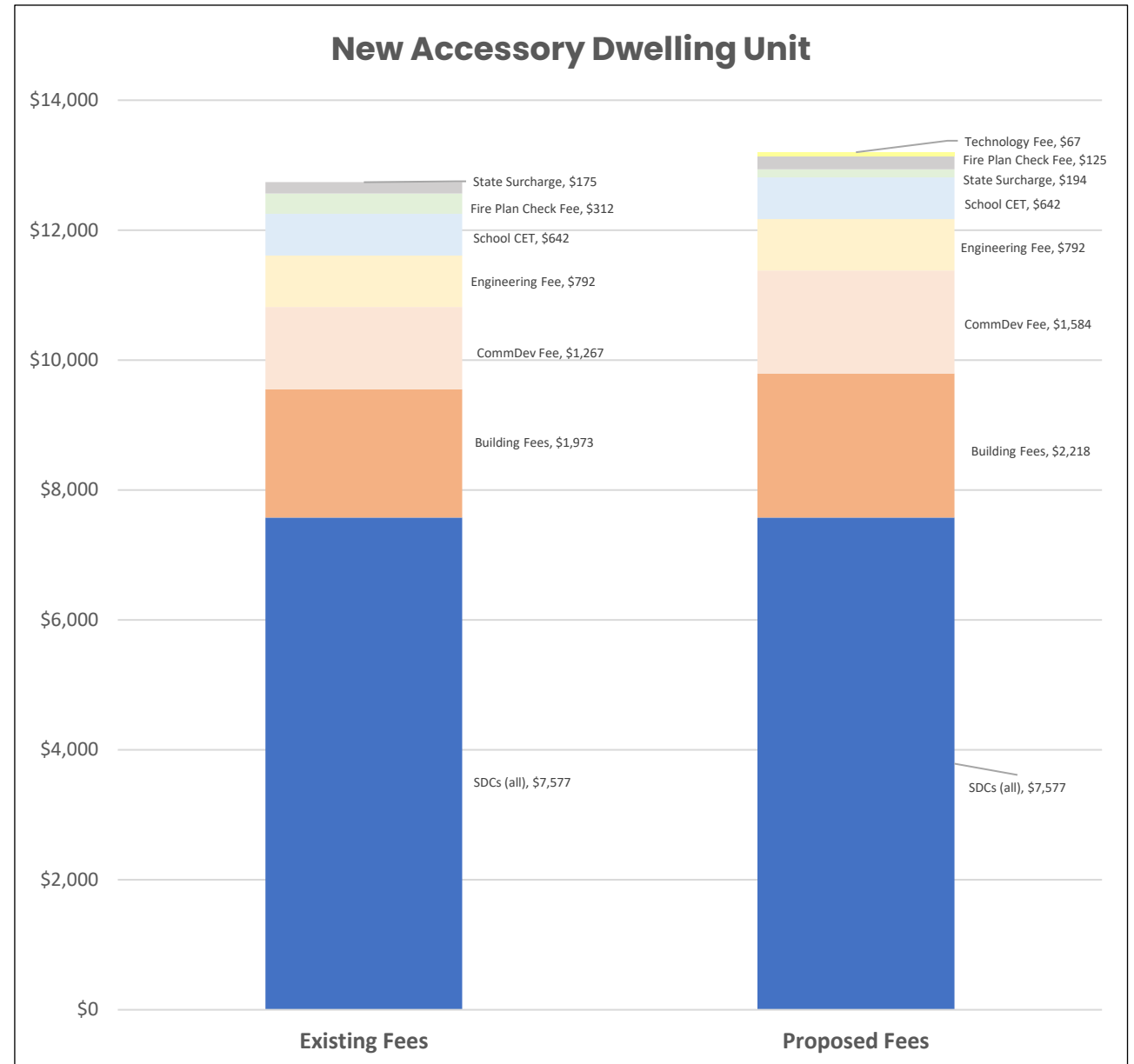
Building Permit Fee Change

New ADU	Existing Fees	Proposed Fees
SDCs (all)	\$7,577	\$7,577
Building Fees	\$1,973	\$2,218
CommDev Fee	\$1,267	\$1,584
Engineering Fee	\$792	\$792
School CET	\$642	\$642
Fire Plan Check Fee	\$312	\$125
State Surcharge	\$175	\$194
Technology Fee	\$0	\$67
TOTAL	\$12,738	\$13,199

New Accessory Dwelling Unit

Size: 600 square feet

Valuation: \$105,552.00 (per ICC Valuation Chart)

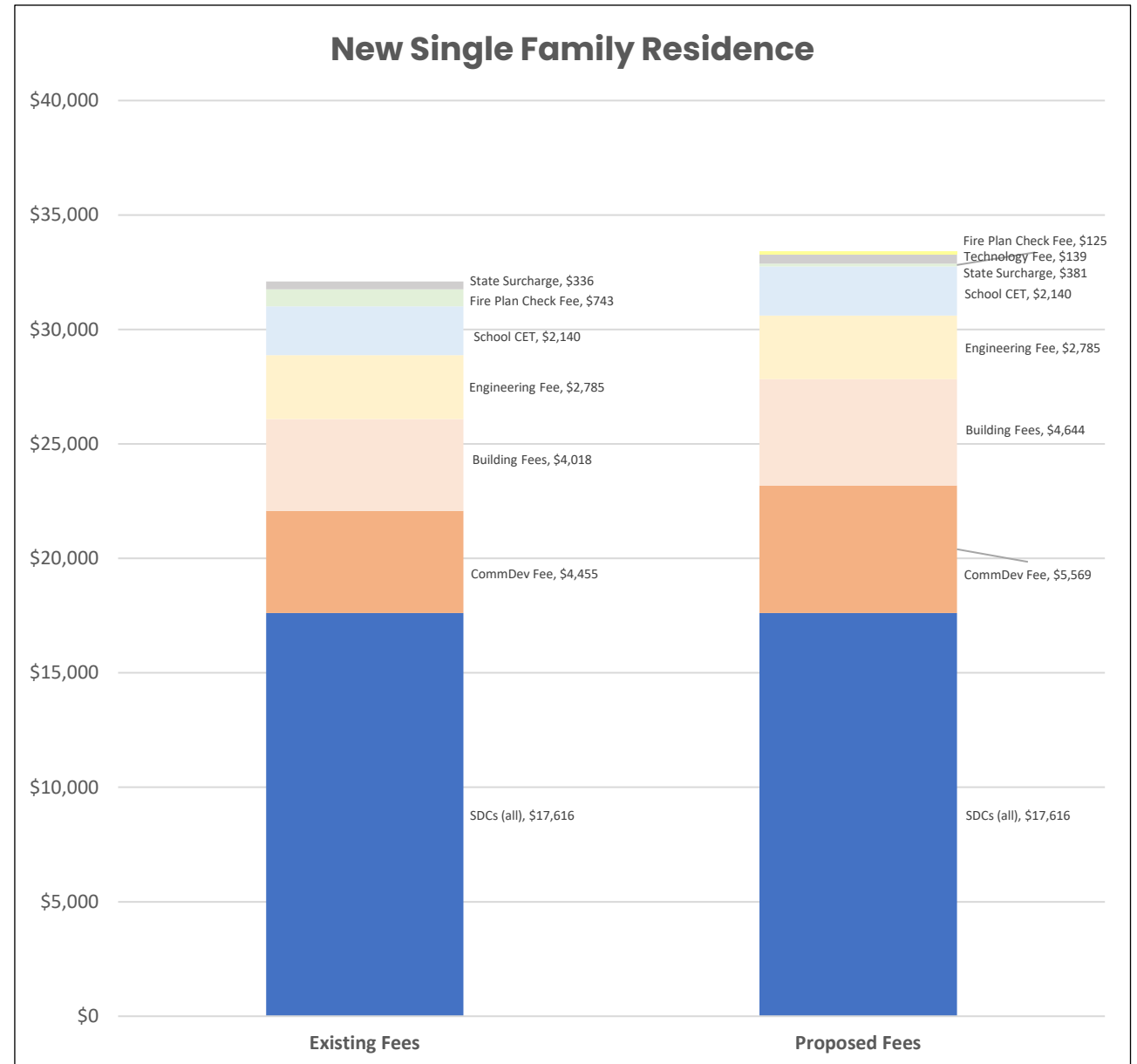


Building Permit Fee Change

New SFR	Existing Fees	Proposed Fees
SDCs (all)	\$17,616	\$17,616
CommDev Fee	\$4,455	\$5,569
Building Fees	\$4,018	\$4,644
Engineering Fee	\$2,785	\$2,785
School CET	\$2,140	\$2,140
Fire Plan Check Fee	\$743	\$125
State Surcharge	\$336	\$381
Technology Fee	\$0	\$139
TOTAL	\$32,093	\$33,399

New Single Family Residence

Size: 2000 square feet +500sqft. Garage
Valuation: \$371280.00 (per ICC Valuation Chart)



Building Permit Fee Change

New Residential Addition	Existing Fees	Proposed Fees
SDCs (all)	\$1,644	\$1,644
Building Fees	\$838	\$743
CommDev Fee	\$600	\$750
School CET	\$321	\$321
Fire Plan Check Fee	\$201	\$125
State Surcharge	\$61	\$54
Engineering Fee	\$0	\$0
Technology Fee	\$0	\$22
TOTAL	\$3,665	\$3,659

New Residential Addition

Size: 300 square feet

Valuation: \$371280.00 (per ICC Valuation Chart)



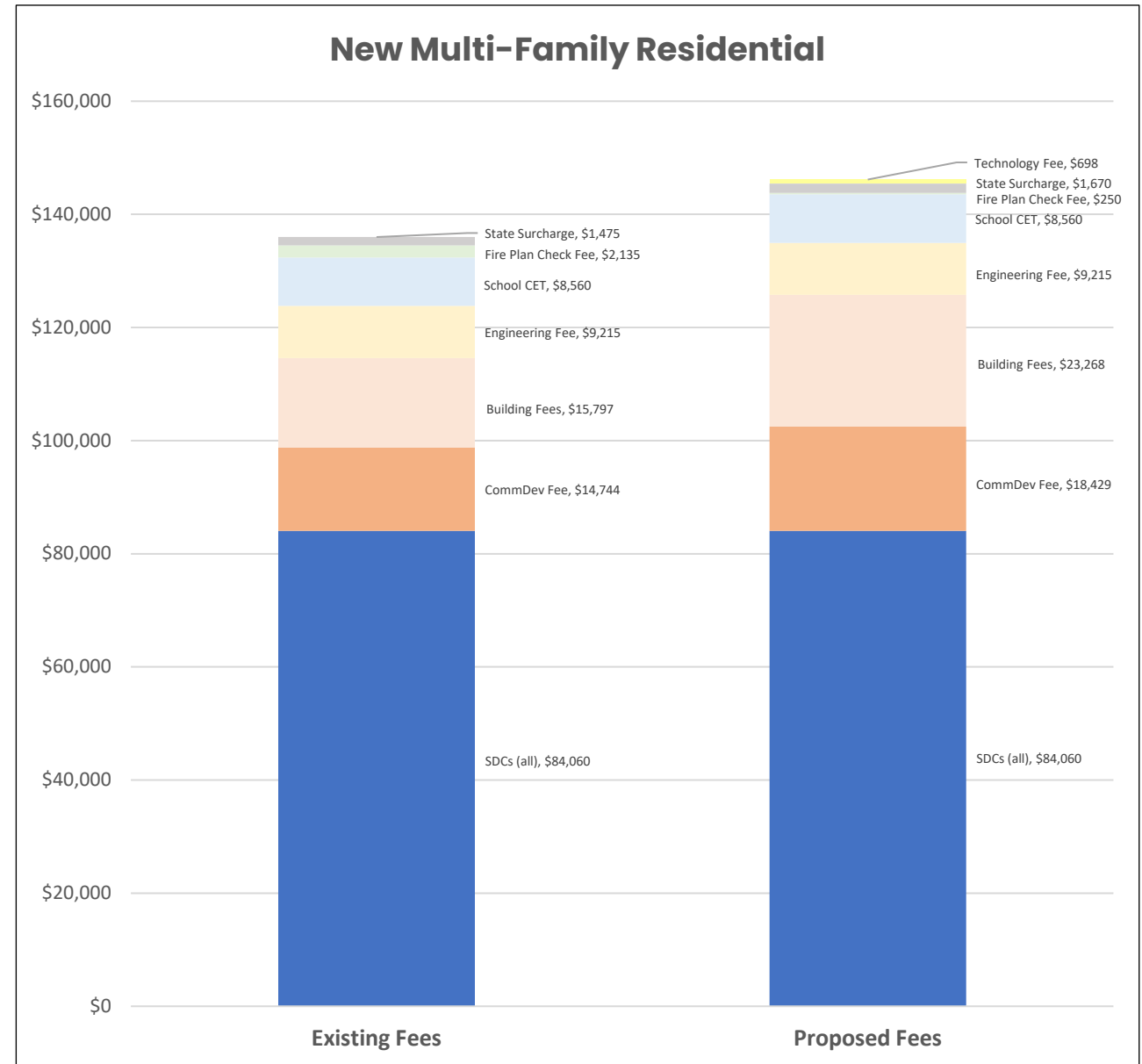
Building Permit Fee Change

New MFR	Existing Fees	Proposed Fees
SDCs (all)	\$84,060	\$84,060
Building Fees	\$15,797	\$23,268
CommDev Fee	\$14,744	\$18,429
Engineering Fee	\$9,215	\$9,215
School CET	\$8,560	\$8,560
Fire Plan Check Fee	\$2,135	\$250
State Surcharge	\$1,475	\$1,670
Technology Fee	\$0	\$698
TOTAL	\$135,986	\$146,150

New Multi Family Residential

10 Units – 8,000 square feet

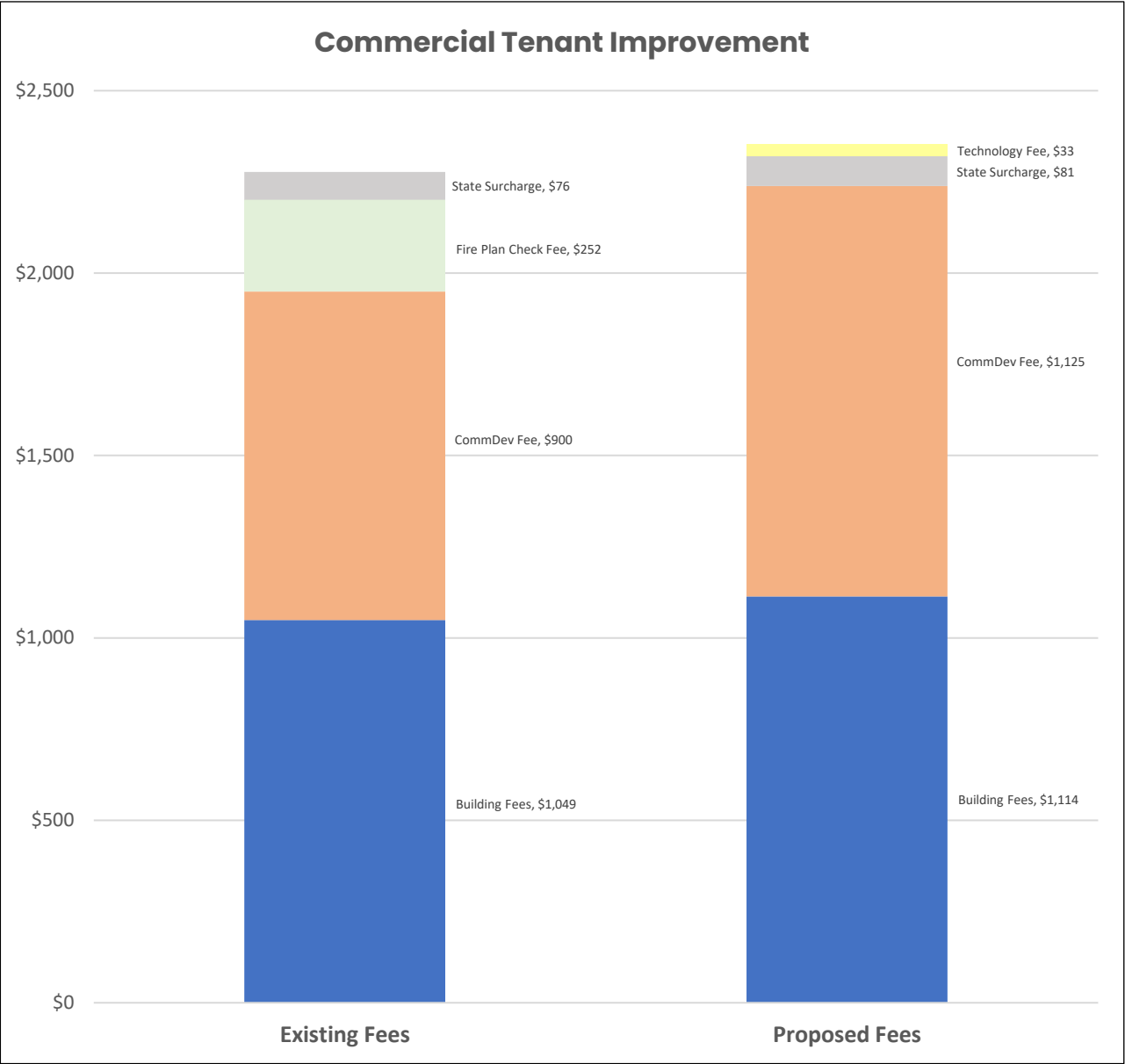
Valuation: \$1228640



Building Permit Fee Change

New Tenant Improvement	Existing Fees	Proposed Fees
Building Fees	\$1,049	\$1,114
CommDev Fee	\$900	\$1,125
Fire Plan Check Fee	\$252	\$0
State Surcharge	\$76	\$81
Technology Fee	\$0	\$33
SDCs (all)	\$0	\$0
Engineering Fee	\$0	\$0
School CET	\$0	\$0
TOTAL	\$2,277	\$2,353

Commercial Tenant Improvement
Valuation: \$75,000



Building Permit Fee Change

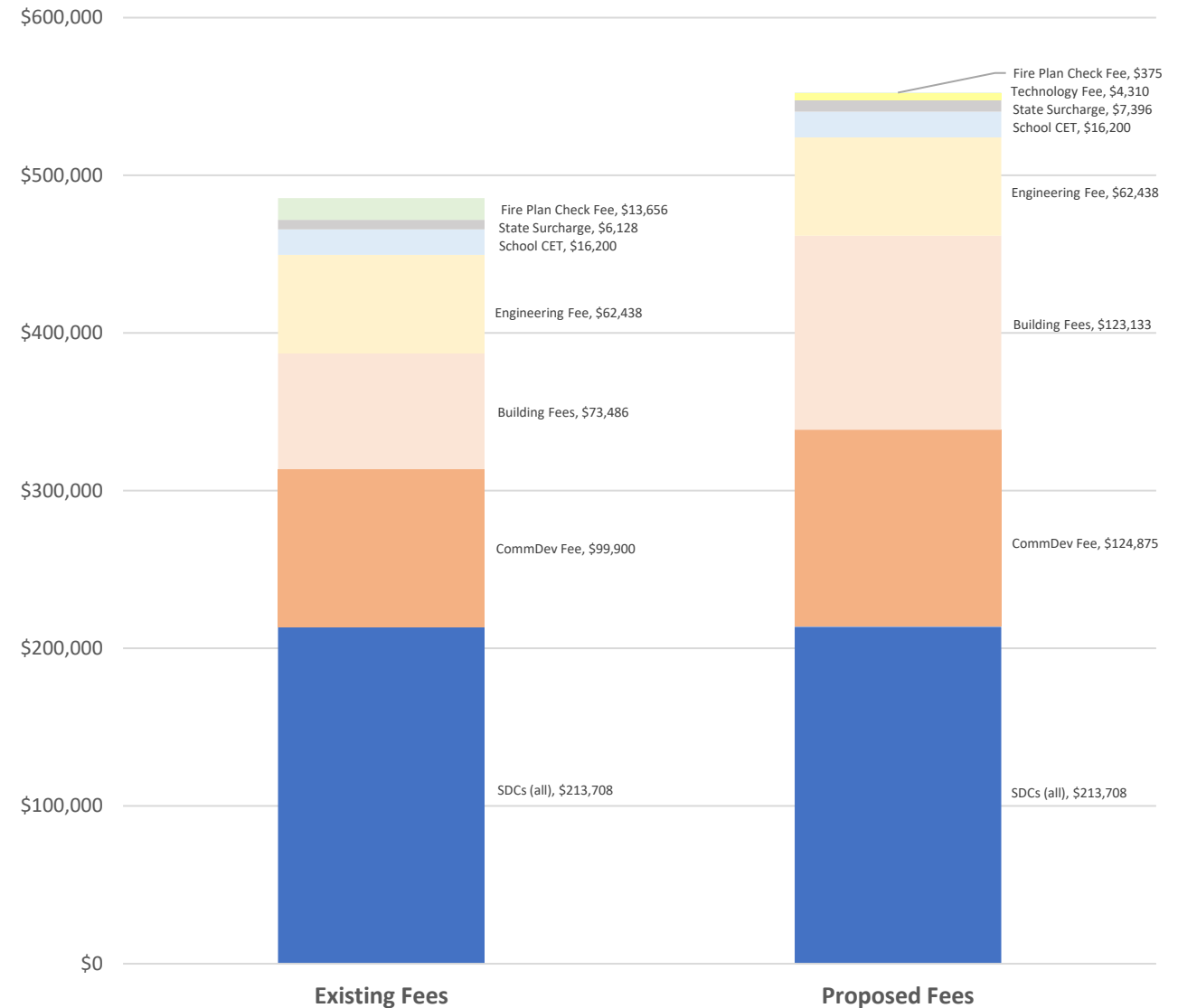
New Commercial Building	Existing Fees	Proposed Fees
SDCs (all)	\$213,708	\$213,708
CommDev Fee	\$99,900	\$124,875
Building Fees	\$73,486	\$123,133
Engineering Fee	\$62,438	\$62,438
School CET	\$16,200	\$16,200
State Surcharge	\$6,128	\$7,396
Technology Fee	\$0	\$4,310
Fire Plan Check Fee	\$13,656	\$375
TOTAL	\$485,516	\$552,060

New Commercial Building

Size: 30,000 square feet

Valuation: \$8325000

New Commercial Building



Why is the building inspection fee revenue dedicated– Oregon Administrative Rules

In ORS 479.845, the legislature has restricted the use of fees collected under an electrical inspection program to the administration and enforcement of the electrical specialty code.

ORS 455.210(3)(a) provides authority for a municipality to adopt “fees as may be necessary and reasonable to provide for the administration and enforcement of any specialty code or codes for which the municipality has assumed responsibility under ORS 455.148 or 455.150.”

ORS 455.210(3)(c) states that fees collected by the municipality “shall be used for the administration and enforcement of a building inspection program for which the municipality has assumed responsibility under ORS 455.148 or 455.150.”

Rules adopted by the division in OAR 918-020-0090(1) also require a local municipality to
“(d) Account for all revenues collected and expenditures made relating to administration and enforcement of the building inspection program, and account for the electrical program revenues and expenditures separately when administered by the municipality.

(A) Prepare income and expense projections for each code program it will administer and enforce during the reporting period; and

(B) Describe how general administrative overhead costs and losses or surpluses, if any, will be allocated.”

In keeping with OAR 918-020-0090(1), a best accounting practice is to segregate building department funds from other municipal fund categories or accounts.

OAR 918-020-0220 also requires that when adopting new or increased fees a municipality include information showing that the fees are necessary and reasonable, revenue and expense information, and cost allocation methods for expenses, among other requirements.

2026 Jurisdiction Fee Structure Comparison

	Structural Permit Fees 1 & 2 Dwelling Units & Town Houses	Structural Permit Fees All other	Structural Plan Review Fees	Fire and Life Safety Review Fees	Technology Fees	Additional Fees
Ashland Existing	\$786.95 for 1st \$100k plus \$4.30 for each additional 1k	\$786.95 for 1st \$100k plus \$4.30 for each additional 1k	65% of Structural Plan Review	40% of Structural Plan Review	0%	1.2% CommDev Fee allocated to the General Fund
Ashland Proposed	\$900 for 1st \$100k plus \$5 for each additional 1k for \$100k-375k plus \$8 per additional 1k thereafter	\$1,000 for 1st \$100k plus \$7 each additional \$1k	65% of Structural Plan Review	40% of Structural Plan Review	3%	1.5% CommDev Fee with .5% allocated to the Building Fund and 1% to the General Fund
Bend	\$1237.02 for 1st \$100k and \$7.14 per additional 1k	\$1237.02 for 1st \$100k and \$7.14 per additional 1k	65% of Structural Plan Review	40% of Structural Plan Review	0%	.33% of Valuation for Industrial fee
Columbia City	\$977 for 1st 100k plus \$6 for each additional \$1k	\$977 for 1st 100k plus \$6 for each additional \$1k	65% of Structural Plan Review	40% of Structural Plan Review	4%	
Coos Bay	\$1230.50 for 1st 100k plus \$7 for each additional \$1k	\$1230.50 for 1st 100k plus \$7 for each additional \$1k	65% of Structural Plan Review	40% of Structural Plan Review	5%	
Crook County	\$763.50 for 1st \$100k plus \$4.25 for each additional \$1k	\$763.50 for 1st \$100k plus \$4.25 for each additional \$1k	75% of Structural Plan Review	40% of Structural Plan Review	0%	
Curry County	\$1,378.91 for 1st \$100k plus \$4.80 for each additional \$1k	\$1,378.91 for 1st \$100k plus \$4.80 for each additional \$1k	65% of Structural Plan Review	40% of Structural Plan Review	0%	CommDev Fee .5% of valuation
Dallas	\$864.65 for 1st \$100k plus \$5.03 for each additional \$1k	\$1,407.96 for 1st \$150k plus \$7.26 for each additional \$1k	85% of Structural Plan Review	60% of Structural Plan Review	4%	
Durham	\$987.15 for 1st \$100k plus \$5 for each additional \$1k	\$987.15 for 1st \$100k plus \$5 for each additional \$1k	70% of Structural Plan Review	45% of Structural Plan Review	5%	
Fairview	\$983 for 1st \$100k plus \$8 for each additional \$1k	\$642 for 1st \$100k plus \$5 for each additional \$1k	65% of Structural Plan Review	40% of Structural Plan Review	0%	
Florence	\$1,035.60 for 1st \$100k plus \$4.70 for each additional \$1k	\$1,428.35 for 1st \$100k plus \$7.20 for each additional \$1k from \$100k - \$500k plus \$6.25 for each additional \$1k over \$500k	65% of Structural Plan Review	40% of Structural Plan Review	6%	5% of permit Fee for Administrative fee plus 5% of permit fee for CommDev Fee plus 3% of permit fee for processing SDC charges and specialty permits
Grant County	\$1,010.50 for 1st \$100k plus \$6 for each additional \$1k	\$1,010.50 for 1st \$100k plus \$6 for each additional \$1k	65% of Structural Plan Review	40% of Structural Plan Review	3%	5/2025 - Overall Fee increase of 60% to align with cost recover
Happy Valley	\$933.24 for 1st \$100k plus \$5.42 for each additional \$1k	\$933.24 for 1st \$100k plus \$5.42 for each additional \$1k	65% of Structural Plan Review	40% of Structural Plan Review	0%	
Harney County	\$1,010.50 for 1st \$100k plus \$6 for each additional \$1k	\$1,010.50 for 1st \$100k plus \$6 for each additional \$1k	65% of Structural Plan Review	40% of Structural Plan Review	3%	
Hood River	\$1471.96 for 1st \$100k plus \$7.25 for each additional 1k	\$1471.96 for 1st \$100k plus \$7.25 for each additional 1k	65% of Structural Plan Review	40% of Structural Plan Review	3%	
Jackson County	\$767 for 1st \$100k plus \$4.40 for each additional \$1k	\$767 for 1st \$100k plus \$4.40 for each additional \$1k	65% of Structural Plan Review	40% of Structural Plan Review		1.95% CommDev Fee
Jacksonville	\$921 for 1st \$100k plus \$5 for each additional 1k	\$921 for 1st \$100k plus \$5 for each additional 1k	65% of Structural Plan Review	40% of Structural Plan Review	0%	
King City	\$1187.45 for 1st \$100k plus \$6.15 for each additional 1k between \$100k and \$250k plus \$6.07 for each additional \$1k	\$1187.45 for 1st \$100k plus \$6.15 for each additional 1k between \$100k and \$250k plus \$6.07 for each additional \$1k	65% of Structural Plan Review	40% of Structural Plan Review	5%	

RESOLUTION NO. 2006- 09

**A RESOLUTION AUTHORIZING THE AMENDMENT OF THE FIRE
PROTECTION PLANS REVIEW AND INSPECTION FEE SCHEDULE
ADOPTED BY RESOLUTION 05-30.**

Recital: The council being fully informed regarding the advisability of establishing a fire protection plans review and inspection fee schedule as recommended by Margueritte Hickman, City of Ashland Fire Marshal, in her memorandum to the council dated May 8, 2006, deems it in the public interest to amend the fire protection plans review and inspection fee schedule.

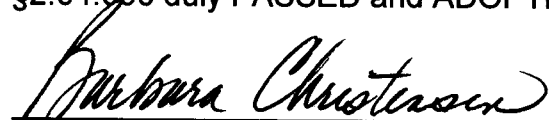
THE CITY OF ASHLAND RESOLVES AS FOLLOWS:

SECTION 1. Pursuant to Ashland Municipal Code Section 15.28.150 and 15.28.160, the attached fire protection plans review and inspection fee schedule is hereby adopted.

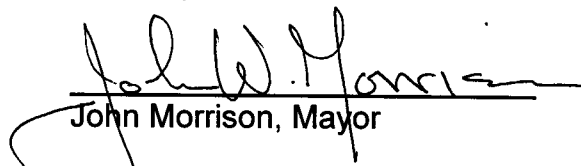
SECTION 2. This Resolution takes effect upon signing by Mayor.

This resolution was read by title only in accordance with Ashland Municipal Code

§2.04.090 duly PASSED and ADOPTED this 16 day of May, 2006.


Barbara Christensen, City Recorder

SIGNED and APPROVED this 17 day of May, 2006.


John Morrison, Mayor

Reviewed as to form:


Beth Lori, Assistant City Attorney

FIRE PROTECTION PLANS REVIEW PERMIT FEES

Fire protection plans review fees will be applied to any building permit that is routed by, or requires interaction with, the fire department. This includes fire suppression and fire alarm systems. These fees will also be applied to subdivision / plat check reviews which are initiated by Public Works Engineering Division. These fees are in addition to and separate from the Building Permit. These fees will be paid following existing city policies. (Prior to issuance of the Building Permit, when Plat Check is submitted for review, or when Subdivision Engineering Service Fees memo is paid.) These fees address those fire protection issues and features, which are not addressed by the Oregon Structural Specialty Code. (Ex: fire apparatus access, fire hydrants and required fire hydrant flows, the specified locations for fire department pumper connections, fire alarm panels and access key boxes)

The fee structure is:

<u>ITEM</u>	<u>FEE</u>
Any Building Permit	24% of the Building Permit Fee and Plan Check fees.
New Subdivision or Land Partition	24% of the Engineering Subdivision Plat Check Fee
<u>New Subdivision</u>	<u>24% of the Engineering Subdivision Plat Check Fee</u>
<u>New Land Partition</u>	<u>24% of the Land Partition Plat Check Fee</u>
Fire Hydrant Flow Tests required for new installations	\$100 per flow test.
Any review required by the Oregon Uniform Fire Code, and which does not involve a building permit,	\$50.00 per hour. A minimum charge of \$25.00 will be assessed to these reviews.

When the Building Division assesses additional fees for plan reviews and/or field inspections, any fire department staff time associated with that activity will be included in their fees at their specified rate.

Dedicated Fees

Why is the building inspection fee revenue dedicated?

Permit fees are an important part of the Oregon State Building Code. These fees are set by the local building departments that administer the inspection program but are required to follow the state fee calculation methodology. This system ensures that contractors and builders are able to anticipate what projects require permits throughout the state while providing the required flexibility to local jurisdictions to set reasonable fees necessary to support their building inspection activities.

Local permit fees are required to be dedicated and used only for building inspection administration and enforcement. In this context, the use of the term dedicated means that the funds are only allowed to be used for the building inspection program. The dedicated fee requirement is intended to keep permit fees as low as possible while ensuring an efficient and effective local building department. Dedicated fees also help provide stable funding for local building departments that need to maintain a stable workforce through economic ups and downs. The construction industry tends to not follow broader economic trends, typically experiencing downturns before the rest of the economy. Economic downturns can also create an increase in building inspection program work as more people do smaller projects themselves, raising demand for inspections while lowering overall permit fee revenue. Overall the dedicated fee system not only helps to keep permit fees low, but ensures those funds are being used to pay for staff to be available to issue permits, perform plan reviews, inspect job sites, and administer and enforce the building code in a timely and efficient manner regardless of the broader economic environment.

Building departments are an important part of local economic development and affordable housing. Keeping fees dedicated ensures fees are low and reasonably calculated to support only building department services, which in turn supports safe, affordable buildings and timely, value-added plan reviews and inspections.

FAST FACTS

Local permit fees are required to be dedicated and used only for building inspection administration and enforcement.

Fees are set by the local building departments using the state fee calculation methodology.

Dedicated fees provide stable funding for local building departments; provide timely, value-added plan reviews and inspections; and support safe, affordable buildings.

*Statutory authority:
ORS 455.210
ORS 479.845*

What is the legal authority for dedicated fees?

State building code fees collected by a local building inspection department are required to be dedicated to the administration and enforcement of the state building code. Additionally, electrical program fees are required to be dedicated to the administration and enforcement of the electrical inspection program. These requirements are based on Oregon Revised Statutes (ORS) and Oregon Administrative Rules (OAR). This dedication of fees is present throughout the state building code statutes and is evidenced by restrictions on the fees collected by the division as well as those collected by local inspection programs.

Statutory authority: ORS 455.210(3)(a) provides authority for a municipality to adopt “fees as may be necessary and reasonable to provide for the administration and enforcement of any specialty code or codes for which the municipality has assumed responsibility under ORS 455.148 or 455.150.” Additionally ORS 455.210(3)(c) states that fees collected by the municipality “shall be used for the administration and enforcement of a building inspection program for which the municipality has assumed responsibility under ORS 455.148 or 455.150.” The legislature’s use of the word “shall” requires that the funds only be used for the building inspection program and does not allow them to be used for any other purpose.

The requirements for assuming a building inspection program under ORS 455.148 or ORS 455.150 are contained, in part, in OAR Chapter 918, division 20. These rules require a municipality to provide adequate funds to administer and enforce the building inspection program (OAR 918-020-0090(1)(a)). A municipality must also account for all revenues collected and expenditures made relating to the administration and enforcement of the building inspection program (OAR 918-020-0090(1)(d)).

Separately in ORS 479.845, the legislature has further restricted the use of fees collected under an electrical inspection program to the administration and enforcement of the electrical specialty code. “Fees collected by a city or county for the enforcement or administration of the electrical specialty code and rules adopted under ORS 479.730 (1) shall be used only for the enforcement and administration of those laws.”

Rules adopted by the division in OAR 918-020-0090(1) also require a local municipality to

“(d) Account for all revenues collected and expenditures made relating to administration and enforcement of the building inspection program, and account for the electrical program revenues and expenditures separately when administered by the municipality.

(A) Prepare income and expense projections for each code program it will administer and enforce during the reporting period; and

(B) Describe how general administrative overhead costs and losses or surpluses, if any, will be allocated.”

In keeping with OAR 918-020-0090(1), a best accounting practice is to segregate building department funds from other municipal fund categories or accounts.

OAR 918-020-0220 also requires that when adopting new or increased fees a municipality include information showing that the fees are necessary and reasonable, revenue and expense information, and cost allocation methods for expenses, among other requirements.

These statutes and rules form the basis for the legal requirement that local building inspection programs have dedicated fees and only use the revenue generated by the building inspection program to support and pay for the costs associated with providing building inspection services. Additionally, revenue generated by an electrical program needs to be dedicated to the expenses associated with the electrical program.

Common questions

Q: Can building inspection fee revenue be used for shared administrative or other overhead costs?

A: Yes, building inspection revenue can be used to pay for the portion of shared administrative overhead costs that can be attributed to the use by the building inspection program. The charged rate of these costs should be appropriate for the actual use and in line with what other users are being charged for those shared costs.

Q: Can building inspection fee revenue be used to cover the complete cost of a shared employee or other shared equipment, supplies, or offices?

A: No, the building inspection fee revenue must remain dedicated to the building inspection services being provided. If an employee’s time is split between building inspection duties and other tasks, only the proportion of the employee’s time spent on building inspection duties can be paid for with inspection fee revenue. This is also true for other shared equipment, supplies, office space, or services.

Q: Can an ending fund balance be “swept” or otherwise reallocated to another purpose?

A: No, ending fund balances must remain with the building department. Part of fee dedication and program delegation is that fee revenue must be sufficient to fund a building department for multiple years. The construction industry does not always follow the broader economic cycles. Building inspection revenue must stay allocated to the building inspection program. This includes reserves that may be held to ensure adequate and timely services over multiple budget cycles and economic conditions. The program delegation standard is funding for 24 months without unduly increasing short or long-term costs of services to the public.

Q: Can a building inspection program waive fees?

A: Yes, a building official has the authority to waive fees. This is a discretionary decision of the building official and is not regulated by the Building Codes Division. The division does recommend having criteria or other objective standards to apply when making a determination to waive fees for a specific project. This will help avoid any potential inadvertent bias or discrimination. A common example is waiving fees for a charitable organization building housing. A building official would want to avoid treating one charitable organization more favorably than another. Additionally, the state surcharge does not need to be collected if the permit fee is completely waived.



Council Business Meeting

Date: September 15, 2026

Agenda Item	Approval of Resolution No. 2026-26 Adopting Financial Management Policies and Repealing Resolution 2023-09
Department	Finance
From	Jordan Rooklyn

TIME ESTIMATE

30 minutes

CATEGORY

Ordinance/Resolution - a motion is needed to adopt the ORD. or RESO.

SUMMARY

Resolution 2026-26 adopts Council-requested updates to the City's Financial Management Policies.

POLICIES, PLANS & GOALS SUPPORTED

Council Priority, Efficient and Effective Government: These Financial Management policy changes provide additional clarity, establish additional reporting requirements, and adjust the Fund Balance Policy for the General Fund to help ensure fiscal sustainability.

BACKGROUND AND ADDITIONAL INFORMATION

At the July 20 Study Session, Council directed "the City Manager and Finance Director to return no later than September 15, 2026, with a resolution repealing and replacing Resolution 2023-09 [City Financial Management Policies] to update language for clarity and enforcement and replace the single 16.67% floor and 50% ceiling structure with a 3-zone general fund balance framework. The defined thresholds of 20% and 37% are open to additional Council discussion."

Resolution 2026-26, addresses council direction by updating the City's Financial Management Policies to include:

- Definitions of key terms to improve clarity and understanding. These definitions come from the Government Finance Officers Association (GFOA), which provides best practices for public finance.
- Clearer language that the City will prepare a structurally balanced budget – meaning recurring revenues equal or exceed recurring expenditures – and, if a true structural balance is not possible, what steps and communication are required to ensure the City returns to structural balance.
- Updated General Fund, Fund Balance Policy that:
- Aligns with GFOA best practices and definitions.
 - Defines unrestricted fund balance per General Accepted Accounting Principles
 - Clarifies that minimum and maximum policies are based on operating expenditures, rather than total expenditures, pursuant to GFOA best practices.
 - Maintains the required 16.67% fund balance minimum
 - Establishes a 20% minimum reporting and response threshold
 - Adjusts the maximum fund balance level from 50% to 37%





Council Business Meeting

- Details reporting requirements for, if at any time during the biennium, it appears that revenues will be insufficient to meet the appropriated expenditures.
- Makes general housekeeping updates

Attached to this Council report is a "tracked changes" version of the proposed Financial Management Policies to more easily identify what updates are being recommended.

FISCAL IMPACTS

There are no direct costs due to this policy change. Updating the policy may change the approach to future budget development by changing the minimum and maximum threshold of the General Fund.

SUGGESTED ACTIONS, MOTIONS, AND/OR OPTIONS

I move to adopt Resolution 2026-26 Adopting Financial Management Policies and Repealing Resolution 2023-09.

REFERENCES & ATTACHMENTS

1. Resolution 2026-26 Financial Management Policies
2. Proposed Financial Management Policies_Tracked Changes Version



RESOLUTION NO. 2026-26

A RESOLUTION ADOPTING FINANCIAL MANAGEMENT POLICIES AND REPEALING RESOLUTION 2023-09

RECITALS:

- A. The City Council adopts financial management policies to ensure the on-going fiscal ability to provide desired and required services at an acceptable level.
- B. The City Council desires to provide stronger clarity and reporting requirements through the Financial Management Policies and adjust the Fund Balance Policy to ensure a more robust minimum fund balance and a narrower maximum fund balance within the General Fund.

THE CITY OF ASHLAND HEREBY RESOLVES AS FOLLOWS:

SECTION 1. The Financial Management Policies for the City of Ashland are marked as Exhibit A and attached to this resolution.

SECTION 2. This resolution is effective upon adoption.

This resolution was duly PASSED and ADOPTED this _____ day of September 2026, and takes effect upon signing by the Mayor.

Alissa Kolodzinski, City Recorder

SIGNED and APPROVED this _____ day of _____, 2026.

Tonya Graham, Mayor

Reviewed as to form:

Johan Pietila, City Attorney

Financial Management Policies

The Financial Management Policies apply to fiscal activities of the City of Ashland.

Objectives

The objectives of Ashland's financial policies are as follows:

- To enhance the City Council's decision-making ability by providing accurate information on program and operating costs.
- To employ revenue policies that prevent undue or unbalanced reliance on any one source, distribute the cost of municipal services fairly, and provide adequate funds to operate desired programs.
- To provide and maintain essential public programs, services, facilities, utilities, infrastructure, and capital equipment.
- To protect and enhance the City's credit rating and financial wellbeing.
- To ensure the legal use of all City funds through efficient systems of financial security and internal control.

The City of Ashland does not discriminate in providing services, purchasing goods or services, and in matters of employment.

Definitions

- **General Obligation Bond**: A general obligation (GO) bond can be used by state and local government to finance public capital improvement projects and community facilities that serve a non-revenue-generating public purpose. Common uses for GO Bonds include:
 - Public Infrastructure: Building and repairing roads, bridges, sidewalks, and municipal facilities.
 - Education: Construction, renovation, or equipping public schools, universities, and college facilities.
 - Parks and Recreation: Acquiring open space, land conservation, and building public parks or community centers.
 - Affordable Housing: Funding the acquisition, construction, or rehabilitation of affordable housing units and homeownership assistance programs.
 - Public Safety and Equipment: Purchasing essential civic equipment, fire stations, or police facilities.
 - General Operations (Rare): Covering general operating expenses in extreme fiscal emergencies, though this is uncommon.

- One-time revenue: Funds that the City receives which cannot reasonably be expected to recur in future budget cycles. Common examples are proceeds from selling a large capital asset or property, or temporary federal or state grants and aid.
- One-time expense: Short-term, infrequent cost that does not continue into future budget cycles and does not create an ongoing, unaffordable operational obligation.
- Operating expenses: The recurring costs incurred to conduct the principal, ongoing operations of the activity. This includes all expenses necessary to provide goods or services that do not fall into specific non-operating categories, such as financing, capital asset disposal, or designated subsidies. Covers routine operational outlays like salaries, benefits, materials and services, and asset maintenance costs.
- Recurring or ongoing revenue: The portion of the City's revenues that can reasonably be expected to continue year-to-year, with some degree of predictability. Property taxes are an example of recurring revenue.
- Recurring or ongoing expenses: The portion of the City's expenses that appear in the City's budget each year to maintain current or status quo service levels. They are expected to be funded every single fiscal year. Examples include salaries, benefits, materials and services, and asset maintenance costs.
- Revenue Bond: A revenue bond is a type of municipal bond issued for a specific project or system where the debt is paid solely from the revenues received from that project or system, rather than from general tax-raising powers.

Investments and Banking

All City funds shall be invested to provide-in order of importance-safety of principal, a sufficient level of liquidity to meet cash flow needs, and the maximum yield possible. One hundred percent of all idle cash will be continuously invested in accordance with State law and recommended government finance industry standards.

The City of Ashland has a Banking Policy of authorized signatures, including facsimile signatures for banking services on behalf of the City of Ashland that is part of this document and is labeled Attachment 1 (one).

The City of Ashland has a detailed Investment Policy and is part of this document is labeled Attachment 2 (two).

Accounting

- The City will maintain an accounting and financial reporting system that conforms to Generally Accepted Accounting Principles (GAAP) and Oregon Local Budget Law and in compliance with Government Accounting Standards Board (GASB) statements. The City will issue an Annual Comprehensive Financial Report (Audit report) each fiscal year. The Annual Comprehensive Financial Report (ACFR) shows fund expenditures and revenues on both a GAAP and budget basis for comparison purposes.

- An independent annual audit will be performed by a certified public accounting firm that will issue an official opinion on the annual financial statements and a management letter as needed or required detailing areas that need improvement.
- Full disclosure will be provided in financial statements and bond representations.
- The accounting systems will be maintained to monitor expenditures and revenues on a monthly basis with thorough analysis and adjustment of the biennium budget as appropriate.
- The accounting system will provide monthly information about cash position and investment performance.
- The City will seek to meet all standards to obtain the Certificate of Achievement for Excellence in financial reporting from the Government Finance Officers Association (GFOA) annually.

Budgetary Policies

- The budget committee will be appointed in conformance with state statutes. The budget committee's chief purpose is to review the city manager's proposed budget and approve a budget and maximum tax levy for City Council consideration. The budget committee may consider and develop recommendations on other financial issues as delegated by the City Council.
- The Citizens' Budget Committee services an important service with high visibility within our Ashland community, and it contributes to the community's mood, tone of communications and behavior. It is important that all members are aware of their leadership roles and community influence. The following are the ground rules for the meetings:
 - Keep an open mind
 - Be respectful
 - Don't interrupt
 - Stay on topic
 - It is ok to disagree
 - Raise your hand to speak
 - Allow others to speak before speaking again
 - Be prepared
 - Support the relationship to and with the city (fiduciary responsibility)
- The City will prepare and adopt a structurally balanced budget, where recurring revenues equal or exceed recurring expenditures. The budget presentation will identify how recurring revenues are aligned with or not aligned with recurring expenditures. In the event that a true structural balance may not be possible at a

given time, reserves to balance the budget may be considered, but only in the context of a plan to return to structural balance, replenish fund balance, and ultimately remediate the negative impacts of any other short-term balancing actions that may be taken.

- The City budget will support City Council goals and priorities and the long-range needs of the community.
- In contrast to the line-item budget that focuses exclusively on items to be purchased (such as supplies and equipment), the City will emphasize the use of goals and programs to:
 1. Structure budget choices and information in terms of programs or operating units and their related work activities and impact on constituents and the community,
 2. Provide information on what each program or operating unit is committed to accomplish in long-term goals and in short-term objectives, and
 3. Measure the degree of achievement of program or operating unit objectives (performance measures).
- The City will include multi-year projections in the budget document of at least three years beyond the biennium.
- To maintain fund integrity, the City will manage each fund as an independent entity in accordance with applicable statutes, generally accepted accounting principles, and government finance industry standards.
- The City will allocate direct and administrative costs to each fund based upon the cost of the other fund providing these services to the recipient fund. The City will recalculate the cost of administrative services regularly to identify the impact of inflation and other cost increases.
- If the City should receive unbudgeted revenues net of corresponding or related expenditures or proceeds from the sale of assets within any governmental fund, the City will transfer not less than 20 percent of the gain to the Reserve Fund, restrict not less than 10 percent for payment of future long-term liabilities, and designate not less than 20 percent to fund capital projects.
- If the City should receive unbudgeted revenues net of corresponding or related expenditures or proceeds from the sale of assets within any enterprise or internal service fund, the City will commit not less than 10 percent of the gain to net earnings, restrict not less than 10 percent for payment of future long-term liabilities, and designate no less than 20 percent to fund capital projects.
- The City will seek to meet all standards for each adopted budget to obtain the

Award for Distinguished Budget Presentation from the Government Finance Officers Association.

Fund Balance Policy

General Fund

The General Fund accounts for all financial resources not accounted for in other funds. Resources include working capital carryover, taxes, licenses and permits, intergovernmental revenue, fines and forfeitures, charges for services, miscellaneous revenues, and inter-fund transfers. Expenditures are for Administration, Human Resources, Legal, Finance, Public Works Support and Facilities, Parks, Innovation and Technology Information Systems, City Recorder, Social Services, Economic and Cultural Development, Police Department, Municipal Court Department, Fire and Rescue Department, City Band, Cemeteries, and the Department of Community Development and payments for services provided by other funds. This fund uses the modified accrual method of accounting.

The Governmental Accounting Standards Board (GASB) issued Statement Number 54, "Fund Balance Reporting and Governmental Fund Type Definitions," effective for periods after June 15, 2010. Pursuant to that statement, the following definitions for the General Fund Balance apply:

- **Non-spendable Fund Balance** – Some assets reported in governmental funds may be inherently non-spendable from the vantage point of the current period.
 - Assets that will never convert to cash such as prepaid items or inventories.
 - Assets that will not convert to cash soon enough to affect the current period such as non-financial assets held for resale.
 - Resources that must be maintained intact pursuant to legal or contractual requirements such as capital of a revolving loan fund.
- **Restricted Fund Balance** – This represents the portion of fund balance that is subject to externally enforceable legal restrictions. Such restrictions are typically imposed by parties altogether outside the City such as creditors, grantors, contributors, or other governments. Restrictions can also arise when the authorization to raise revenues is conditioned upon the revenue being used for a particular purpose.
- **Committed Fund Balance** - This represents the portion of fund balance whose use is constrained by limitations that the City imposes on itself by City Council (highest-decision making level) and remains binding unless removed in the same manner.
 - Requires action by City Council to commit fund balance
 - Formal City Council action is necessary to impose, remove, or modify a constraint reflected in the committed fund balance
- **Assigned Fund Balance** – This describes the portion of fund balance that reflects the City's intended use of resources. This authority rests with the City Manager after budget adoption.
- **Unassigned Fund Balance** – This is the residual classification for a government's general fund, representing all spendable amounts that have not been restricted, committed, or assigned.

General Fund Unrestricted Balance Policy

- The General Fund unrestricted balance will be defined as the categories of fund balance that are committed, assigned, or unassigned.
- The General Fund will maintain an unrestricted balance of no less than 16.67 percent of the average annual operating expenditures of the prior three years. This is the minimum needed to maintain the City's credit worthiness and to adequately provide for economic uncertainties and cash flow needs.
- If at any time the unrestricted balance should fall below 20 percent of the average annual operating expenditures of the prior three years for more than a 90-day period, the City will propose and implement a corrective action plan that will restore the balance in no less than four years, with not less than 25 percent of the shortfall being restored within each year.
- At such time as the unrestricted and undesignated balance exceeds 37 percent of the average annual operating expenditures of the prior three years, the City will transfer not less than 20 percent of the overage to the Reserve Fund, restrict not less than 10 percent for payment of future long-term liabilities, and designate not less than 20 percent to fund capital projects.

The City will budget a contingency appropriation to provide for unanticipated non-recurring expenditure. The minimum contingency will be maintained at not less than 3 percent of the average annual operating expenditures over the prior three years.

- If at any time during the biennium, it appears that revenues will be insufficient to meet the appropriated expenditures, the City Manager shall report this to the City Council. Information reported shall include the estimated deficit, reason for deficit, actions taken, and recommendations for further action. These actions may include but are not limited to: hiring delay or hiring freeze, salary reductions, furloughs, layoffs, employee benefit changes, halting Capital Improvement Program (CIP) projects, freezing facility maintenance and non-CIP projects, department operating expenditure reductions, or a draw from fund balance. Any combination of these actions will depend upon the nature of the revenue loss, economic conditions, and future forecast.

Special Revenue Funds

Special Revenue funds account for the proceeds of specific sources that are legally restricted to expenditures for specified purposes. Special Revenue funds account for transactions using the modified accrual method of accounting.

Reserve Fund. This fund is used to set aside funds to protect services and to stabilize the budget, and to meet any costs that may arise in the future from unexpected events. As established by Resolution 2010-18, amended by Resolution 2020-09, and clarified by Resolution 2020-26. The resolution is a part of this document and is Attachment 4 (four).

Community Development Block Grant Fund. This fund was established in 1994-1995. The fund accounts for the Block Grant and related expenditures.

- A fund balance policy is not needed since this fund works on a reimbursement basis and proceeds are restricted by federal guidelines.

Street Fund. Revenues are from the food and beverage tax, state road tax, grants, charges for services and miscellaneous sources. Expenditures are for the maintenance, repair, and surfacing of streets.

- The Street Fund will maintain a committed balance of annual revenue of at least 15 percent of the average annual expenditures of the prior three years. This is the minimum needed to maintain the City's credit worthiness and to adequately provide for economic uncertainties and cash flow needs.
- If at any time the unrestricted and undesignated balance should fall below 15 percent of the average annual expenditures of the prior three years, the City will work to restore the balance in no less than three years with not less than 25 percent of the shortfall being restored within each year.
- The City will budget a contingency appropriation to provide for unanticipated expenditures of a nonrecurring nature. The minimum contingency will be maintained at not less than 3 percent of annual operating expenditures.

SDC Street Fund. The System Development Charges for Transportation are in this fund. System Development Charges are a one-time fee imposed on new development to equitably recover the cost of expanding infrastructure capacity to serve new customers.

Tourism Fund. Revenues are from the Transient Lodging Tax and expenditures are restricted by ORS 320.350.

Housing Fund. Revenue is earmarked in this fund to affordable housing by Ordinance and the dedicated funds are to be used to support affordable housing priorities through receipt of donations and dedicated revenue streams, including but not limited to donations, grants, sale of surplus City property, or any other revenue sources approved by the Ashland City Council or the people of Ashland.

Airport Fund. Revenues are from airport leases. Expenditures are for airport operations.

- The Airport Fund will maintain a committed balance of annual revenue of at least 10 percent of the average annual expenditures of the prior three years. This is the minimum needed to maintain the City's credit worthiness and to adequately provide for economic uncertainties and cash flow needs.
- If at any time the unrestricted and undesignated balance should fall below 10 percent of the average annual expenditures of the prior three years, the City will work to restore the balance in no less than three years with not less than 25 percent of the shortfall being restored within each year.
- No portion of the Airport fund balance is restricted for specific uses.

- Many of the Airport assets have restrictions placed on them by the Federal Aviation Administration. None of the current revenues are pledged to outside lenders.
- The City will budget a contingency appropriation to provide for unanticipated non-recurring expenditures. The minimum contingency will be maintained at not less than 3 percent of annual operating expenditures.

Capital Projects Funds

Capital improvement funds are established to account for financial resources that are used for the acquisition or construction of major capital facilities (other than those financed by Enterprise Funds, Internal Service Funds, Special Assessment Funds and Trust Funds). Capital projects funds use the modified accrual method of accounting.

Capital Improvements Fund. This fund accounts for revenues from grants, unbonded assessment payments, and other sources, and will account for the construction of special local improvements, with revenues from short-term borrowing and unbonded assessments. Expenditures are for construction, property and equipment acquisition and replacement, improvements and related purposes including facility maintenance, and the repayment of short-term debt principal and interest incurred in financing improvements. The purpose is to accumulate funds prior to a large construction project; therefore, there is no minimum or maximum fund balance.

- The City will budget a contingency appropriation to provide for unanticipated non-recurring expenditures. The minimum contingency will be maintained at not less than 3 percent of annual operating expenditures.

Parks Capital Improvements Fund. The Parks Capital Projects Fund is managed by the Ashland Parks & Recreation Commission per City Charter. This fund is used to account for resources from the food and beverage tax, grants, and inter-fund transfers that are to be expended for major park renovations. The purpose is to accumulate funds prior to a large construction project; therefore, there is no minimum or maximum fund balance.

SDC Parks Fund. The System Development Charges for Parks are in this fund. System Development Charges are a one-time fee imposed on new development to equitably recover the cost of expanding infrastructure capacity to serve new customers.

Debt Service Funds

Debt Service Funds account for the accumulation of resources for, and the payment of, general long-term debt principal and interest. Expenditures and revenues are accounted for using the modified accrual method of accounting. All bond issues and notes are separated in the accounting system.

- All of the monies within the Debt Service fund are restricted for Debt service until the specific debt is repaid in full. ORS prohibits cities from borrowing this money for

any other purpose.

Enterprise Funds

Enterprise funds account for the following operations: (a) those that are financed and operated in a manner similar to private business enterprise, where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods and services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) those where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Enterprise funds use full accrual basis of accounting for financial statement presentations. However, the enterprise activities use a modified accrual basis of accounting for budgetary purposes. This assures budgetary compliance with such expenditures as capital construction and acquisition, as well as debt principal transactions.

Water Fund. This fund accounts for water operations. Revenues are from sales of water, other charges for services, and miscellaneous sources. Expenditures are for operations, conservation programs, capital construction, and retirement of debt.

- The Water Fund will maintain an unrestricted and undesignated balance of at least 25 percent of the average annual expenditures of the prior three years, in addition to any amounts held to comply with debt covenants or legal requirements. This is the minimum needed to maintain the City's credit worthiness and to adequately provide for economic uncertainties and cash flow needs.
- If at any time the unrestricted and undesignated balance should fall below 25 percent of the average annual expenditures of the prior three years, the City will work to restore the balance in no less than three years with not less than one quarter of the shortfall being restored within each year.
- The City will budget a contingency appropriation to provide for unanticipated non-recurring expenditures. The minimum contingency will be maintained at not less than 3 percent of annual operating expenditures.

SDC Water Fund. The System Development Charges for Water are in this fund. System Development Charges are a one-time fee imposed on new development to equitably recover the cost of expanding infrastructure capacity to serve new customers.

Wastewater Fund. This fund accounts for wastewater treatment and collection. Revenues are from charges for services and taxes. Expenditures are for operations, capital construction, and retirement of debt.

- The Wastewater Fund will maintain an unrestricted and undesignated balance of at least 25 percent of the average annual expenditures of the prior three years, in addition to any amount required to comply with debt covenants or legal requirements. This is the

minimum needed to maintain the City's credit worthiness and to adequately provide for economic uncertainties and cash flow needs.

- If at any time the unrestricted and undesignated balance should fall below 25 percent of the average annual expenditures of the prior three years, the City will work to restore the balance in no less than three years with not less than one quarter of the shortfall being restored within each year.
- The City will budget a contingency appropriation to provide for unanticipated non-recurring expenditures. The minimum contingency will be maintained at not less than 3 percent of annual operating expenditures.

SDC Wastewater Fund. The System Development Charges for Wastewater are in this fund. System Development Charges are a one-time fee imposed on new development to equitably recover the cost of expanding infrastructure capacity to serve new customers.

Electric Fund. The Electric Fund accounts for the distribution of purchased electricity according to standards set forth by the Federal Energy Regulatory Commission. Revenues are from sale of electricity and other charges for services and intergovernmental revenues. Expenditures are for related operations. Utility operations include wholesale power purchases, operating expenses, energy conservation incentives, capital outlay, retirement of debt, franchise tax, and related purposes.

- The Electric Fund will maintain an unrestricted and undesignated balance of at least 25 percent of the average annual expenditures of the prior three years, in addition to any amount required to comply with debt covenants or legal requirements. This is the minimum needed to maintain the City's credit worthiness and to adequately provide for economic uncertainties and cash flow needs.
- Debt service reserves are included in the Electric Fund balance. This portion of the Electric Fund balance is restricted and shall not be used in determining the minimum fund balance.
- If at any time the unrestricted and undesignated balance should fall below 25 percent of the average annual expenditures of the prior three years, the City will work to restore the balance in no less than three years with not less than 25 percent of the shortfall being restored within each year.
- The City will budget a contingency appropriation to provide for unanticipated non-recurring expenditures. The minimum contingency will be maintained at not less than 3 percent of annual operating expenditures.

Telecommunications Fund. The Telecommunications Fund accounts for the revenues and expenditures of the Ashland Fiber Network.

- The Telecommunications Fund will maintain a minimum balance of 20 percent of the

average annual expenditures of the prior three years, in addition to any amount required to comply with debt covenants or legal requirements.

- If at any time the unrestricted and undesignated balance should fall below 20 percent of the average annual expenditures of the prior three years, the City will work to restore the balance in no less than three years with not less than one quarter of the shortfall being restored within each year.
- Debt service reserves are included in the Telecommunications Fund balance. This portion of the Telecommunications Fund balance is restricted and shall not be used in determining the minimum fund balance.
- The city will budget a contingency appropriation to provide for unanticipated non-recurring expenditure. The minimum contingency will be maintained at not less than 3 percent of annual operating expenditures.

Stormwater Fund. Revenues are from charges for services and miscellaneous sources. Expenditures are for the maintenance, repair, and construction of storm drains.

- The Stormwater Fund will maintain a committed balance of annual revenue of at least 20 percent of the average annual expenditures of the prior three years. This is the minimum needed to maintain the City's credit worthiness and to adequately provide for economic uncertainties and cash flow needs.
- If at any time the unrestricted and undesignated balance should fall below 20 percent of the average annual expenditures of the prior three years, the City will work to restore the balance in no less than three years with not less than one quarter of the shortfall being restored within each year.
- The City will budget a contingency appropriation to provide for unanticipated expenditures of a nonrecurring nature. The minimum contingency will be maintained at not less than 3 percent of annual operating expenditures.

SDC Stormwater Fund. The System Development Charges for Stormwater are in this fund. System Development Charges are a one-time fee imposed on new development to equitably recover the cost of expanding infrastructure capacity to serve new customers.

Internal Service Funds

Internal service funds account for the financing of goods or services provided by one department or agency to other departments or agencies of the governmental unit, or to other governmental units, on a cost reimbursement basis. Internal service funds use full accrual accounting methods for financial statement presentations. However, the internal service funds use a modified accrual basis of accounting for budgetary purposes. This assures budgetary compliance with such expenditures as capital construction and acquisition as well as debt principal transactions.

Insurance Services Fund. Revenues in this fund are from service charges from other departments, investment income, and insurance retrospective rating adjustments. Expenditures are for insurance premiums, claims, and administration.

- The Insurance Services Fund will maintain an unrestricted and undesignated balance of 50% of the average annual expenses of the prior five years or \$500,000 whichever is more. This is the minimum needed to maintain the City's insurance programs and provide for uninsured exposures.
- If at any time the unrestricted and undesignated balance should fall below \$500,000, the City will work to restore the balance in no less than two years with not less than one third of the shortfall being restored within each year.
- No portion of the Insurance Services Fund balance is legally restricted for specific uses.
- The City will budget a contingency appropriation to provide for unanticipated non-recurring expenditures. The minimum contingency will be maintained at not less than 3 percent of annual operating expenditures.

Equipment Fund. This fund is used to account for the maintenance and replacement of the City fleet of vehicles and specified equipment. Revenues are from equipment rental and replacement charges. Expenditures are for personnel, materials and services, and capital outlay. This fund is divided into two functions: equipment maintenance and equipment replacement. The purpose of the equipment replacement function is to accumulate adequate funds to replace equipment. This replacement schedule is updated annually.

- The Equipment Fund will maintain a minimum balance calculated to sufficiently fund equipment replacement as determined by use of the replacement value schedule and not less than 20 percent of the average annual operating expenditures of the prior three years.
- If at any time the unrestricted and undesignated balance should fall below the sum of 20 percent of the average annual operating expenditures of the prior three years and 30 percent of the replacement value of in-service equipment and vehicles, the City will work to restore the balance in no less than three years with not less than one quarter of the shortfall being restored within each year.
- No portion of the Equipment fund balance is legally restricted for specific uses. The City rents equipment at rates that include the replacement cost of the specific piece of equipment.
- The City will budget a contingency appropriation to provide for unanticipated non-recurring expenditures. The minimum contingency will be maintained at not less than 3 percent of annual operating expenditures.

Trust and Agency Funds

Trust and agency funds account for assets held by a governmental unit in a trustee capacity or as an agent for individuals, private organizations, or governmental units, and/or other funds. These include (a) expendable trust funds, (b) non-expendable trust funds, (c) pension trust funds, and (d) agency funds.

Cemetery Trust Fund. The Cemetery Trust Fund is a non-expendable trust fund that uses the accrual basis of accounting. Revenues are from interest income and perpetual care service charges on cemetery operations. Expenditures are for the repurchase of plots and transfers of earnings to the cemetery fund for operations.

- No minimum fund balance policy is recommended.

Revenues

- The City will estimate its annual revenues by an objective, analytical process. Because most revenues are sensitive to conditions outside the City's control, estimates will be conservative.
- The City will make every effort to maintain a diversified and stable revenue base to protect its operation from short-term fluctuations in any one revenue source.
- The City will establish charges for enterprise funds that fully support the total cost of the enterprise. Rates will be adjusted as needed to account for major changes in consumption and cost increases.
- The City will identify user fees to the direct beneficiaries of City services to recover all of the full cost of providing that service and compare with existing rates. All user fees will be reviewed biannually to ensure that direct and overhead costs are recovered in the percentage approved by City Council.
- To the extent practicable, new development shall pay necessary fees to meet all identified costs associated with that development.
- The City will work aggressively to collect all delinquent accounts receivable. When necessary, collection procedures will include termination of service, submission to collection agencies, foreclosure, and other available legal remedies.

Expenditures

- The City will provide employee compensation that is competitive with comparable public jurisdictions within the relative recruitment area. Estimated wage increases and changes in employee benefits will be included in the proposed budget under Personnel Services.
- The City is committed to maintaining and improving the productivity of its staff by providing a proper working environment, adequate equipment and supplies, and

appropriate training and supervision.

- A Social Service appropriation will be included in the proposed General Fund Budget. This appropriation will increase or decrease relative to the overall General Fund revenues.
- Tourism appropriation will be included in the proposed Tourism Fund Budget. This appropriation will increase or decrease relative to the overall Transient Lodging Tax Revenues.

Purchasing

- The City will purchase materials, supplies, and equipment through a competitive process that provides the best product for the least cost.
- The City will adhere to all State of Oregon and local requirements for purchasing goods and services. The City will also review policies and procedures at least annually for adherence with industry best practices.

Capital

- The City will provide for adequate maintenance of equipment and capital assets. The City will make regular contributions to the Equipment Replacement Fund and the City Facilities budget to ensure that monies will be available as needed to replace City vehicles and facilities.
- Future operating costs associated with new capital improvements will be itemized, projected, and included in the long-term budget forecast.
- The City will determine and use the most appropriate method for financing all new capital projects.
- Special accounts dedicated for capital improvements will be segregated in the accounting system and used only for the intended capital purposes.
- The Capital Improvement Plan (CIP) will encourage a level capital replacement schedule and anticipate future capital needs. The CIP will present identified needed capital projects for a minimum of six years into the future and include known major projects requiring debt obligations to support them for a minimum of fifteen years into the future.

Debts

- The City will not use long-term borrowing to finance current operations, except revenue bonds approved by the City Council or General Obligation Bonds approved by the electorate.

- Capital projects, financed through bond proceeds, will be financed for a period not to exceed the useful life of the project.
- Whenever possible, enterprise debt will be self-supporting. Regardless of the type of debt issued, the City will establish a one-year reserve for all self-supporting debt.
- The City will seek to maintain level debt service payments over the duration of an issue and consider the level of debt obligations across funding sources when recommending types and amounts of debt instruments.
- The City will keep the final maturity of general obligation bonds at or below 20 years, with the exception of water supply and land acquisition that will be limited to 30 years.
- The City will maintain a debt coverage ratio, i.e. net revenue to debt service of at least 125% for every debt issue.
- The State of Oregon limits non-self-supporting obligation debt to three percent of the real market value of all taxable property within the City boundaries.
- The City will seek to maintain and improve its bond rating to minimize borrowing costs and to ensure its access to credit markets.
- The City will maintain good communications with bond rating agencies about its financial condition.

Risk Management

- The City is committed to developing and maintaining a proactive, comprehensive risk management program designed to minimize human suffering and stringently protect municipal assets. To achieve this, the City will utilize a strategic combination of rigorous loss-prevention protocols and insurance procurement. This integrated approach ensures fiscal stability, enhances workplace safety, and safeguards community infrastructure against unforeseen liabilities.
- The risk management program will be reviewed at least annually to assure levels of primary and secondary coverage are consistent with City priorities and needs.
- The risk management function will conduct regular meetings of the City Safety Committee, including representatives from each operating department, to review incidents and consider activities or initiatives to reduce the City's loss experience and to enhance the safety of City human and physical resources.

RESOLUTION NO. 2022-11

A RESOLUTION AUTHORIZING SIGNATURES, INCLUDING FACSIMILE SIGNATURES, FOR BANKING SERVICES ON BEHALF OF THE CITY OF ASHLAND

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF ASHLAND, OREGON, RESOLVES AS FOLLOWS:

SECTION 1. In compliance with the adoption of the Council-Manager form of government, the following positions are authorized to sign on behalf of the City, orders for payment or withdrawal of money:

City Manager
Deputy City Manager
City Recorder
Finance Director
Human Resource Director
Financial Systems Manager

SECTION 2. All prior authorizations are hereby superseded.

SECTION 3. Any designated depository ("Bank") of the City of Ashland is authorized and directed to honor and pay any checks, drafts, or other orders for payment of money withdrawing funds from any account of the City when bearing or purporting to bear the facsimile signatures of the person listed in Section One of this resolution whether such facsimile signatures are made by stamp, machine, or other mechanical device. The Bank is authorized and directed to honor and to charge the City for such checks, drafts, or other orders for the payment of money, regardless of how or by whom such actual or purported facsimile signatures were made, provided they resemble the facsimile signatures duly certified to and filed with the Bank by the City.

SECTION 4. This resolution is effective upon adoption.

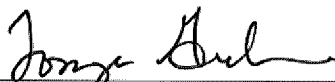
ADOPTED by the City Council this 17 day of May, 2022.

ATTEST:


Melissa Huhtala, City Recorder
Alissa Kolodzinski
Dunc Pro Tunc

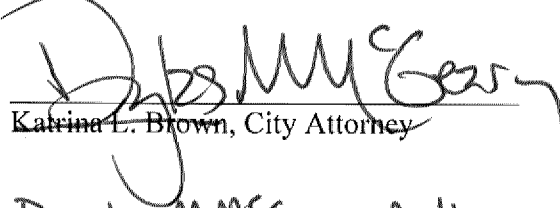
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SIGNED and APPROVED this 17 day of May, 2022.



Julie Akms, Mayor
Tonpa Graham
Nunc Pro Tunc

Reviewed as to form:



Katrina L. Brown, City Attorney
Douglas M McGee, Acting

Financial Management Policies, Attachment 2

RESOLUTION NO. 2018-02

A RESOLUTION AUTHORIZING THE INVESTMENT POLICY OF THE CITY OF ASHLAND AND REPEALING RESOLUTION NO. 2009-33

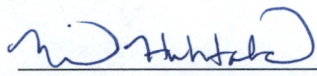
RECITALS:

- A. ORS Chapter 294.035 prohibits local governments from investing money unless the governing body of the local government has authorized the investments.
- B. The Mayor and City Council resolved: The investment of City monies in accordance with the attached policy is authorized.
- C. This resolution superseded Resolution No 2009-33 authorizing the investment of City monies.

THE CITY OF ASHLAND RESOLVES AS FOLLOWS:

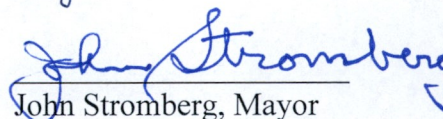
SECTION 1.

This resolution was duly PASSED and ADOPTED this 16th day of January, 2018, and takes effect upon signing by the Mayor.



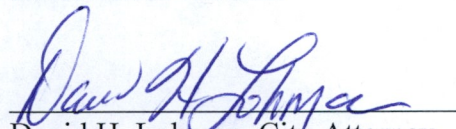
Melissa Huhtala, City Recorder

SIGNED and APPROVED this 16th day of January, 2017.



John Stromberg, Mayor

Reviewed as to form:



David H. Lohman, City Attorney

CITY OF ASHLAND, OREGON INVESTMENT POLICY

I. POLICY STATEMENT

It is the policy of the City of Ashland to invest public funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the entity and conforming to all state and local statutes governing the investment of public funds.

II. SCOPE

This investment policy applies to activities of the City of Ashland regarding investing the financial assets of all funds except for funds held in trust for deferred compensation funds for the employees of the City of Ashland. In addition, funds held by trustees or fiscal agents are excluded from these rules; however, all funds are subject to regulations established by the State of Oregon. Other than bond proceeds or other unusual situations, the estimated portfolio size ranges from \$15,000,000 to \$50,000,000.

These funds are accounted for in the City of Ashland's Comprehensive Annual Financial Report and include:

- General Fund
- Reserve Fund
- Special Revenue Funds
- Capital Projects Funds
- Debt Service Funds
- Enterprise Funds
- Internal Service Funds
- Trust & Agency Funds

Funds of the City will be invested in compliance with the provisions of all applicable Oregon Revised Statutes. Investments of any tax-exempt borrowing proceeds and any related Debt Service funds will comply with the arbitrage restrictions in all applicable Internal Revenue Codes.

III. OBJECTIVES AND STRATEGY

The primary objectives, in priority order, of the City of Ashland's investment activities shall be:

1. **Legality.** This Investment Policy will be in conformance with federal laws, state statutes, local ordinances, and internal policies and procedures.
2. **Liquidity.** The City of Ashland's investment portfolio will remain sufficiently liquid to enable the City of Ashland to meet all operating requirements which might be reasonably anticipated.
3. **Diversification.** Diversification of the portfolio will include diversification by maturity and market sector and will include the use of multiple broker/dealers for diversification and market coverage.
4. **Yield.** The City of Ashland's investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, commensurate with the City of Ashland's investment risk constraints and the cash flow characteristics of the portfolio. "Market rate of return" may be defined as the average yield of the current three-

month U.S. Treasury bill or any other index that most closely matches the average maturity of the portfolio.

Effective cash management is recognized as essential to good fiscal management. Cash management is defined as the process of managing monies to ensure maximum cash availability. The City shall maintain a comprehensive cash management program that includes collection of accounts receivable, and the management of banking services.

Large and small financial institutions in the Ashland area are a vital part of our economic, philanthropic, and civic infrastructure, and many bank leaders in this region strive together with government to create a more vibrant community. When financial institutions tailor their decision making, lending policies, and practices to the needs of the local community, they are better positioned to help sustain the local economy and local employment.

IV. STANDARDS OF CARE

1. **Delegation of Authority.** Authority to manage the City of Ashland's investment program is delegated to the Administrative Services Director who is the designated Investment Officer of the City and are responsible for investment decisions and activities, under the review of City Council and City Administrator. The Administrative Services Director is responsible for the day to day administration of the cash management program. In the absence of the Administrative Services Director, the Administrative Services Manager will oversee the day to day cash management program. In both of their absences the Deputy Finance Director will be delegated the authority to day to day cash management.

Management responsibility for the investment program is hereby delegated to the Administrative Services Director, in collaboration with the City Administrator, who shall establish written procedures for the operation of the investment program consistent with this investment policy and subject to review and adoption by City Council. Procedures should include reference to: safekeeping, PSA repurchase agreements, wire transfer agreements, banking service contracts and collateral/depository agreements. Such procedures shall include explicit delegation of authority to persons responsible for investment transactions. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Administrative Services Director and City Council. The Administrative Services Director shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of the investment program.

2. **Prudence.** The standard of prudence to be used by the Investment Officer shall be the "prudent person" standard and shall be applied in the context of managing an overall portfolio. These standards states: "Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived."
3. **Limitation of Personal Liability.** The Investment Officer acting in accordance with written procedures, the investment policy and in accord with the Prudent Person Rule shall not be held personally liable in the management of the portfolio.
4. **Ethics and Conflict of Interest.** Investment Officer involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions. Investment Officer shall disclose any material fiscal interests in financial institutions that conduct business within this jurisdiction, and they shall further disclose any large personal financial/investment positions that could be related to the performance of the

investment portfolio. Investment Officer and their family shall refrain from undertaking personal investment transactions with the same individual with whom business is conducted on behalf of the City. Investment Officer shall, always, comply with the State of Oregon, Government Standards and Practices Commission, code of ethics set forth in ORS Chapter 244.

V. AUTHORIZED AND SUITABLE INVESTMENTS.

1. **Authorized Investments.** All investments of the City shall be diversified by type, maturity and issuer. Before any transaction is concluded, to the extent practicable, the Investment Officer shall solicit and document competitive and offers on comparable securities. When not practicable, the reasons should be similarly documented. At all times, the Investment Officer will strive for best execution of all transactions. Additionally, if reasonably unanticipated events cause the portfolio limits to be exceeded, the Investment Officer will take the steps necessary to correct the situation as soon as practicable. Investments may be sold at a loss when the Investment Officer deems that such a decision is prudent.
2. **Suitable Investments.**
 - a. U.S. Treasuries
 - b. Agencies and Instrumentalities of the United States.
 - c. Savings and Demand Accounts (Oregon depositories only)
 - d. Time Certificates of Deposit (Oregon depositories only)
 - f. Banker's Acceptances (Oregon issued)
 - g. Corporate Debt
 - h. Municipal Debt (States of Oregon, California, Idaho and Washington only)
 - i. Oregon Local Government Investment Pool (LGIP)

The specific permitted securities are defined under Oregon Revised Statutes Chapters 294.035, 294.040, 294.046 and 294.810. (See Addendum A) Collateral requirements are bank deposits, time deposits, certificates of deposit and savings accounts are defined in ORS Chapter 295. (See Addendum B)

VI. INVESTMENT PARAMETERS

1. **Diversification.** The City will diversify the investment portfolio to avoid incurring unreasonable risks, both credit and interest rate risk, inherent in over investing in specific instruments, individual financial institutions or maturities.

Diversification Constraints on Total Holdings:

<u>ISSUER TYPE</u>	<u>% of portfolio</u>
U.S. Treasury Obligations	Up to 100%
U.S. Government Agency Securities and Instrumentalities of Government Sponsored Corp.	Up to 75% and 50% per issuer
Bankers' Acceptances (BA's)	Up to 25% and 15% per issuer
Certificates of Deposit (CD)	Up to 35% and 5% of deposits per institution
Municipal Debt	Up to 35% and 10% per issuer
Corporate Debt (AA, A1, P1)	Up to 25% and 5% per issuer
State of Oregon Investment Pool Securities	ORS Limit 294.810

The Investment Officer will routinely monitor the contents of the portfolio comparing the holdings to the markets, relative values of competing instruments, changes in credit quality, and

benchmarks. If there are advantageous transactions, the portfolio may be adjusted accordingly, but not to exceed percentage as stated.

2. **Investment Maturities.** The City will not directly invest in securities maturing more than three (3) years from the date of purchase.
 - a. The maximum weighted maturity of the total portfolio shall not exceed 2 years. This maximum is established to limit the portfolio to excessive price change exposure.
 - b. Liquidity funds will be held in the State Pool or in money market instruments maturing six months and shorter. The liquidity portfolio shall, at a minimum, represent six-month budgeted outflow.
 - c. Core funds will be the defined as the funds in excess of liquidity requirements. The investments in this portion of the portfolio will have maturities between 1 day and 3 years and will be only invested in high quality and liquid securities.

Total Portfolio Maturity Constraints:

Under 30 days	10% minimum
Under 90 days	25% minimum
Under 270 days	50% minimum
Under 1 year	75% minimum
Under 18 months	80% minimum
Under 3 years	100% minimum

Exception to 3-year maturity maximum: Reserve or Capital Improvement Project monies may be invested in securities exceeding three (3) years if the maturities of such investments are made to coincide as nearly as practicable with the expected use of the funds.

Due to fluctuations in the aggregate surplus funds balance, maximum percentages for a particular issuer or investment type may be exceeded at a point in time subsequent to the purchase of a particular issuer or investment type may be exceeded. Securities do not need to be liquidated to realign the portfolio; however, consideration will be given to this matter when future reinvestments occur.

VII. SAFEKEEPING, CUSTODY AND AUTHORIZED DEALERS

1. **Safekeeping and Custody of Securities.** The laws of the state and prudent treasury management require that all purchased securities be bought on a delivery versus payment basis and be held in safekeeping by the City, or the City's designated depository.

All safekeeping arrangements shall be designated by the Investment Officer and shall list each specific security, rate, description, maturity, and cusip number (financial market identification). Each safekeeping receipt will clearly state that the security is held for the City or pledged to the City. In addition, repurchase requirements including Master Repurchase Agreements shall be in place prior to any business being conducted.

2. **Authorized Financial Dealers.** The Investment Officer shall maintain a list of all Qualified Depositories for Public Funds per ORS 295.002. An Oregon public official may deposit public funds up to the amount insured by the Federal Deposit Insurance Corporation (FDIC) or the national Credit Union share Insurance Fund (NCUA) in any insured financial institution with a head office or branch in Oregon. Public funds deposits that exceed these

insurance limits, currently set at \$250,000, may only be held in a depository qualified by the Oregon Public Funds Collateralization Program (PFCP).

At the request of the City of Ashland, the firms performing investment services shall provide their most recent financial statements or Consolidated Report of Conditions for review.

All dealers with whom the City transacts business will be provided a copy of this Investment Policy to ensure that they are familiar with the goals and objectives of the investment program.

If the City hires an investment advisor to provide investment management services, the advisor will follow the same procedure as outlined in VII Section 2.

3. **Competitive Transactions.** The Investment Officer will obtain telephone, faxed or emailed quotes before purchasing or selling an investment. The Investment Officer will select the quote which best satisfies the investment objectives of the investment portfolio within the parameters of this policy. The Investment Officer will maintain a written record of each bidding process including the name and prices offered by each participating financial institution.

The investment advisor must provide documentation of competitive pricing execution on each transaction. The advisor will retain documentation and provide upon request.

VIII. CONTROLS

1. **Accounting Method.** The City shall comply with all required legal provisions and Generally Accepted Accounting Principles (GAAP). The accounting principles are those contained in the pronouncements of authoritative bodies including but not necessarily limited to, the Governmental Accounting Standards Board (GASB); the American Institute of Certified Public Accountants (AICPA); and the Financial Accounting Standards Board (FASB).

Pooling of Funds: Except for cash in certain restricted and special funds, the City will consolidate balances from all funds to maximize investment earnings. Investment income will be allocated to the various funds based on their respective participation and in accordance with generally accepted accounting principles.

2. **Internal Controls.** The City will maintain a structure of internal controls sufficient to assure the safekeeping and security of all investments.

The Investment Officer shall develop and maintain written administrative procedures for the operation of the investment program that are consistent with this investment policy. Procedures will include reference to safekeeping, wire transfers; banking services contracts, and other investment related activities.

The Investment Officer shall be responsible for all transactions undertaken.

No officer or designee may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Investment Officer and approved by the Council.

3. **External Controls.** The City of Ashland may enter into contracts with external investment management firms on a non-discretionary basis. These services will apply to the investment of the City's short-term operating funds and capital funds including bond proceeds and bond reserve funds.

If an investment advisor is hired, the advisor will comply with all requirements of this Investment Policy. The investment advisor will provide return comparisons of the portfolio to the benchmark monthly. Exceptions to the Investment Policy must be disclosed and agreed upon in writing by both parties. The Investment Officer remains the person ultimately responsible for the prudent management of the portfolio.

Factors to be considered when hiring an investment advisory firm may include, but are not limited to:

- a. The firm's major business
- b. Ownership and organization of the firm
- c. The background and experience of key members of the firm, including the portfolio manager expected to be responsible for the City's account
- d. The size of the firm's assets base, and the portion of that base which would be made up by the City's portfolio if the firm were hired
- e. Management Fees
- f. Cost Analysis of advisor
- g. Performance of the investment advisory firm, net of all fees, versus the Local Government Investment Pool or other benchmarks over a given period

IX. PERFORMANCE EVALUATION AND REPORTING

The investment portfolio shall be designed with the objective of obtaining a rate of return throughout budgetary and economic cycles, commensurate with the investment risk constraints and the cash flow needs.

The City's investment strategy is active. Preservation of capital and maintenance of sufficient liquidity will be considered prior to attainment of market return performance. A market benchmark will be determined that is appropriate for longer term investments based on the City's risk and return profile. When comparing the performance of the City's portfolio, all fees and expenses involved with managing the portfolio shall be included in the computation of the portfolio's total rate of return. This would include any outside management and identifiable in-house management.

The Investment Officer shall prepare quarterly compliance summary reports that provide details of the investment portfolio, as well as transaction details for the reporting period. Details shall be sufficient to document conformity with the provisions of the statutes and this investment policy and shall include a listing of individual securities held at the end of the period. All investments owned will be marked-to-market monthly by the City's third-party custodian.

The performance (total return) of the City's portfolio will be measured against the performance of the Local Government Investment Pool (LGIP) and the yield of the 91-day U.S. Treasury Bill.

X. INVESTMENT POLICY ADOPTION BY GOVERNING BODY

This investment policy will be formally adopted by the City Council. The policy shall be reviewed on an annual basis by the Investment Officer and the City Council. Material revisions to this policy will require a review by the Oregon Short Term Fund Board, pursuant to current Oregon Revised Statutes.

Financial Management Policies, Attachment 4

RESOLUTION NO. 2020-26

A RESOLUTION CONFIRMING THE INTENDED SOURCES AND USES OF FUNDS ACCUMULATED FOR AND IN THE RESERVE FUND

RECITALS:

The City of Ashland established a reserve fund in Fiscal Year 2009-2010 and identified intended sources and uses through adoption of Resolution 2010-18. Through change in the economic conditions and accounting standards affecting the City, it has become apparent that the intended sources and uses of the Reserve Fund need to be clarified.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF ASHLAND, OREGON,

RESOLVES AS FOLLOWS:

SECTION 1.

A. Contributions to the Reserve Fund are made via four mechanisms:

- a. Transfer from operating funds through the budget adoption process as approved by City Council;
- b. Transfer from operating funds through the budget amendment process as approved by City Council;
- c. Proceeds from windfall opportunities as directed and approved by City Council at the time the opportunity is recognized, i.e. outside the budget processes; or
- d. Pursuant to the Fund Balance policy as adopted by City Council by which a portion of an individual fund's fund balance over the policy maximum is transferred automatically to the Reserve Fund.

B. Uses of the Reserve Fund resources can be authorized via three mechanisms

- a. Declaration of a public health, safety, and welfare emergency by the City Manager and confirmed by the City Council electronically for which additional resources are needed to address immediate needs. Funds are limited to the City Manager's spending limit as identified and approved in policy by the City Council. This action including identification of the specific uses for the funds must be ratified by the City Council in open session no later than the first meeting after the declaration of emergency;
- b. Appropriation of funds during the budget process to address unplanned, urgent capital project for which other funding has not been secured. This action must be adopted by resolution of the City Council in open session separately from adoption of the budget in

1 total and include identification of the specific project to be funded, the public purpose
2 served, and other sources of funding identified as untenable or unavailable; or
3 c. Appropriation of funds during the budget process to address unplanned, urgent operating
4 needs resulting from a sudden loss of revenues or catastrophic event impacting the City's
5 ability to raise funds from usually budgeted sources. This action must be adopted by
6 resolution of the City Council in open session separately from adoption of the budget in
7 total and include identification of the specific operations to be funded, the public purpose
8 served, and other sources of funding identified as untenable or unavailable.

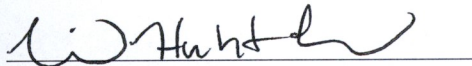
9 C. The unappropriated ending fund balance of the Reserve Fund identified in the budget process
10 or audit results is restricted from use. This amount cannot be transferred by resolution or used
11 through a supplemental budget, unless necessitated by a qualifying emergency (ORS 294.371)
12 and as noted above in Ba.

13 SECTION 2. All prior references to an annual budget process and all concurrent references to
14 the budget process for identifying resources and requirements or uses will refer to the two-year
15 cycle utilized for the City's biennial budget.

16 SECTION 3. This resolution is effective upon adoption.

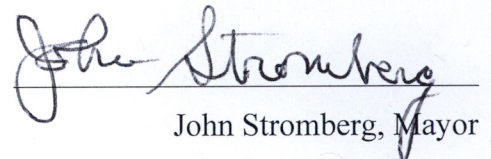
17 ADOPTED by the City Council this 1st day of December, 2020.

18 ATTEST:

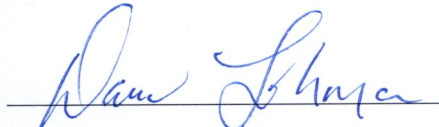
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21 Melissa Huhtala, City Recorder

22 SIGNED and APPROVED this 1st day of December, 2020.

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25 John Stromberg, Mayor

26 Reviewed as to form:

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29 David H. Lohman, City Attorney
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Financial Management Policies

The Financial Management Policies apply to fiscal activities of the City of Ashland.

Objectives

The objectives of Ashland's financial policies are as follows:

- To enhance the City Council's decision-making ability by providing accurate information on program and operating costs.
- To employ revenue policies that prevent undue or unbalanced reliance on any one source, distribute the cost of municipal services fairly, and provide adequate funds to operate desired programs.
- To provide and maintain essential public programs, services, facilities, utilities, infrastructure, and capital equipment.
- To protect and enhance the City's credit rating and financial wellbeing.
- To ensure the legal use of all City funds through efficient systems of financial security and internal control.

The City of Ashland does not discriminate in providing services, purchasing goods or services, and in matters of employment.

Definitions

- General Obligation Bond: A general obligation (GO) bond can be used by state and local government to finance public capital improvement projects and community facilities that serve a non-revenue-generating public purpose. Common uses for GO Bonds include:
 - Public Infrastructure: Building and repairing roads, bridges, sidewalks, and municipal facilities.
 - Education: Construction, renovation, or equipping public schools, universities, and college facilities.
 - Parks and Recreation: Acquiring open space, land conservation, and building public parks or community centers.
 - Affordable Housing: Funding the acquisition, construction, or rehabilitation of affordable housing units and homeownership assistance programs.
 - Public Safety and Equipment: Purchasing essential civic equipment, fire stations, or police facilities.
 - General Operations (Rare): Covering general operating expenses in extreme fiscal emergencies, though this is uncommon.

Financial Management Policies

- One-time revenue: Funds that the City receives which cannot reasonably be expected to recur in future budget cycles. Common examples are proceeds from selling a large capital asset or property, or temporary federal or state grants and aid.
- One-time expense: Short-term, infrequent cost that does not continue into future budget cycles and does not create an ongoing, unaffordable operational obligation.
- Operating expenses: The recurring costs incurred to conduct the principal, ongoing operations of the activity. This includes all expenses necessary to provide goods or services that do not fall into specific non-operating categories, such as financing, capital asset disposal, or designated subsidies. Covers routine operational outlays like salaries, benefits, materials and services, and asset maintenance costs.
- Recurring or ongoing revenue: The portion of the City's revenues that can reasonably be expected to continue year-to-year, with some degree of predictability. Property taxes are an example of recurring revenue.
- Recurring or ongoing expenses: The portion of the City's expenses that appear in the City's budget each year to maintain current or status quo service levels. They are expected to be funded every single fiscal year. Examples include salaries, benefits, materials and services, and asset maintenance costs.
- Revenue Bond: A revenue bond is a type of municipal bond issued for a specific project or system where the debt is paid solely from the revenues received from that project or system, rather than from general tax-raising powers.

Investments and Banking

All City funds shall be invested to provide-in order of importance-safety of principal, a sufficient level of liquidity to meet cash flow needs, and the maximum yield possible. One hundred percent of all idle cash will be continuously invested in accordance with State law and recommended government finance industry standards.

The City of Ashland has a Banking Policy of authorized signatures, including facsimile signatures for banking services on behalf of the City of Ashland that is part of this document and is labeled Attachment 1 (one).

The City of Ashland has a detailed Investment Policy and is part of this document is labeled Attachment 2 (two).

Accounting

- The City will maintain an accounting and financial reporting system that conforms to Generally Accepted Accounting Principles (GAAP) and Oregon Local Budget Law and in compliance with Government Accounting Standards Board (GASB)

statements. The City will issue an ~~Annual~~ Comprehensive ~~Annual~~ Financial Report (Audit report) each fiscal year. The Annual Comprehensive Financial Report (ACFR) shows fund expenditures and revenues on both a GAAP and budget basis for comparison purposes.

- An independent annual audit will be performed by a certified public accounting firm that will issue an official opinion on the annual financial statements and a management letter as needed or required detailing areas that need improvement.
- Full disclosure will be provided in financial statements and bond representations.
- The accounting systems will be maintained to monitor expenditures and revenues on a monthly basis with thorough analysis and adjustment of the biennium budget as appropriate.
- The accounting system will provide monthly information about cash position and investment performance.
- The City will seek to meet all standards to obtain the Certificate of Achievement for Excellence in financial reporting from the Government Finance Officers Association (GFOA) annually.

Budgetary Policies

- The budget committee will be appointed in conformance with state statutes. The budget committee's chief purpose is to review the city manager's proposed budget and approve a budget and maximum tax levy for City Council consideration. The budget committee may consider and develop recommendations on other financial issues as delegated by the City Council.
- ~~"The Budget Committee Reference Guide" is part of this document and it is Attachment 3 (three).~~
- The Citizens' Budget Committee services an important service with high visibility within our Ashland community, and it contributes to the community's mood, tone of communications and behavior. It is important that all members are aware of their leadership roles and community influence. The following are the ground rules for the meetings:
 - Keep an open mind
 - Be respectful
 - Don't interrupt
 - Stay on topic
 - It is ok to disagree

- Raise your hand to speak
 - Allow others to speak before speaking again
 - Be prepared
 - Support the relationship to and with the city (fiduciary responsibility)
-
- The City will prepare and adopt a structurally balanced budget, where recurring revenues equal or exceed recurring expenditures. The budget presentation will identify how recurring revenues are aligned with or not aligned with recurring expenditures. In the event that a true structural balance may not be possible at a given time, reserves to balance the budget may be considered, but only in the context of a plan to return to structural balance, replenish fund balance, and ultimately remediate the negative impacts of any other short-term balancing actions that may be taken.
 - ~~The City will finance all current expenditures with current revenues. The City will avoid budgetary practices that balance current expenditures through the obligation of future resources. Appropriation of fund balance or retained earnings will be solely for the purpose of one-time expenditures such as capital projects. Exceptions may occur if revenues exceed policy requirements due to restricted-use funding inflows.~~
 - The City budget will support City Council goals and priorities and the long-range needs of the community.
 - In contrast to the line-item budget that focuses exclusively on items to be purchased (such as supplies and equipment), the City will emphasize the use of goals and programs to:
 1. Structure budget choices and information in terms of programs or operating units and their related work activities and impact on constituents and the community,
 2. Provide information on what each program or operating unit is committed to accomplish in long-term goals and in short-term objectives, and
 3. Measure the degree of achievement of program or operating unit objectives (performance measures).
 - The City will include multi-year projections in the budget document of at least three years beyond the biennium.
 - To maintain fund integrity, the City will manage each fund as an independent entity in accordance with applicable statutes, generally accepted accounting principles, and government finance industry standards.
 - The City will allocate direct and administrative costs to each fund based upon the cost of the other fund providing these services to the recipient fund. The City will

recalculate the cost of administrative services regularly to identify the impact of inflation and other cost increases.

- If the City should receive unbudgeted revenues net of corresponding or related expenditures or proceeds from the sale of assets within any governmental fund, the City will transfer not less than 20 percent of the gain to the Reserve Fund, restrict not less than 10 percent for payment of future long-term liabilities, and designate not less

than 20 percent to fund capital projects.

- If the City should receive unbudgeted revenues net of corresponding or related expenditures or proceeds from the sale of assets within any enterprise or internal service fund, the City will commit not less than 10 percent of the gain to net earnings, restrict not less than 10 percent for payment of future long-term liabilities, and designate no less than 20 percent to fund capital projects.
- The City will seek to meet all standards for each adopted budget to obtain the Award for Distinguished Budget Presentation from the Government Finance Officers Association.

Fund Balance Policy

General Fund

The General Fund accounts for all financial resources not accounted for in other funds. Resources include working capital carryover, taxes, licenses and permits, intergovernmental revenue, fines and forfeitures, charges for services, miscellaneous revenues, and inter-fund transfers. Expenditures are for Administration, Human Resources, Legal, Finance, Public Works Support and Facilities, Parks, Innovation and Technology Information Systems, City Recorder, Social Services, Economic and Cultural Development, Police Department, Municipal Court Department, Fire and Rescue Department, City Band, Cemeteries, and the Department of Community Development and payments for services provided by other funds. This fund uses the modified accrual method of accounting.

The Governmental Accounting Standards Board (GASB) issued Statement Number 54, "Fund Balance Reporting and Governmental Fund Type Definitions," effective for periods after June 15, 2010. Pursuant to that statement, the following definitions for the General Fund Balance apply:

- Non-spendable Fund Balance – Some assets reported in governmental funds may be inherently non-spendable from the vantage point of the current period.
 - Assets that will never convert to cash such as prepaid items or inventories.
 - Assets that will not convert to cash soon enough to affect the current period such as non-financial assets held for resale.
 - Resources that must be maintained intact pursuant to legal or contractual requirements such as capital of a revolving loan fund.
- Restricted Fund Balance – This represents the portion of fund balance that is subject to externally enforceable legal restrictions. Such restrictions are typically imposed by parties altogether outside the City such as creditors, grantors, contributors, or other governments. Restrictions can also arise when the authorization to raise revenues is conditioned upon the revenue being used for a particular purpose.
- Committed Fund Balance - This represents the portion of fund balance whose use is constrained by limitations that the City imposes on itself by City Council (highest-decision making level) and remains binding unless removed in the same manner.
 - Requires action by City Council to commit fund balance

- Formal City Council action is necessary to impose, remove, or modify a constraint reflected in the committed fund balance
- Assigned Fund Balance – This describes the portion of fund balance that reflects the City's intended use of resources. This authority rests with the City Manager after budget adoption.
- Unassigned Fund Balance — This is the residual classification for a government's general fund, representing all spendable amounts that have not been restricted, committed, or assigned.

General Fund Unrestricted Balance Policy

- The General Fund unrestricted balance will be defined as the categories of fund balance that are committed, assigned, or unassigned.
- The General Fund will maintain an unrestricted ~~and undesignated~~ balance of no less than ~~2016.67~~16.67% percent of the average annual operating expenditures of the prior three years. This is the minimum needed to maintain the City's credit worthiness and to adequately provide for economic uncertainties and cash flow needs.
- If at any time the unrestricted balance should fall below 20 percent of the average annual operating expenditures of the prior three years for more than a 90-day period, the City will propose and implement a corrective action plan that will restore the balance in no less than four years, with not less than 25 percent of the shortfall being restored within each year.
- At such time as the unrestricted and undesignated balance exceeds ~~37~~50 percent of the average annual operating expenditures of the prior three years, the City will transfer not less than 20 percent of the overage to the Reserve Fund, restrict not less than 10 percent for payment of future long-term liabilities, and designate ~~not~~at least 20 percent to fund capital projects.
- ~~If at any time the unrestricted and undesignated balance should fall below 2016.67% percent of the average annual expenditures of the prior three years, the City will work to restore the balance in no less than three years with not less than 25 percent of the shortfall being restored within each year.~~
- The City will budget a contingency appropriation to provide for unanticipated non-recurring ~~expenditures~~expenditure. The minimum contingency will be maintained at not less than ~~3~~3

percent of the average annual operating expenditures over the prior three years.

- If at any time during the biennium, it appears that revenues will be insufficient to meet the appropriated expenditures, the City Manager shall report this to the City Council. Information reported shall include the estimated deficit, reason for deficit, actions taken, and recommendations for further action. These actions may include but are not limited to: hiring delay or hiring freeze, salary reductions, furloughs, layoffs, employee benefit changes, halting Capital Improvement Program (CIP) projects, freezing facility maintenance and non-CIP projects, department operating expenditure reductions, or a draw from fund balance. Any combination of these actions will depend upon the nature of the revenue loss, economic conditions, and future forecast.

Special Revenue Funds

Special Revenue funds account for the proceeds of specific sources that are legally restricted to expenditures for specified purposes. Special Revenue funds account for transactions using the modified accrual method of accounting.

Reserve Fund. This fund is used to set aside funds to protect services and to stabilize the budget, and to meet any costs that may arise in the future from unexpected events. As established by Resolution 2010-18, amended by Resolution 2020-09, and clarified by Resolution 2020-26. The resolution is a part of this document and is Attachment 4 (four).

Community Development Block Grant Fund. This fund was established in 1994-1995. The fund accounts for the Block Grant and related expenditures.

- A fund balance policy is not needed since this fund works on a reimbursement basis and proceeds are restricted by federal guidelines.

Street Fund. Revenues are from the food and beverage tax, state road tax, grants, ~~franchise fees~~, charges for services and miscellaneous sources. Expenditures are for the maintenance, repair, and surfacing of streets.

- The Street Fund will maintain a committed balance of annual revenue of at least 15 percent of the average annual expenditures of the prior three years. This is the minimum needed to maintain the City's credit worthiness and to adequately provide for economic uncertainties and cash flow needs.
- If at any time the unrestricted and undesignated balance should fall below 15 percent of the average annual expenditures of the prior three years, the City will work to restore the balance in no less than three years with not less than 25 percent of the shortfall being restored within each year.
- The City will budget a contingency appropriation to provide for unanticipated expenditures of a nonrecurring nature. The minimum contingency will be maintained at not less than 3 percent of annual operating expenditures.

SDC Street Fund. The System Development Charges for Transportation are in this fund. System Development Charges are a one-time fee imposed on new development to equitably recover the cost of expanding infrastructure capacity to serve new customers.

Tourism Fund. Revenues are from the Transient Lodging Tax and expenditures are restricted by ORS 320.350.

Housing Fund. Revenue is earmarked in this fund to affordable housing by Ordinance and the [e e](#)

dedicated funds are to be used to support affordable housing priorities through receipt of donations and dedicated revenue streams, including but not limited to donations, grants, sale of surplus City property, or any other revenue sources approved by the Ashland City Council or the people of Ashland.

Airport Fund. Revenues are from airport leases ~~and fuel sales~~. Expenditures are for ~~airport~~ operations.

- The Airport Fund will maintain a committed balance of annual revenue of at least 10 percent of the average annual expenditures of the prior three years. This is the minimum needed to maintain the City's credit worthiness and to adequately provide for economic uncertainties and cash flow needs.
- If at any time the unrestricted and undesignated balance should fall below 10 percent of the average annual expenditures of the prior three years, the City will work to restore the balance in no less than three years with not less than 25 percent of the shortfall being restored within each year.
- No portion of the Airport fund balance is restricted for specific uses.
- Many of the Airport assets have restrictions placed on them by the Federal Aviation Administration. None of the current revenues are pledged to outside lenders.
- The City will budget a contingency appropriation to provide for unanticipated non-recurring expenditures. The minimum contingency will be maintained at not less than 3 percent of annual operating expenditures.

Capital Projects Funds

Capital improvement funds are established to account for financial resources that are used for the acquisition or construction of major capital facilities (other than those financed by Enterprise Funds, Internal Service Funds, Special Assessment Funds and Trust Funds). Capital projects funds use the modified accrual method of accounting.

Capital Improvements Fund. This fund accounts for revenues from grants, unbonded assessment payments, and other sources, and will account for the construction of special local improvements, ~~usually streets~~, with revenues from short-term borrowing and unbonded assessments. Expenditures are for construction, property and equipment acquisition and replacement, improvements and related purposes including facility maintenance, and the repayment of short-term debt principal and interest incurred in financing improvements. The purpose is to accumulate funds prior to a large construction project; therefore, there is no minimum or maximum fund balance.

- The City will budget a contingency appropriation to provide for unanticipated non-recurring expenditures. The minimum contingency will be maintained at not less than 3 percent of

annual operating expenditures.

Parks Capital Improvements Fund. The Parks Capital Projects Fund is managed by the Ashland Parks & Recreation Commission per City Charter. This fund is used to account for resources from [the food and beverage tax](#), grants, and inter-fund transfers that are to be expended for major park renovations. The purpose is to accumulate funds prior to a large construction project; therefore, there is no minimum or maximum fund balance.

SDC Parks Fund. The System Development Charges for Parks are in this fund. System Development Charges are a one-time fee imposed on new development to equitably recover the cost of expanding infrastructure capacity to serve new customers.

Debt Service Funds

Debt Service Funds account for the accumulation of resources for, and the payment of, general long-term debt principal and interest. Expenditures and revenues are accounted for using the modified accrual method of accounting. All bond issues and notes are separated in the accounting system.

- All of the monies within the Debt Service fund are restricted for Debt service until the specific debt is repaid in full. ORS prohibits cities from borrowing this money for any other purpose.

Enterprise Funds

Enterprise funds account for the following operations: (a) those that are financed and operated in a manner similar to private business enterprise, where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods and services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) those where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Enterprise funds use full accrual basis of accounting for financial statement presentations. However, the enterprise activities use a modified accrual basis of accounting for budgetary purposes. This assures budgetary compliance with such expenditures as capital construction and acquisition, as well as debt principal transactions.

Water Fund. This fund accounts for water operations. Revenues are from sales of water, other charges for services, and miscellaneous sources. Expenditures are for operations, conservation programs, capital construction, and retirement of debt.

- The Water Fund will maintain an unrestricted and undesignated balance of at least 25 percent of the average annual expenditures of the prior three years, in addition to any amounts held to comply with debt ~~covenants~~[covenants](#) or legal requirements. This is the minimum

needed to maintain the City's credit worthiness and to adequately provide for economic uncertainties and cash flow needs.

- If at any time the unrestricted and undesignated balance should fall below 25 percent of the average annual expenditures of the prior three years, the City will work to restore the balance in no less than three years with not less than one quarter of the shortfall being restored within each year.
- The City will budget a contingency appropriation to provide for unanticipated non-recurring expenditures. The minimum contingency will be maintained at not less than 3 percent of annual operating expenditures.

SDC Water Fund. The System Development Charges for Water are in this fund. System Development Charges are a one-time fee imposed on new development to equitably recover the cost of expanding infrastructure capacity to serve new customers.

Wastewater Fund. This fund accounts for wastewater treatment and collection. Revenues are from charges for services and taxes. Expenditures are for operations, capital construction, and retirement of debt.

- The Wastewater Fund will maintain an unrestricted and undesignated balance of at least 25 percent of the average annual expenditures of the prior three years, in addition to any amount required to comply with debt ~~covenants~~[covenants](#) or legal requirements. This is the minimum needed to maintain the City's credit worthiness and to adequately provide for economic uncertainties and cash flow needs.
- If at any time the unrestricted and undesignated balance should fall below 25 percent of the average annual expenditures of the prior three years, the City will work to restore the balance in no less than three years with not less than one quarter of the shortfall being restored within each year.
- The City will budget a contingency appropriation to provide for unanticipated non-recurring expenditures. The minimum contingency will be maintained at not less than 3 percent of annual operating expenditures.

SDC Wastewater Fund. The System Development Charges for Wastewater are in this fund. System Development Charges are a one-time fee imposed on new development to equitably recover the cost of expanding infrastructure capacity to serve new customers.

Electric Fund. The Electric Fund accounts for the distribution of purchased electricity according to standards set forth by the Federal Energy Regulatory Commission. Revenues are from sale of electricity and other charges for services and intergovernmental revenues. Expenditures are for related operations. Utility operations include wholesale power purchases, operating expenses, energy conservation incentives, capital outlay, retirement of debt, franchise tax, and

related purposes.

- The Electric Fund will maintain an unrestricted and undesignated balance of at least 25 percent of the average annual expenditures of the prior three years, in addition to any amount required to comply with debt ~~covenants~~covenants or legal requirements. This is the minimum needed to maintain the City's credit worthiness and to adequately provide for economic uncertainties and cash flow needs.
- Debt service reserves are included in the Electric Fund balance. This portion of the Electric Fund balance is restricted and shall not be used in determining the minimum fund balance.
- If at any time the unrestricted and undesignated balance should fall below 25 percent of the average annual expenditures of the prior three years, the City will work to restore the balance in no less than three years with not less than 25 percent of the shortfall being restored within each year.
- The City will budget a contingency appropriation to provide for unanticipated non-recurring expenditures. The minimum contingency will be maintained at not less than 3 percent of annual operating expenditures.

Telecommunications Fund. The Telecommunications Fund accounts for the revenues and expenditures of the Ashland Fiber Network.

- The Telecommunications Fund will maintain a minimum balance of 20 percent of the average annual expenditures of the prior three years, in addition to any amount required to comply with debt ~~covenants~~covenants or legal requirements.
- If at any time the unrestricted and undesignated balance should fall below 20 percent of the average annual expenditures of the prior three years, the City will work to restore the balance in no less than three years with not less than one quarter of the shortfall being restored within each year.
- Debt service reserves are included in the Telecommunications Fund balance. This portion of the Telecommunications Fund balance is restricted and shall not be used in determining the minimum fund balance.
- The city will budget a contingency appropriation to provide for unanticipated non-recurring expenditure. The minimum contingency will be maintained at not less than 3 percent of annual operating expenditures.

Stormwater Fund. Revenues are from charges for services and miscellaneous sources. Expenditures are for the maintenance, repair, and construction of storm drains.

- The Stormwater Fund will maintain a committed balance of annual revenue of at least 20

percent of the average annual expenditures of the prior three years. This is the minimum needed to maintain the City's credit worthiness and to adequately provide for economic uncertainties and cash flow needs.

- If at any time the unrestricted and undesignated balance should fall below 20 percent of the average annual expenditures of the prior three years, the City will work to restore the balance in no less than three years with not less than one quarter of the shortfall being restored within each year.
- The City will budget a contingency appropriation to provide for unanticipated expenditures of a nonrecurring nature. The minimum contingency will be maintained at not less than 3 percent of annual operating expenditures.

SDC Stormwater Fund. The System Development Charges for Stormwater are in this fund. System Development Charges are a one-time fee imposed on new development to equitably recover the cost of expanding infrastructure capacity to serve new customers.

Internal Service Funds

Internal service funds account for the financing of goods or services provided by one department or agency to other departments or agencies of the governmental unit, or to other governmental units, on a cost reimbursement basis. Internal service funds use full accrual accounting methods for financial statement presentations. However, the internal service funds use a modified accrual basis of accounting for budgetary purposes. This assures budgetary compliance with such expenditures as capital construction and acquisition as well as debt principal transactions.

Insurance Services Fund. Revenues in this fund are from service charges from other departments, investment income, and insurance retrospective rating adjustments. Expenditures are for insurance premiums, ~~self insurance direct~~ claims, and administration.

- The Insurance Services Fund will maintain an unrestricted and undesignated balance of 50% of the average annual expenses of the prior five years or \$500,000 whichever is more. This is the minimum needed to maintain the City's insurance programs and provide for uninsured exposures.
- If at any time the unrestricted and undesignated balance should fall below \$500,000, the City will work to restore the balance in no less than two years with not less than one third of the shortfall being restored within each year.
- No portion of the Insurance Services Fund balance is legally restricted for specific uses.
- The City will budget a contingency appropriation to provide for unanticipated non-recurring expenditures. The minimum contingency will be maintained at not less than

3 percent of annual operating expenditures.

Equipment Fund. This fund is used to account for the maintenance and replacement of the City fleet of vehicles and specified equipment. Revenues are from equipment rental and replacement charges. Expenditures are for personnel, materials and services, and capital outlay. This fund is divided into two functions: equipment maintenance and equipment replacement. The purpose of the equipment replacement function is to accumulate adequate funds to replace equipment. This replacement schedule is updated annually.

- The Equipment Fund will maintain a minimum balance calculated to sufficiently fund equipment replacement as determined by use of the replacement value schedule and not less than 20 percent of the average annual operating expenditures of the prior three years.
- If at any time the unrestricted and undesignated balance should fall below the sum of 20 percent of the average annual operating expenditures of the prior three years and 30 percent of the replacement value of in-service equipment and vehicles, the City will work to restore the balance in no less than three years with not less than one quarter of the shortfall being restored within each year.
- No portion of the Equipment fund balance is legally restricted for specific uses. The City rents equipment at rates that include the replacement cost of the specific piece of equipment.
- The City will budget a contingency appropriation to provide for unanticipated non-recurring expenditures. The minimum contingency will be maintained at not less than 3 percent of annual operating expenditures.

Trust and Agency Funds

Trust and agency funds account for assets held by a governmental unit in a trustee capacity or as an agent for individuals, private organizations, or governmental units, and/or other funds. These include (a) expendable trust funds, (b) non-expendable trust funds, (c) pension trust funds, and (d) agency funds.

Cemetery Trust Fund. The Cemetery Trust Fund is a non-expendable trust fund that uses the accrual basis of accounting. Revenues are from interest income and perpetual care service charges on cemetery operations. Expenditures are for the repurchase of plots and transfers of earnings to the cemetery fund for operations.

- No minimum fund balance policy is recommended.

Revenues

- The City will estimate its annual revenues by an objective, analytical process. Because most revenues are sensitive to conditions outside the City's control, estimates will be conservative.
- The City will make every effort to maintain a diversified and stable revenue base to protect its operation from short-term fluctuations in any one revenue source.
- The City will establish charges for enterprise funds that fully support the total cost of the enterprise. ~~Utility rates will be reviewed annually.~~ Rates will be adjusted as needed to account for major changes in consumption and cost increases.
- The City will identify user fees to the direct beneficiaries of City services to recover all of the full cost of providing that service and compare with existing rates. All user fees will be reviewed biannually to ensure that direct and overhead costs are recovered in the percentage approved by City Council.
- To the extent practicable, new development shall pay necessary fees to meet all identified costs associated with that development.
- The City will work aggressively to collect all delinquent accounts receivable. When necessary, collection procedures will include termination of service, submission to collection agencies, foreclosure, and other available legal remedies.

Expenditures

- The City will provide employee compensation that is competitive with comparable public jurisdictions within the relative recruitment area. Estimated wage increases and changes in employee benefits will be included in the proposed budget under Personnel Services.
- The City is committed to maintaining and improving the productivity of its staff by providing a proper working environment, adequate equipment and supplies, and appropriate training and supervision.
- A Social Service appropriation will be included in the proposed General Fund Budget. This appropriation will increase or decrease relative to the overall General Fund revenues.
- Tourism appropriation will be included in the proposed Tourism Fund Budget. This appropriation will increase or decrease relative to the overall Transient Lodging Tax Revenues.

Purchasing

- The City will purchase materials, supplies, and equipment through a competitive process that provides the best product for the least cost.
- The City will adhere to all State of Oregon and local requirements for purchasing goods and services. The City will also review policies and procedures at least annually for adherence with industry best practices.

Capital

- The City will provide for adequate maintenance of equipment and capital assets. The City will make regular contributions to the Equipment Replacement Fund and the City Facilities budget to ensure that monies will be available as needed to replace City vehicles and facilities.
- Future operating costs associated with new capital improvements will be itemized, projected, and included in the long-term budget forecast.
- The City will determine and use the most appropriate method for financing all new capital projects.
- Special accounts dedicated for capital improvements will be segregated in the accounting system and used only for the intended capital purposes.
- The Capital Improvement Plan (CIP) will encourage a level capital replacement schedule and anticipate future capital needs. The CIP will present identified needed capital projects for a minimum of six years into the future and include known major projects requiring debt obligations to support them for a minimum of fifteen years into the future.

Debts

- The City will not use long-term borrowing to finance current operations, [except revenue bonds approved by the City Council or General Obligation Bonds approved by the electorate.](#)
- Capital projects, financed through bond proceeds, will be financed for a period not to exceed the useful life of the project.
- Whenever possible, enterprise debt will be self-supporting. Regardless of the type of debt issued, the City will establish a one-year reserve for all self-supporting debt.
- The City will seek to maintain level debt service payments over the duration of an issue and consider the level of debt obligations across funding sources when recommending types and amounts of debt instruments.

- The City will keep the final maturity of general obligation bonds at or below 20 years, with the exception of water supply and land acquisition that will be limited to 30 years.
- The City will maintain a debt coverage ratio, i.e. net revenue to debt service of at least 125% for every debt issue.
- The State of Oregon limits non-self-supporting obligation debt to three percent of the real market value of all taxable property within the City boundaries.
- The City will seek to maintain and improve its bond rating to minimize borrowing costs and to ensure its access to credit markets.
- The City will maintain good communications with bond rating agencies about its financial condition.

Risk Management

- The City is committed to developing and maintaining a proactive, comprehensive risk management program designed to minimize human suffering and stringently protect municipal assets. To achieve this, the City will utilize a strategic combination of rigorous loss-prevention protocols and insurance procurement. This integrated approach ensures fiscal stability, enhances workplace safety, and safeguards community infrastructure against unforeseen liabilities. ~~will provide an active risk management program that reduces human suffering and protects City assets through loss prevention, insurance, and self-insurance.~~
- The risk management program will be reviewed at least annually to assure levels of primary and secondary coverage are consistent with City priorities and needs.
- The risk management function will conduct regular meetings of the City Safety Committee, including representatives from each operating department, to ~~review incidents and consider activities or initiatives to reduce the City's loss experience and to enhance~~ the safety of City human and physical resources.



Council Business Meeting

Date: September 15, 2026

Agenda Item	Approval of Resolution No. 2026-28 Updating the Utility Assistance Program and repealing Resolution 2025-21
Department	Finance
From	Bryn Morrison, Deputy Finance Director , Jordan Rooklyn

TIME ESTIMATE

15 minutes

CATEGORY

Action Needed - Motion to approve an action

SUMMARY

Resolution 2026-28 increases the maximum amount of utility relief a customer can receive via the City's Utility Assistance program and alters the requirement for utility-use audits to focus on those customers who could most benefit from the City's conservation programs.

POLICIES, PLANS & GOALS SUPPORTED

Administrative/Governance Goal: To ensure ongoing fiscal ability to provide desired and required services at an acceptable level.

BACKGROUND AND ADDITIONAL INFORMATION

Current Utility Assistance Program

Staff presented information March 31 and April 14, 2025 before Council approved the changes to the Low Income Assistance Program on June 3, 2025.

The new program attributes were:

- 1) Income threshold 200% FPL = SNAP qualifier
- * Auto-qualify with SNAP letter, OHP card/letter
- * Auto-qualify all seniors/disabled this first year as they have been pre-qualified at 125% FPL
- * Manually qualifying some applicants still necessary because not everyone has SNAP or OHP
- 2) 30% discount on their bill (Electric, Water, Sewer only)
- 3) \$400 cap per household annually - this can be increased or decreased at a later date once more data is Received

Additionally, Council requested that each qualifying household be required to receive a water and energy audit within the first two years that would be valid for three years to continue to qualify for the discount.

Update for Fiscal Year 2026 and Recommendation for Fiscal Year 2027

495 utility accounts qualified for the discount in FY26. 68 accounts reached the \$400 cap and only 6 accounts completed the water and/or energy audits. In total, \$122,826 of the \$282,660 budget was provided to low-income households to reduce their utility charges.

As of June 30, 2026

	<u>2025-26 Actual</u>	<u>2025-26 Budget</u>
Electric Fund	\$ 67,554	\$ 245,000
Wastewater Fund	22,109	13,660
Water Fund	33,163	24,000
	\$ 122,826	\$ 282,660





Council Business Meeting

Staff recommends increasing the cap of the program to \$800 per year in an effort to provide more assistance to those in need. This cap will be evaluated again at the close of fiscal year 2027. Once staff is provided direction on increasing the cap, an outreach program will occur to attempt to encourage residents to apply.

Staff recommends removing the requirement that each qualifying household receive a water and energy audit to retain eligibility and, instead, create a provision that the City may require a water or energy audit if an account has been identified as a "higher-than-typical" utility user that may benefit from participation in the City's conservation programs. This addresses the issue of low take-up in audits by program participants but still moves forward the City's goal of improving efficient utility use and reducing costs for low-income households.

Staff are currently designing a model to evaluate if a program participant would benefit from a water or energy audit. Currently, approaches include evaluating the age and square footage of a home (since older, larger homes tend to be less energy efficient), and looking at utility use levels compared to homes of similar sizes. Once a home is identified as a potentially higher-than-typical utility user, city staff will make contact with the utility customer, schedule an audit, and then follow-up with that customer on the conservation programs they are eligible to participate in that would have the most impact on their utility bill.

FISCAL IMPACTS

Based on the number of customers who reached the maximum cap in FY26, staff estimate that increasing the maximum cap to \$800 will increase the amount of assistance in fiscal year 2027 by approximately \$27,200. If more utility customers participate in the program, or we have a colder-than-average winter or a hotter-than-average summer, the number of customers who reach the maximum cap may be higher than estimated.

SUGGESTED ACTIONS, MOTIONS, AND/OR OPTIONS

I move to adopt Resolution 2026-28 updating the Utility Assistance Program and repealing Resolution 2025-21.

REFERENCES & ATTACHMENTS

1. Resolution 2026-28 Updating the Utility Assistance Program



RESOLUTION NO. 2026-28

A RESOLUTION UPDATING THE UTILITY ASSISTANCE PROGRAM AND REPEALING RESOLUTION 2025-21.

RECITALS:

- A. The City of Ashland operates water, electric, and sewer utilities to provide all residential and commercial customers within the City of Ashland.
- B. The City of Ashland has historically offered a utility discount on services to qualified applicants based on income and senior citizen status via three programs: the Ashland Low Income Energy Assistance Program (ALIEAP), the Senior/Disabled Utilities Discount, and the Emergency HEAT Assistance Program.
- C. The City wishes to update the program by increasing the maximum benefit amount and including an audit requirement for those households that are strong candidates for reducing utility use.

THE CITY OF ASHLAND HEREBY RESOLVES AS FOLLOWS:

SECTION 1. Resolution 2025-21 is repealed and replaced with the following utility assistance criteria.

SECTION 2. An applicant shall be automatically qualified and approved for utility assistance if the applicant provides a current-year, authorized letter or card with the applicant's name from SNAP (Supplemental Nutrition Assistance Program) or OHP (Oregon Health Plan).

SECTION 3. An applicant shall also be considered qualified and approved if the applicant submits evidence of income, such as a filed tax return, demonstrating income is at or below 200% Federal Poverty Level.

SECTION 4. Qualifying applicants will receive a 30% assistance benefit on their water, electric, and sewer bills - either combined or on a single service, as applicable. The total annual assistance provided shall not exceed \$800 per residence.

SECTION 5. The City may require a program participant to undergo a utility use audit, if the City identifies that the residence is a strong candidate for reducing utility use –and thus their utility bill - via the City’s available conservation programs.

SECTION 6. The City's ability to operate and fund the utility assistance program is subject to the availability of allocated budget funds.

SECTION 7. This resolution is effective July1, 2026.

This resolution was duly PASSED and ADOPTED this _____ day of _____, and takes effect upon signing by the Mayor.

Alissa Kolodzinski, City Recorder

SIGNED and APPROVED this _____ day of _____, 2026.

Tonya Graham, Mayor

Reviewed as to form:

Johan Pietila, City Attorney



Council Business Meeting

Date: September 15, 2026

Agenda Item	LOC Member Vote
Department	City Manager's Office
From	Sabrina Cotta

TIME ESTIMATE

5 minutes

CATEGORY

Staff Direction - provide direction to staff on the body's desired next steps.

SUMMARY

The League of Oregon Cities (LOC) has asked each city to review recommendations from the seven LOC policy committees and provide input on their city's top 5 issues to the LOC Board of Directors, which will formally adopt the LOC's legislative agenda. The deadline to vote is September 25th.

POLICIES, PLANS & GOALS SUPPORTED

Excellence in governance and City services

BACKGROUND AND ADDITIONAL INFORMATION

Each even-numbered year, the LOC appoints members to serve on seven policy committees, which are the foundation of the League's policy development process. Composed of city officials, these committees analyze policy and technical issues and recommend positions and strategies for the upcoming two-year legislative cycle. This year, seven committees identified 27 legislative policy priorities to advance to the full membership and LOC Board of Directors. It's important to understand that the issues that ultimately do not rise to the top based on member ranking are not diminished with respect to their value to the policy committee or the LOC's advocacy. These issues will still be key components of the LOC's overall legislative portfolio for the next two years. After gathering input from the executive leadership team, the City Manager respectfully submits the following five priorities, in no particular order, for consideration as the City of Ashland's top five legislative priorities:

FUNDING AND COORDINATION FOR SHELTER AND HOMELESS RESPONSE

RECOMMENDATION: The LOC opposes cuts to the state shelter system funding and supports continued state investments in a comprehensive homeless response system to fund eviction prevention, shelter, and rehousing. These investments should include: • Strengthening our coordinated regional homeless response; • Funding a range of shelter types in cities across the state, including alternative shelter models, safe parking programs; and • Funding eviction prevention, rapid rehousing, outreach, case management, staffing and administrative support, and other related services. Background: The LOC recognizes that to end homelessness, a cross-sector coordinated approach to delivering services, housing, and programs is needed. Cities are not social service providers and largely do not have the additional revenue sources to fund new services outside their core services, amid ongoing budget cuts. Despite historic legislative investments in recent years, communities continue to struggle to support and rehouse Oregonians experiencing homelessness. In 2025, the Legislature passed HB 3644, which created the Statewide Shelter Program, a comprehensive funding program for state-supported local shelters based in regional coordination. In addition to the statutory framework, the Legislature passed a funding package of \$204 million to support sheltering efforts in the 2025-2027 biennium, with \$102 million as the new baseline level of funding for all bienniums through 2034. In a tight budget environment, the Legislature's ability and interest in continuing these investments is unclear. As Oregon continues to face increasing rates of unsheltered homelessness, the LOC is committed to strengthening a regionally based, state-supported homeless response system to ensure all Oregonians can equitably access stable housing and maintain secure, thriving communities. Regional coordination is key to the system's success, and the state, cities, and counties must be part of the solution together.





Council Business Meeting

LAND AVAILABILITY AND LAND USE STREAMLINING

RECOMMENDATION: The LOC supports updates and streamlining statutes to better support good land use planning and land availability for all needs. This includes: • Refining land use statutes to provide more clarity and legal certainty for cities; • Clarifying wetland statutes and inventories to allow efficient and orderly urbanization of land within urban growth boundaries (UGBs); • Streamlining UGB expansion and swap processes for residential, commercial, and 9 industrial land; • Improving urban reserves process and land prioritization; and • Funding for technical assistance for code audits and updates to comply with new state statutes. Background: Oregon's land use system has undergone substantial change over the past decade, without revisions to the underlying structure. Years of layering legislation with different requirements and new interpretations of existing law have increased regulatory complexity that cities must navigate to be compliant within Oregon's land use system. Complying with state land use laws has become expensive, time-consuming and confusing, and prevents cities from having sufficient land for all needs (housing, industrial, and commercial). This has created challenges for ensuring that communities have sufficient supplies of land for all types of development, impacting other the housing and economic development priorities of the state.

EMERGENCY COMMUNICATION SYSTEM RESOURCES

RECOMMENDATION: The LOC will support legislation enhancing the effectiveness of the state's emergency communications system through an increase in the 9-1-1 tax. Inflationary factors have lessened the impact of the emergency communications tax. State estimates indicate that this revenue covered 40% of dispatch center costs, but that 13 figure is inaccurate, with some communities receiving as little as 20-25%. Background: Oregon's 9-1-1 tax was increased to \$1.00 per line or prepaid transaction effective January 1, 2020, and further increased to \$1.25 effective January 1, 2021. Before this change from 2019's HB 2449, the rate had been 75 cents since 1995. The new tax increase on 9-1-1 expires January 1, 2030. Most cities will not receive this state shared revenue directly, as the city share is directed to the public safety answering point (PSAP) provider connected to the statewide network, and most of these are managed by counties or a regional entity, rather than a city. The PSAPs are only partially funded through the state's Emergency Communications Tax, with the balance of operating costs coming primarily from property taxes. Local governments receive approximately 60% of 9-1-1 taxes, but the taxes generally covered less than 25% of the costs of total PSAP operations before the recent rate increases. Ratios of individual PSAP costs to taxes received vary. The local government share of the state tax is distributed 1% to each county, with the remainder distributed per capita.

2027 TRANSPORTATION PACKAGE

RECOMMENDATION: The LOC supports a robust transportation package that supports Oregon's multi-jurisdictional, multi-modal, and safety-oriented transportation system. Recognizing that Oregonians don't always know who owns what route they rely on, any revenue should support our shared transportation system. The LOC believes this is most effective through a statewide revenue source rather than more administratively burdensome and inequitable local revenue methods that are unable to ensure that all users pay their fair share (including through user fees). Cities and locally owned transportation systems rely on a strong state partner to meet our shared goals of a system that moves people from "point a to point b" safely and effectively. In addition, the conditions of state and county routes impact cities by both directing additional traffic on city streets and affecting how residents get to where they need to go safely. This requires system expansion to be secondary to restoring funds in grant programs and transit services, protecting existing programs, and an overall focus on operation and maintenance. 15 Background: After a failed package in 2025, efforts are underway on a 2027 package to address the known need for state, county, and city infrastructure. The State Highway Fund (SHF) is the primary revenue source for the state's transportation infrastructure, and comes from various sources, including gas and diesel tax, weight mile tax, vehicle registration fees, vehicle title fees, and driver's license fees. These funds are distributed using a 50-30-20 formula, with 50% going to the state, 30% to counties, and 20% to cities. Continued investment in transportation infrastructure is critical for public safety objectives such as the Safe Routes to Schools and the Great Streets programs. In addition to those grant programs, local communities rely on the Statewide Transportation Improvement Fund and Oregon Community Paths resources. These programs are essential in cities to support efficient, convenient, safe, cost-effective transportation systems that are open to all members of our communities.

INFRASTRUCTURE FUNDING

RECOMMENDATION: The LOC will advocate for increased and sustained investments in drinking water,





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wastewater, stormwater, and water reuse infrastructure needed to support housing production, economic development, public health, and environmental protection. This includes: expanding flexible, low-cost financing tools that reduce ratepayer burden; supporting infrastructure capacity needed for housing and economic development; investing in aquifer storage and recovery projects; protecting system development charge authority; and sustaining infrastructure financing programs, including the Special Public Works Fund, which help communities address critical infrastructure needs. The LOC will advocate for policies that recognize the increasing costs associated with regulatory compliance, environmental protection, and workforce needs. Background: Water infrastructure (drinking water, wastewater, stormwater, and reuse) is essential to supporting housing production, economic development, public health, and environmental protection in communities across Oregon. Cities own and operate drinking water, wastewater, stormwater, and water reuse systems that require ongoing investment to maintain reliability, comply with state and federal regulations, and serve existing and future residents. The 2024 LOC Infrastructure Survey identified approximately \$6.4 billion in water infrastructure needs statewide. Cities continue to face increasing costs associated with aging infrastructure, regulatory compliance, environmental requirements, workforce challenges, and inflationary factors. Without adequate infrastructure capacity, communities may struggle to accommodate needed housing development and economic growth. State investments should support direct infrastructure projects and proven financing programs that help communities plan, construct, and upgrade critical facilities. State programs like the Special Public Works Fund play an important role in helping communities address critical infrastructure needs.

The Mayor submits the following five priorities in no particular order:

FUNDING AND COORDINATION FOR SHELTER AND HOMELESS RESPONSE (see description above)

LAND AVAILABILITY AND LAND USE STREAMLINING (see description above)

EMERGENCY COMMUNICATION SYSTEM RESOURCES (see description above)

FULL FUNDING AND STREAMLINING FOR HOUSING PRODUCTION

RECOMMENDATION: The LOC will seek opportunities to address structural barriers to production of different housing options at the regional and state level. This includes:

Streamlining state agency programs, directives, funding metrics, and grant timelines that impact development; Accurate tracking of units produced on the ground, rather than units unlocked;

Aligning state programs with local capital improvement and budget timelines; and

Increasing connections between affordable housing resources at Oregon Housing and Community Services (OHCS) with the land use directives in the Oregon Housing Needs Analysis (OHNA) and Climate Friendly and Equitable Communities (CFEC) programs at the Oregon Department of Land Conservation and Development (DLCD).

Additionally, the LOC will advocate maintaining and increasing state investments to support the development and preservation of a range of needed housing types and affordability, including:

Publicly supported affordable housing and related services;

Affordable homeownership;

Permanent supportive housing;

Affordable modular and manufactured housing;

Middle housing types; and

Moderate-income workforce housing development

Background: Recent legislation and executive orders have made significant changes to the state's land use planning process, including new housing production directives for cities and counties. And yet, housing production levels remain below our state's current needs. The state should prioritize implementation, funding, and coordination of existing programs in the 2027-2028 legislative sessions before considering any new policies, including direct funding for housing production to address the underlying economic challenges that prevent production.

SUPPORT EXPEDITED LOCAL RENEWABLE ENERGY GENERATION

RECOMMENDATION: The LOC will continue to support traditional large renewable energy development and transmission projects while mitigating impacts on local control. To support Oregon clean/renewable energy targets and increased capacity, the LOC also supports local initiatives to develop alternative/renewable energy sources that fit the needs of each city.





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Background: Recent studies of projected Pacific Northwest energy load growth in the next five years show a projected shortfall of 3GW (3,000,000kw) by 2030. That shortfall compounds by 2035. Viability of Oregon cities depends upon increased reliable energy generation.

FISCAL IMPACTS

N/A

SUGGESTED ACTIONS, MOTIONS, AND/OR OPTIONS

I move to adopt the five recommended legislative priorities and direct the City Manager to submit these priorities to the League of Oregon Cities.

REFERENCES & ATTACHMENTS

1. LOC ITEM 2024
2. 2026_Legislative_Voter_Guide_FINAL





Council Business Meeting

Date: August 20, 2024

Agenda Item	LOC Member Vote Review and Decision
From	Sabrina Cotta
Contact	sabrina.cotta@ashland.or.us

SUMMARY

The League of Oregon Cities (LOC) has asked each City to review recommendations from the seven LOC policy committees and provide input on their city's top 5 issues to the LOC Board of Directors, which will formally adopt the LOC's 2025-202 legislative agenda. The deadline for the City of Ashland's vote is September 27, 2024. The City of Ashland's proposed top 5 issues are:

- Behavioral Health Enhancements
- Cybersecurity & Privacy
- Building Decarbonization, Efficiency, and Modernization
- Infrastructure Funding
- Full Funding Alignment for Housing Production

POLICIES, PLANS & GOALS SUPPORTED

Excellence in governance and City services

BACKGROUND AND ADDITIONAL INFORMATION

Excellence in governance and City services

BACKGROUND AND ADDITIONAL INFORMATION

Each even-numbered year, the LOC appoints members to serve on seven policy committees, which are the foundation of the League's policy development process. Composed of city officials, these committees analyze policy and technical issues and recommend positions and strategies for the upcoming two-year legislative cycle. This year, seven committees identified 23 legislative policy priorities to advance to the full membership and LOC Board of Directors. It's important to understand that the issues that ultimately do not rise to the top based on member ranking are not diminished with respect to their value to the policy committee or the LOC's advocacy. These issues will still be key components of the LOC's overall legislative portfolio for the next two years. The Interim City Manager respectfully submits the following five priorities for consideration as the City of Ashland's top five legislative priorities:

1. Behavioral Health Enhancements

RECOMMENDATION: *The LOC will introduce and support legislation to expand access to behavioral health treatment beds and allow courts greater ability to direct persons unable to care for themselves into treatment through the civil commitment process.*

Background: While Oregon has historically ranked at or near the bottom nationally for access to behavioral healthcare, the state has made significant investments over the past four years. It will take time for investments in workforce development and substance abuse treatment to be realized, and areas for improvement remain. The standard for civilly committing a person into treatment remains very high in Oregon, and as a result, individuals who present a danger to themselves or others remain untreated, often producing tragic results. Additionally, the number of treatment beds for residential care does not meet demand, with services unavailable in multiple areas of the state.

1. Cybersecurity & Privacy

RECOMMENDATION: The LOC will support legislation that addresses privacy, data protection, information security, and cybersecurity resources for all that use existing and emerging technology like artificial intelligence





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(AI) and synthetic intelligence (SI), including, but not limited to: funding for local and state government cyber and information security initiatives; interagency and government coordination and cooperative arrangements for communities that lack capacity; statewide resources for cyber and AI professionals and workforce development; vendor and third-party vendor accountability; regulations of data privacy; or standards for software/hardware developers to meet that will make their products more secure while ensuring continued economic growth. The LOC will oppose any unfunded cybersecurity and/or AI mandates and support funding opportunities to meet any unfunded insurance requirements.

Background: Society's continued reliance on technology will only increase with the emergence of artificial intelligence (AI) and synthetic intelligence (SI). This will mean an increased risk for cybercrimes. Cybersecurity encompasses everything that pertains to protecting our sensitive and privileged data, protected health information, personal information, intellectual property, data, and governmental and industry information systems from theft and damage attempted by criminals and adversaries.

Cybersecurity risk is increasing, not only because of global connectivity but also because of the reliance on cloud services to store sensitive data and personal information. As AI and SI technology and adoption accelerate, the ability to guard against cyber threats and threats created through AI will increase. Strengthening coordination between the public and private sectors at all levels is essential for decreasing risks and quickly responding to emerging threats. This ensures resilience is considered to reduce the damage caused by cyber threats.

1. Building Decarbonation, Efficiency and Modernization

RECOMMENDATION: The LOC will support legislation to protect against any rollback and preemptions to allow local governments to reduce greenhouse gas emissions from new and existing buildings while ensuring reliability and affordability. In addition, the LOC will lead and back efforts that support local governments, including statewide capacity, expertise, and resources to allow local governments to pursue state and federal funding and continue to support off-ramps for local governments unable to meet the state's new building performance standards.

Background: Homes and commercial buildings consume nearly one-half of all the energy used in Oregon, according to the Oregon Department of Energy. Existing buildings can be retrofitted and modernized to become more resilient and efficient, while new buildings can be built with energy efficiency and energy capacity in mind. Oregon cities, especially small to mid-sized and rural communities, require technical assistance and financial support to meet the state's goals. Without additional support, some communities will be unable to meet the state's building performance standards. Off-ramps are necessary to protect cities unable to meet the state's goals to ensure they are not burdened by mandates they can't meet.

Some initiatives may include local exceptions for building energy codes and performance standards, statewide home energy scoring, or financial incentives from the Infrastructure Investment and Jobs Act (IIJA), the Inflation Reduction Act (IRA), state incentives, and other financial incentives like CPACE (Commercial property-assessed clean energy).

For cities to meet their climate resilience and carbon reduction goals while maintaining home rule authority, their flexibility must be preserved to allow for a successful transition from fossil fuels. State pre-emptions should not prohibit cities from exceeding state goals and achieving standards that align with their values.

1. Infrastructure Funding

RECOMMENDATION: The LOC will support legislation to protect against any rollback and preemptions to allow local governments to reduce greenhouse gas emissions from new and existing buildings while ensuring reliability and affordability. In addition, the LOC will lead and back efforts that support local governments, including statewide capacity, expertise, and resources to allow local governments to pursue state and federal funding and continue to support off-ramps for local governments unable to meet the state's new building performance standards.

Background: Homes and commercial buildings consume nearly one-half of all the energy used in Oregon, according to the Oregon Department of Energy. Existing buildings can be retrofitted and modernized to become more resilient and efficient, while new buildings can be built with energy efficiency and energy capacity in mind. Oregon cities, especially small to mid-sized and rural communities, require technical assistance and financial support to meet the state's goals. Without additional support, some communities will be unable to meet the state's building performance standards. Off-ramps are necessary to protect cities unable to meet the state's goals



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to ensure they are not burdened by mandates they can't meet.

Some initiatives may include local exceptions for building energy codes and performance standards, statewide home energy scoring, or financial incentives from the Infrastructure Investment and Jobs Act (IIJA), the Inflation Reduction Act (IRA), state incentives, and other financial incentives like CPACE (Commercial property-assessed clean energy).

For cities to meet their climate resilience and carbon reduction goals while maintaining home rule authority, their flexibility must be preserved to allow for a successful transition from fossil fuels. State pre-emptions should not prohibit cities from exceeding state goals and achieving standards that align with their values.

1. Full Funding and Alignment for Housing Production

RECOMMENDATION: The LOC will advocate to maintain and increase state investments to support the development and preservation of a range of needed housing types and affordability, including: publicly supported affordable housing and related services; affordable homeownership; permanent supportive housing; affordable modular and manufactured housing; middle housing types; and moderate-income workforce housing development. In addition, the LOC will seek opportunities to address structural barriers to production of different housing options at the regional and state level. This includes: streamlining state agency programs, directives, funding metrics, and grant timelines that impact development; aligning state programs with local capital improvement and budget timelines; and increasing connections between affordable housing resources at Oregon Housing and Community Services (OHCS) with the land use directives in the Oregon Housing Needs Analysis (OHNA) and Climate Friendly and Equitable Communities (CFEC) programs at the Department of Land Conservation and Development (DLCD).

Background: Recent legislation and executive orders have made significant changes to the state's land use planning process, including new housing production directives for cities and counties. These updates have resulted in extensive, continuous, and sometimes conflicting efforts that are not supported by adequate state funding. Cities do not have the staff capacity or resources needed to implement existing requirements. Additional state support is needed to assist local implementation, including technical assistance and education for local staff and decision makers, and workforce development. The state should prioritize implementation and coordination of existing programs in the 2025-2026 legislative sessions before considering any new policies.

FISCAL IMPACTS

None

SUGGESTED ACTIONS, MOTIONS, AND/OR OPTIONS

I move to adopt the five recommended legislative priorities and direct the Interim City Manager to submit these priorities to the League of Oregon Cities.

REFERENCES & ATTACHMENTS

1. 2024_Legislative_Voter_Guide_FINAL



League of Oregon Cities

2026 Member Voter Guide
2027-28 LOC Legislative Priorities

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2026 Member Voter Guide

Background: The LOC [policy committees](#) are the foundation of the League's policy development process. Each even-numbered year, the LOC appoints city officials to serve on these committees. They receive informational briefings, analyze policy and technical issues, and ultimately recommend positions and strategies for the upcoming two-year legislative cycle. We want to acknowledge officials that dedicated their time and expertise to develop the priorities – *thank you* for supporting the LOC in crafting a strong agenda to support our legislative work.

This year, seven committees identified 27 legislative policy priorities to advance to the full membership and LOC Board of Directors. It's important to understand that the issues that do not rise to the top based on member ranking are not diminished with respect to their value to the policy committee or the LOC's advocacy. These issues will still be key components of the LOC's legislative portfolio for the next two years.

Ballot/Voting Process: Each city is asked to review the recommendations from the each of the policy committees and provide input to the LOC Board of Directors, which will formally adopt the LOC's 2027-28 legislative agenda. While each city may have a different process when evaluating the issues, it's important for cities to engage with their mayor and entire council to ensure the issues are evaluated and become a shared set of priorities. During its October meeting, the LOC Board will formally adopt a set of priorities based on the ranking process through the survey and their evaluation.

Each city is permitted **one** ballot submission. **Once your city has reviewed the proposed legislative priorities, please complete the electronic ballot to indicate the top five (5) issues that your city would like the LOC to focus on during the 2027-28 legislative cycle.** The lead administrative staff member (city manager, city recorder, etc.) will be provided with a link to the electronic ballot. If your city did not receive a ballot link or needs an alternative way to vote, please reach out to Meghyn Fahndrich at mfahndrich@orcities.org and Nicole Stingh at nstingh@orcities.org.

Important Deadline: The deadline for submitting your city's vote is **5 p.m. on Friday, September 25, 2026.**

Broadband, Cybersecurity, Artificial Intelligence (AI), and Telecommunications Committee

LOC Contact: Greg Miller, gmliller@orcities.org

PROMOTE THE EQUITABLE DEVELOPMENT OF SUSTAINABLE TELECOM INFRASTRUCTURE

RECOMMENDATION: The LOC recognizes and has prioritized broadband access, and telecom infrastructure more broadly, as an “essential service” and will advocate for affordable, safe, reliable, high-speed infrastructure development and access in every city. This includes but is not limited to: supporting expansion of service options for municipalities; increasing rural cellular infrastructure; and maintaining open access to networks that provide choice to community members.

Background: Advancements in telecommunications technology have ushered in unprecedented investments in infrastructure development aimed at providing broadband access and other communication modalities to all. Deploying infrastructure in Oregon must be done equitably across the state’s diverse landscape and focus on addressing current coverage gaps as well as statewide infrastructure that serves all.

MAINTAIN LOCAL CONTROL OF A SAFE, MODERN RIGHT OF WAY

RECOMMENDATION: The LOC will oppose any legislation seeking to preempt local control of municipal rights-of-way (ROW). The LOC will also support legislation aimed at codifying home rule management of the local ROW and the revenue derived from use of the ROW, while encouraging ROW users to timely upgrade and replace their infrastructure lost to natural disaster.

Background: Home rule authority and local ROW management allow local governments to safely manage ROW issues that arise after work is complete, and when the ROW work-related permit may no longer be in effect. It ensures that utilities installing facilities in the ROW have financial protections like insurance in place, which help protect the public using the ROW and other entities whose infrastructure may be damaged during utility work. It ensures that local taxpayers will not have to pay costs associated with utilities’ use of the ROW. It also ensures accountability through a variety of enforcement mechanisms.

SUPPORT EQUITABLE ACCESS TO TECHNOLOGY

RECOMMENDATION: The LOC will support policies such as the Oregon Lifeline Program to ensure digital inclusion. The LOC will also continue to monitor implementation of the

U.S. Department of Justice’s website accessibility rule implementation and support municipal resource opportunities for accessibility. Finally, the LOC will support funding for programs that increase digital skills, equity, and adoption.

Background: All individuals regardless of physical, financial, or any other barrier have a right to access advancements in telecom technology.

SUPPORT RESPONSIBLE MUNICIPAL USE OF TECHNOLOGY

RECOMMENDATION: The LOC will support legislation that acknowledges forward-thinking regulations, taking into account the rapid evolution of telecom systems. The LOC may also support agency policy options that include municipal telecom resilience and concepts such as municipal AI assessments, and an “AI Sandbox” to further understanding of AI risks and other technological advancements in a controlled environment. In this work, the LOC will work to prevent unfunded mandates.

Background: Advancements in technology, including but not limited to AI, have demonstrated operational efficiencies, yet those come with risks if not implemented correctly and used safely. The LOC is cautiously optimistic about the use of AI and other tools that increase service and operational efficiency, but recognizes that some regulation may be necessary to define appropriate municipal uses and foster an atmosphere of responsibility and data safety.

SUPPORT MUNICIPAL CYBERSECURITY PROFICIENCY

RECOMMENDATION: The LOC opposes unfunded mandates and will advocate for technical support and funding to give all cities access to innovative technology, enhanced state programs, cybersecurity notification resources and assistance protecting critical infrastructure and data during cyber-attacks.

Background: Cybercriminals target municipalities as vulnerable systems holding valuable personal data and financial records. Historical underfunding of cybersecurity, antiquated system architecture, and lack of cybersecurity training contribute to the increasing trend in municipal cyberattacks. Cyberattacks can impact services with dire consequences for residents. Hackers typically look for the easiest entry path, and local governments often lack the resources to respond.

General Government Committee

LOC Contact: Charlie Conrad, cconrad@orcities.org

ADMINISTRATIVE PROCEDURES ACT REFORM

RECOMMENDATION: The LOC will advocate for the comprehensive modernization of the Oregon Administrative Procedures Act (APA) to restore regulatory transparency, strict alignment with legislative intent, and meaningful public accountability across all state agencies. This advocacy should include:

- Standardizing the rulemaking process across all state agencies to eliminate regulatory fragmentation;
- Strengthening public and expert participation in all rulemaking and workgroup processes;
- Establishing independent oversight and auditing of fiscal impact statements;
- Limiting and restricting the use of emergency rulemaking to actual crises; and
- Reforming judicial deference standards to ensure state agencies remain answerable to elected leaders and voters.

Background: Established in 1971, the Oregon APA is the legal framework that dictates how state agencies create regulations. However, the system has not seen a major update in decades, resulting in an unpredictable regulatory environment. Because there is no single standard for all agencies, different departments often pass conflicting rules that make compliance incredibly difficult for organizations on the ground. Furthermore, many key agencies report to independent boards rather than the governor, which creates an accountability vacuum. Recent state court decisions have compounded the issue by granting agencies broad leeway, ruling that their regulations do not strictly have to align with the original legislative intent.

This regulatory breakdown directly impacts local governments. When uncoordinated state agencies issue overlapping or conflicting rules, cities are left trapped in the middle—forced to navigate a maze of contradictory mandates that drain municipal staff time and stretch city budgets. Furthermore, because recent court rulings have stripped away traditional checks on administrative reach, cities have lost the ability to challenge flawed, 'one-size-fits-all' state regulations that ignore local realities. This loss of local control and financial stability necessitates reform. Protecting municipal home rule, ensuring local voices are actually heard during the rulemaking process, and restoring a sense of predictability and fairness to how state policies are implemented on the ground is necessary.

PUBLIC MEETINGS LAW CLARITY

RECOMMENDATION: The LOC will advocate for a comprehensive statutory reset of the Oregon Public Meetings Law to restore operational functionality and practicality for local governments while protecting public transparency. This priority includes the following provisions:

- Establishing an Intentionality Requirement: Limit serial meeting violations strictly to actions taken "knowingly and intentionally" to protect volunteer elected officials from penalties for good-faith, inadvertent errors.
- Streamlining Complaint Enforcement: Authorize the Oregon Government Ethics Commission (OGE) to immediately dismiss incomplete, trivial, or bad-faith complaints.
- Holding the Right Entity Accountable: Shift personal liability for purely administrative errors—such as delayed meeting notices—away from individual elected officials and onto the public body as an institution.
- Expanding the "Cure" Process: Provide flexible, accessible avenues for local governments to address and correct procedural complaints, including decision rescission or public acknowledgement with a corrective action plan.
- Right-Sizing Training Requirements: Reform mandatory compliance training to occur once per elected term rather than annually, while allowing incoming officials to complete the requirement prior to being sworn in.

Background: Oregon's Public Meetings Law prohibits local elected officials from deliberating in private, a rule that includes a ban on "serial meetings," where separate, smaller discussions are held over time that may add up to a quorum. Recent Oregon Government Ethics Commission (OGE) rules and training on this topic have created widespread confusion, leaving public officials deeply uncertain about how they can communicate with each other, their residents, or the media. A diverse work group of local leaders and legislators spent months negotiating a bipartisan fix during the 2026 legislative session, but Governor Kotek ultimately vetoed the bill, calling for stakeholders to return to the drawing board for the 2027 session. Today, the interpretation of this law remains highly contentious, and ongoing discrepancies create massive structural ambiguities and political tensions, making it incredibly difficult for local leaders to effectively govern.

To make the public meetings law workable, several practical fixes are urgently needed to save taxpayer resources and provide clarity to local officials. The current system: forces volunteer leaders to face personal liability for minor staff mistakes like late meeting notices; offers no clear way for cities to self-correct simple procedural errors; and requires repetitive annual training. To keep local governments functioning, the state

must shield individual officials from administrative liability, allow the OGEC's staff to quickly dismiss trivial or bad-faith complaints, create a clear path for cities to self-correct honest mistakes, and right-size compliance training to once per elected term.

Housing, Land Use, and Community Development Committee

LOC Contact: Alexandra Ring, aring@orcities.org

FUNDING AND COORDINATION FOR SHELTER AND HOMELESS RESPONSE

RECOMMENDATION: The LOC opposes cuts to the state shelter system funding and supports continued state investments in a comprehensive homeless response system to fund eviction prevention, shelter, and rehousing. These investments should include:

- Strengthening our coordinated regional homeless response;
- Funding a range of shelter types in cities across the state, including alternative shelter models, safe parking programs; and
- Funding eviction prevention, rapid rehousing, outreach, case management, staffing and administrative support, and other related services.

Background: The LOC recognizes that to end homelessness, a cross-sector coordinated approach to delivering services, housing, and programs is needed. Cities are not social service providers and largely do not have the additional revenue sources to fund new services outside their core services, amid ongoing budget cuts. Despite historic legislative investments in recent years, communities continue to struggle to support and rehouse Oregonians experiencing homelessness. In 2025, the Legislature passed HB 3644, which created the Statewide Shelter Program, a comprehensive funding program for state supported local shelters based in regional coordination. In addition to the statutory framework, the Legislature passed a funding package of \$204 million to support sheltering efforts in the 2025-2027 biennium, with \$102 million as the new baseline level of funding for all biennium through 2034. In a tight budget environment, the Legislature's ability and interest in continuing these investments is unclear.

As Oregon continues to face increasing rates of unsheltered homelessness, the LOC is committed to strengthening a regionally based, state-supported homeless response system to ensure all Oregonians can equitably access stable housing and maintain secure, thriving communities. Regional coordination is key to the system's success, and the state, cities, and counties must be part of the solution together.

FULL FUNDING AND STREAMLINING FOR HOUSING PRODUCTION

RECOMMENDATION: The LOC will seek opportunities to address structural barriers to

production of different housing options at the regional and state level. This includes:

- Streamlining state agency programs, directives, funding metrics, and grant timelines that impact development;
- Accurate tracking of units produced on the ground, rather than units unlocked;
- Aligning state programs with local capital improvement and budget timelines; and
- Increasing connections between affordable housing resources at Oregon Housing and Community Services (OHCS) with the land use directives in the Oregon Housing Needs Analysis (OHNA) and Climate Friendly and Equitable Communities (CFEC) programs at the Oregon Department of Land Conservation and Development (DLCD).

Additionally, the LOC will advocate maintaining and increasing state investments to support the development and preservation of a range of needed housing types and affordability, including:

- Publicly supported affordable housing and related services;
- Affordable homeownership;
- Permanent supportive housing;
- Affordable modular and manufactured housing;
- Middle housing types; and
- Moderate-income workforce housing development.

Background: Recent legislation and executive orders have made significant changes to the state's land use planning process, including new housing production directives for cities and counties. And yet, housing production levels remain below our state's current needs. The state should prioritize implementation, funding, and coordination of existing programs in the 2027-2028 legislative sessions before considering any new policies, including direct funding for housing production to address the underlying economic challenges that prevent production.

LAND AVAILABILITY AND LAND USE STREAMLINING

RECOMMENDATION: The LOC supports updates and streamlining statutes to better support good land use planning and land availability for all needs. This includes:

- Refining land use statutes to provide more clarity and legal certainty for cities;
- Clarifying wetland statutes and inventories to allow efficient and orderly urbanization of land within urban growth boundaries (UGBs);
- Streamlining UGB expansion and swap processes for residential, commercial, and

industrial land;

- Improving urban reserves process and land prioritization; and
- Funding for technical assistance for code audits and updates to comply with new state statutes.

Background: Oregon's land use system has undergone substantial change over the past decade, without revisions to the underlying structure. Years of layering legislation with different requirements and new interpretations of existing law have increased regulatory complexity that cities must navigate to be compliant within Oregon's land use system. Complying with state land use laws has become expensive, time-consuming and confusing, and prevents cities from having sufficient land for all needs (housing, industrial, and commercial). This has created challenges for ensuring that communities have sufficient supplies of land for all types of development, impacting other the housing and economic development priorities of the state.

Energy and Environment Committee

LOC Contact: Greg Miller, gmliller@orcities.org

INVEST IN COMMUNITY ENERGY RESILIENCE/DISASTER PLANNING

RECOMMENDATION: The LOC will engage in efforts to provide planning resources, technical assistance and funding to cities preparing to withstand, maintain and recover their energy needs in the event of a disaster. This includes resources for energy efficiency and/or local energy generation like biomass, solar, hydro, biogas, and generators. It also includes virtual power plants, microgrids, energy storage, and other solutions that help cities and their communities increase energy resilience.

Background: Frequency and severity of natural disasters and growing regional energy shortages have demonstrated the potential to cripple Oregon communities during an emergency. Intentional disaster planning and community energy resource development can be costly, but will contribute to Oregon cities' resilience and ongoing viability during floods, seismic events, drought, wildfires, and energy brown/blackouts.

SUPPORT EXPEDITED LOCAL RENEWABLE ENERGY GENERATION

RECOMMENDATION: The LOC will continue to support traditional large renewable energy development and transmission projects while mitigating impacts on local control. To support Oregon clean/renewable energy targets and increased capacity, the LOC also supports local initiatives to develop alternative/renewable energy sources that fit the needs of each city.

Background: Recent studies of projected Pacific Northwest energy load growth in the next five years show a projected shortfall of 3GW (3,000,000kw) by 2030. That shortfall compounds by 2035. Viability of Oregon cities depends upon increased reliable energy generation.

SUPPORT INCREASED ENERGY TRANSMISSION CAPACITY

RECOMMENDATION: The LOC will explore and support initiatives that increase renewable energy transmission while mitigating impacts on local control.

Background: Large scale renewable energy is largely produced east of the Cascade divide. Maximizing current transmission and developing new capacity to make renewable energy available to all regions is an important factor in achieving equitable community energy resilience while meeting Oregon decarbonization and climate goals.

MAINTAIN AFFORDABLE ENERGY WHILE SUPPORTING GRID HARDENING AND MODERNIZATION

RECOMMENDATION: The LOC will support initiatives that balance necessary grid modernization against manageable rate increases for cities and residents.

Background: Growing and modernizing Oregon's aging electric grid is necessary. However, upgrades and increased capacity are challenging. Utilities are not insulated from recent inflation and face unprecedented increases in equipment and infrastructure costs. Customers are also seeing increased rates due to rising utility infrastructure costs and spending on wildfire mitigation.

RESOURCE PROGRAMS FOR ENERGY EFFICIENCY PLANNING AND PROJECT DEVELOPMENT

RECOMMENDATION: The LOC will support legislation that further supports Community Renewable Energy Programs, Green Bank Concepts, Home Energy Rebates, Solar and Storage Rebates, Electrification Incentives.

Background: Oregon's 241 incorporated cities are at the forefront of delivering on Oregon's climate and energy goals: building decarbonization, energy efficiency and renewable energy generation. These mandates, while important, fall largely upon local governments that are perpetually constrained financially. Continued legislative allocations to support climate/energy programs and local governments will be paramount to continue taking the incremental steps necessary to achieve the state's 2030 greenhouse gas reduction targets and 2040 emissions elimination goals.

SUPPORT ADMINISTRATIVE CAPACITY

RECOMMENDATION: The LOC will support state budgets that increase targeted agency capacity needed to adequately and efficiently provide technical assistance, permitting and resources to municipalities related to state and federal energy and climate goals. This includes fully funded and staffed local programs dedicated to implementation of state climate and decarbonization initiatives, especially those related to guidance derived from federal agencies.

Background: Looming large in the Pacific Northwest are concerns about federal energy policies and utility capabilities to meet Oregon’s clean energy targets. Additional capacity at the state level will support communities that are navigating changing guidance and requirements.

Finance, Taxation, and Economic Development Committee

LOC Contact: Colette Tipper, ctipper@orcities.org

TARGETED PREVAILING WAGE CHANGES

RECOMMENDATION: The LOC will advocate for targeted changes to prevailing wage requirements that: recognize urgent needs for Oregon communities; consider the impact of inflation; and maintain the original intent of Oregon’s prevailing wage law. This includes supporting reoccurring legislation to exempt publicly financed facilities aimed at addressing the housing crisis (affordable housing, shelters, day centers) and the lack of childcare, as well as efforts to address mounting infrastructure needs impacting housing and economic development. The LOC will support additional clarity around split determination issues that are impacting growth, ensuring cities can proactively prepare for growth without impacting future, private developments.

Background: Prevailing wage rates are minimum hourly rates a contractor must pay its employees under public works contracts; and while there are federal and state prevailing wage rates, the recommendation above impacts state prevailing wage laws. The wage rates vary by occupation and region, with the rates being set by the Oregon Bureau of Labor & Industries (BOLI). Oregon law requires prevailing wages to be paid on a project if it hits one of two specific triggers: the public agency trigger or the public funding trigger:

1. Public Agency Trigger - If a project meets the definition of a “public works” under ORS 2798C.800(6)(a) and the total cost of the project is \$50,000 or more. Examples of qualifying projects include roads, buildings, and improvements – whether it’s new construction, renovation, painting, demolition, or the removal of hazardous waste. The \$50,000 threshold was set in 2005. If adjusted for inflation, the threshold would be roughly \$86,000.
2. Public Funding Trigger - A project might be private, but it uses \$750,000 or more of

taxpayer money. The same types of projects qualify for the public funding trigger. Note: there are very specific exceptions of public money being used that do not trigger prevailing wages (see ORS 279C.810(1)(a) and OAR 839-025-0004(11)(b)). The \$750,000 threshold was set in 2007. If adjusted for inflation, the threshold would be roughly \$1.2 million.

Additionally, Oregon law states that in the case of public-private partnerships, BOLI shall divide the project to separate the private and public aspects of the project. The public aspects of the project will be subject to prevailing wage, while the private aspects will not. [This recently impacted developments in the Willamette Valley](#). Developable lots with publicly funded infrastructure should not mean that private projects automatically prevail.

ALCOHOL REVENUE MODERNIZATION

RECOMMENDATION: The LOC will advocate for alcohol tax revenue modernization that generates increased shared revenues for cities. This includes support for recommendations from the HB 3610 Task Force on Alcohol Pricing to increase beer and wine taxes while preserving the existing 34% revenue-sharing distribution to cities. This may also include legislation removing the preemption on local alcohol taxes.

Background: Cities have significant public safety costs related to alcohol consumption and must receive revenue commensurate to the cost of providing services related to alcohol. In considering an increase, the LOC will balance the economic and consumer pressures impacting breweries across the state.

Oregon is a control state and the Oregon Liquor and Cannabis Commission (OLCC, formerly known as the Oregon Liquor Control Commission) acts as the sole importer and distributor of liquor. Cities and other local governments are preempted from imposing alcohol taxes. In exchange, cities receive approximately 34% share of net state alcohol revenues. The OLCC has also imposed a 50-cent surcharge per bottle of liquor since the 2009-2011 biennium, which is directed towards the state's general fund. Oregon's beer tax has not increased since 1978 and is \$2.60 per barrel, which equates to about 8.4 cents per gallon, or less than 5 cents on a six-pack. Oregon's wine tax is 67 cents per gallon and 77 cents per gallon on dessert wines. Oregon has one of the lowest beer taxes in the country ([source](#)) and the wine tax is closer to national average ([source](#)).

EMERGENCY COMMUNICATION SYSTEM RESOURCES

RECOMMENDATION: The LOC will support legislation enhancing the effectiveness of the state's emergency communications system through an increase in the 9-1-1 tax. Inflationary factors have lessened the impact of the [emergency communications tax](#). State estimates indicate that this revenue covered 40% of dispatch center costs, but that

figure is inaccurate, with some communities receiving as little as 20-25%.

Background: Oregon's 9-1-1 tax was increased to \$1.00 per line or prepaid transaction effective January 1, 2020, and further increased to \$1.25 effective January 1, 2021. Before this change from 2019's HB 2449, the rate had been 75 cents since 1995. The new tax increase on 9-1-1 expires January 1, 2030. Most cities will not receive this state shared revenue directly, as the city share is directed to the public safety answering point (PSAP) provider connected to the statewide network, and most of these are managed by counties or a regional entity, rather than a city. The PSAPs are only partially funded through the state's Emergency Communications Tax, with the balance of operating costs coming primarily from property taxes. Local governments receive approximately 60% of 9-1-1 taxes, but the taxes generally covered less than 25% of the costs of total PSAP operations before the recent rate increases. Ratios of individual PSAP costs to taxes received vary. The local government share of the state tax is distributed 1% to each county, with the remainder distributed per capita.

STRENGTHENING ECONOMIC AND WORKFORCE DEVELOPMENT

RECOMMENDATION: The LOC will support efforts to modernize and strengthen Oregon's existing economic development programs while advocating to maintain local flexibility and autonomy over local revenues. The LOC's advocacy includes strengthening and increasing funding for current state programs like Enterprise Zones (EZ), Long Term Rural Enterprise Zone (LTREZ), the Strategic Investment Program (SIP), the Industrial Site Loan Fund, Brownfield programs, and infrastructure programs, as well as new efforts to support a healthy economy.

The LOC will also support efforts to strengthen Oregon's workforce development initiatives that help to meet critical workforce shortages experienced by public and private employers throughout the state. The LOC will advocate for policies and investments that strengthen local talent pipelines, expand access to workforce education and training, and help communities recruit and retain the skilled workforce needed to support and grow a healthy economy.

Background: Communities across the state have leveraged local economic development incentive programs (Enterprise Zones (EZ), Long Term Rural Enterprise Zone (LTREZ), Strategic Investment Program (SIP), etc.) to support strong local economies, community investment, and long-term economic growth. These programs are intentionally designed to provide local governments with flexibility to attract and retain industries that align with local economic priorities, infrastructure capacity, and workforce needs. The EZ and LTREZ programs provide local governments the option to offer a temporary full exemption from property taxes for qualified new business investment, while the SIP program allows local governments to offer a 15-year partial exemption on the value of new property exceeding a specified investment threshold.

These incentive programs are critical tools for maintaining Oregon's national competitiveness and generating substantial long-term benefits through job creation, enhanced economic activity, infrastructure investment, and increased tax revenues. Local governments absorb the primary impact of temporary property tax exemptions and provide the infrastructure and public services necessary to support development, while the state realizes significant revenue gains through increased income tax collections and broader economic activity generated by these investments. As the state increasingly benefits from local economic development efforts, it should also be a stronger financial partner in supporting and sustaining these programs. Preserving local discretion, predictability, and flexibility within economic development programs remains essential to ensuring communities can effectively compete for and support major economic development opportunities.

Public and private employers across the state are having trouble filling critical workforce needs. As an example, Oregon respondents to the [2025 Associated General Contractors of America Workforce Survey](#) indicate that 56% expect to hire new employees and 54% have increased headcount in the last year. However, 52% of respondents report trouble hiring due to a lack of qualified and credentialed candidates. This challenge rings true for cities. Cities have reported trouble filling wastewater treatment positions due to lack of qualified candidates, while community colleges are neglecting to start programs because of the high cost of running them.

Transportation Committee

LOC Contact: Nicole Stingham, nstingham@orcities.org

2027 TRANSPORTATION PACKAGE

RECOMMENDATION: The LOC supports a robust transportation package that supports Oregon's multi-jurisdictional, multi-modal, and safety-oriented transportation system. Recognizing that Oregonians don't always know who owns what route they rely on, any revenue should support our shared transportation system. The LOC believes this is most effective through a statewide revenue source rather than more administratively burdensome and inequitable local revenue methods that are unable to ensure that all users pay their fair share (including through user fees).

Cities and locally owned transportation systems rely on a strong state partner to meet our shared goals of a system that moves people from "point a to point b" safely and effectively. In addition, the conditions of state and county routes impact cities by both directing additional traffic on city streets and affecting how residents get to where they need to go safely. This requires system expansion to be secondary to restoring funds in grant programs and transit services, protecting existing programs, and an overall focus on operation and maintenance.

Background: After a failed package in 2025, efforts are underway on a 2027 package to address the known need for state, county, and city infrastructure. The State Highway Fund (SHF) is the primary revenue source for the state's transportation infrastructure, and comes from various sources, including gas and diesel tax, weight mile tax, vehicle registration fees, vehicle title fees, and driver's license fees. These funds are distributed using a 50-30-20 formula, with 50% going to the state, 30% to counties, and 20% to cities. Continued investment in transportation infrastructure is critical for public safety objectives such as the Safe Routes to Schools and the Great Streets programs. In addition to those grant programs, local communities rely on the Statewide Transportation Improvement Fund and Oregon Community Paths resources. These programs are essential in cities to support efficient, convenient, safe, cost-effective transportation systems that are open to all members of our communities.

CAUTIOUS ADOPTION OF AUTONOMOUS VEHICLES

RECOMMENDATION: The LOC will advocate for necessary tools to support communities as autonomous vehicles (AVs) come to Oregon, particularly for private for-hire AVs. Cities are proactively and cautiously preparing for new technology, like autonomous vehicles, and it's crucial to get the regulations right to ensure proper coordination, alignment between all stakeholders, and flexibility as the technology is evolving rapidly.

AVs will impact city goals and requirements, ultimately impacting their transportation system plans. Cities must not be preempted in their ability to permit (as it relates to private for-hire AVs) and regulate the use of this new technology on city infrastructure. Cities should have the ability to:

- Ensure AVs follow the rules of the road and can receive traffic violations like human drivers, and that law enforcement officials are trained on ways to disengage an AV;
- Require geofenced areas to have operational standards based on the local needs or goals (like limiting 0 passenger trips), to accommodate special events, or to address infrastructure challenges that prevent safe deployment of technology;
- Allow revenue generation to offset costs for training law enforcement and first responders; and
- Limit the number of AVs that are allowed to operate in a city, potentially scaling up as predetermined performance benchmarks are reached.

At the same time, the LOC supports federal authority to determine if and when an AV is street ready. In addition, the state should determine cyber safety standards, insurance requirements, vehicle registration, and other activities.

Background: With new technologies comes new and unforeseen challenges and opportunities. AVs offer the ability to improve traffic safety by limiting human error, as

industry data shows. AVs could also promote other economic activity and create access to our transportation system. At the same time, there are key risks to mitigate as we learn lessons from cities across the nation that have operated with AVs. One lesson – a slow rollout will help companies identify and address issues as they arise. From navigating weather to power outages, San Francisco transportation officials have learned a lot and shared that with the LOC's Transportation Policy Committee. Despite AVs being in operation for years, the California Department of Motor Vehicles recently created rules around traffic citations for AVs nearly two years after their state legislature passed authorizing legislation. Oregon would benefit from waiting until the technology has advanced, being a fast follower rather than an early adapter. In addition, Oregon should balance support for industry and competition with public trust and public good.

In addition, for more than 40 years, the state of Oregon has recognized that for-hire services like taxis and other vehicles for-hire are a necessary part of the transportation system and has left regulation to local authorities (see ORS 221.485, ORS 221.495). Private for-hire AVs should have higher standards for city regulation versus privately owned vehicles.

CITY SUPPORTED STREET SIGN TRADITIONS

RECOMMENDATION: The LOC will advocate to allow cities to support community activities and fundraisers through signs on light poles. Many cities hang signs on street light poles to recognize holidays, and in some cases these signs are sold as a fundraiser to support chambers, downtown organizations, or other community causes (examples include Mother's Day flowers and Christmas ornaments). State statute prevents this if the sign is visible from a state highway. The LOC will work to create flexibility for cities to support these fundraisers even if they are visible from a state highway.

Background: State statute prevents "advertising signs" within view of state highways, even if they are not on state right-of-way. The state considers advertising to be any exchange of compensation, regardless of its intended purpose. While this is a long-standing statute that is not actively consistently enforced, it has recently prevented one community from supporting a fundraiser for their downtown association. The LOC Transportation Policy Committee is flexible on the solutions and has directed staff to work with the Oregon Department of Transportation on bill language to address this in the least administratively burdensome manner, which will likely include a waiver for fundraising efforts that are endorsed by a city.

Water and Wastewater Committee

LOC Contact: Michael Martin, mmartin@orcities.org

INFRASTRUCTURE FUNDING

RECOMMENDATION: The LOC will advocate for increased and sustained investments in drinking water, wastewater, stormwater, and water reuse infrastructure needed to support housing production, economic development, public health, and environmental protection. This includes: expanding flexible, low-cost financing tools that reduce ratepayer burden; supporting infrastructure capacity needed for housing and economic development; investing in aquifer storage and recovery projects; protecting system development charge authority; and sustaining infrastructure financing programs, including the Special Public Works Fund, which help communities address critical infrastructure needs. The LOC will advocate for policies that recognize the increasing costs associated with regulatory compliance, environmental protection, and workforce needs.

Background: Water infrastructure (drinking water, wastewater, stormwater, and reuse) is essential to supporting housing production, economic development, public health, and environmental protection in communities across Oregon. Cities own and operate drinking water, wastewater, stormwater, and water reuse systems that require ongoing investment to maintain reliability, comply with state and federal regulations, and serve existing and future residents.

The 2024 LOC Infrastructure Survey identified approximately \$6.4 billion in water infrastructure needs statewide. Cities continue to face increasing costs associated with aging infrastructure, regulatory compliance, environmental requirements, workforce challenges, and inflationary factors.

Without adequate infrastructure capacity, communities may struggle to accommodate needed housing development and economic growth. State investments should support direct infrastructure projects and proven financing programs that help communities plan, construct, and upgrade critical facilities. State programs like the Special Public Works Fund play an important role in helping communities address critical infrastructure needs.

WATER REUSE

RECOMMENDATION: The LOC will advocate for policies and investments that support the development and expansion of water reuse projects throughout Oregon. This includes: funding for planning, design, and construction; clear and predictable regulatory pathways; and technical assistance for local governments. The LOC will support

maintaining local flexibility to implement community-specific reuse solutions that protect public health and environmental quality.

Background: The Legislature has recognized the value of water reuse through [House Bill 2169 \(2025\)](#). Despite growing interest in water reuse, many communities face financial, technical, and regulatory barriers that limit the development of water reuse. Cities need funding, technical assistance, and regulatory certainty to evaluate and implement reuse projects that meet local needs. As Oregon continues to invest in water infrastructure and community resilience, water reuse should be recognized as an important tool that complements existing water management strategies and helps communities achieve long-term sustainability goals.

RATEPAYER ASSISTANCE

RECOMMENDATION: The LOC will advocate for improved affordability for drinking water and wastewater customers while maintaining the financial stability necessary to operate, maintain, and improve local utility systems. This includes state-supported water and wastewater ratepayer assistance programs, and policies that consider affordability impacts on residents.

Background: Cities face the challenge of balancing affordability for residents with the investments necessary to maintain safe and reliable utility systems. State-supported ratepayer assistance programs and increased participating in infrastructure funding can help reduce financial burdens on households while preserving the financial sustainability of local utilities and ensuring continued access to essential water services. In 2025, the Legislature introduced [House Bill 3527](#), which requested \$11 million to continue funding the program, but the bill did not advance out of the budget committee.

WATER WORKFORCE DEVELOPMENT

RECOMMENDATION: The LOC will advocate for investments in workforce development programs that support the recruitment, training, certification, and retention of drinking water and wastewater professionals. This includes: support for operator-in-training and apprenticeship programs; certification and reciprocity improvements; regional training opportunities; and funding that helps communities develop and maintain a qualified water workforce.

Background: Oregon cities depend on certified operators and other utility professionals to provide safe drinking water, protect water quality, maintain regulatory compliance, and operate increasingly complex infrastructure systems. Water utilities across the state face growing challenges of recruiting, training, and retaining qualified personnel.

Investments in workforce development, training infrastructure, and career pathways will

help ensure communities have the skilled workforce necessary to operate and maintain critical water infrastructure systems. The Legislature recently recognized the importance of this workforce with [House Bill 4007 \(2026\)](#), which established a “Water Professionals Appreciation Week” annually in October.



Council Business Meeting

Date: September 15, 2026

Agenda Item	Approval of FY27-FY29 Labor Agreement between the City of Ashland and Ashland Police Association
Department	Human Resources
From	Molly Taylor, Director

TIME ESTIMATE

10 minutes

CATEGORY

Action Needed - Motion to approve an action

SUMMARY

Labor Agreement

POLICIES, PLANS & GOALS SUPPORTED

In support of the City's financial policies to bring forward any contract above the City Manager's signing authority.

BACKGROUND AND ADDITIONAL INFORMATION

Timeline of Council action:

- April 16, 2024, Council approved the prior Ashland Police Association (APA) Collective Bargaining Agreement covering the past three fiscal years, FY2024 – FY2026.
- Council funded a Compensation & Classification Study during the '23/'25 biennial budget process
- May 20, 2025, the Compensation & Classification Study presented to Council

The current labor agreement expired on June 30, 2026. The City and Union representatives have worked diligently over the last several months to come to a tentative agreement. Several operational language updates were made as well as grammatical edits and removal of duplicate language. The following list summarizes the compensation package:

- July 1, 2026 – Wage adjustment onto new salary schedule. Averaging 4.2% across all union members
- July 1, 2027 – 2.5% COLA
- July 1, 2028 – 2.5% COLA
- One time payment acknowledging lost step progress by moving to July 1 anniversary date
- Increase HRA Veba contribution by 0.5% to now equal 3.5%
- Double the Deferred Compensation City match to now equal \$100/month
- Offer an additional health insurance plan – Base plan and a buy-up plan
- Three personal days each fiscal year that must be used within the year given
- Christmas Eve Holiday

If a collective bargaining agreement is not approved, City and Union representatives will return to the bargaining table to negotiate a new proposal. However, any new proposal cannot have a smaller impact than the current tentative agreement.

FISCAL IMPACTS

The FY27 total costing of this contract is \$138,811 above what was budgeted for FY27. This discrepancy is offset, however, by the preliminary \$694,439 in FY26 vacancy savings within the Police Department, ensuring that this contract will still enable the city to stay within budgeted appropriations.





Council Business Meeting

SUGGESTED ACTIONS, MOTIONS, AND/OR OPTIONS

I move to approve the F27-FY29 agreement with the Ashland Police Association and authorize the City Manager to sign the three-year agreement.

REFERENCES & ATTACHMENTS

1. 052025 Final Executive Report Ashland
2. 2023_2026 APA Contract with Signatures
3. 2026_2029 APA Contract
4. Updated Police Salary Schedule 070126





Classification and Compensation Study
Final Executive Report

for

City of Ashland, OR



March 2025



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Introduction

McGrath Human Resources Group, Inc., an organization that specializes in public sector consulting, was commissioned by the City of Ashland, Oregon to conduct a Classification, Compensation and Benefits Study for both union and non-union positions.

The purpose of the Classification and Compensation Study is to assist the City in reviewing and analyzing the current compensation structure, obtain recommendations for improvements to the existing structure, and obtain recommendations to ensure internal equity and external competitiveness. The City has not conducted a comprehensive compensation study since 2008. With the multiple unions, it was time to ensure that positions are not only competitive to the market but also ensure positions throughout the organization are internally equitable. In addition, the City asked for a review of the benefits to look at a Total Compensation strategy.

The Consultants would like to extend their appreciation to the City Manager, Human Resources Director, Department Directors, and employees for their time, cooperation, and sharing of information and perceptions with McGrath Human Resources Group.

Methodology

Data Collection

The project involved several steps: collection of data, interviews, and data analysis. The first step of this Study involved gathering data that pertains to current compensation practices within the City. The Consultants received information relating to current salaries, specific policies, collected market data, and current job descriptions.

Interviews were conducted with the City Manager, Human Resources Director, Department Directors, and other management personnel within each Department. The purpose of these meetings was to first, gain an understanding of the City's current compensation practices and philosophy; second, to solicit ideas and input from these stakeholders for future compensation methodologies and practices; and finally, to determine if there were any positions within the City that were difficult to recruit, retain, or were otherwise unique in the position's responsibilities.

Employees from each Job Classification were then asked to complete a Position Questionnaire (PQ) which provided extensive information about the position. The Consultants utilized the Position Questionnaires completed by the employees, which had been reviewed by supervisory employees, to gain a better understanding of the job responsibilities, skills, and various competencies of the position.

City Administration provided each department a list of job titles and the pay grades – without salary ranges. Based upon the comments provided, the Consultant made some changes to placement of positions within the pay grades.

Upon completion of the draft compensation schedule, the Consultant met with the City Manager and Human Resources to finalize the compensation structure.

Labor Market

In order to gain information from the external market, through interviews with the Department Directors and City Administration, a list of comparable organizations was established. That list was reviewed, edited, and approved by the Administration. The list was also derived from what a negotiator would use for comparable organizations in Oregon. Thus, the list started with five (5) organizations with populations that are higher, and five (5) lower than the City of Ashland. Additional comps were added based on input from Department Directors that felt these organizations had positions that were ‘similar’ or they knew employees had left to go to the organization or is within a recruiting area.

Each of the comparable organizations were contacted requesting current salary schedules and incumbent data. The following comparable organizations were contacted:

Table 1: Comparable Organizations

Approved Comps
City McMinnville
City of Central Point
City of Corvallis
City of Eugene
City of Forest Grove
City of Grants Pass
City of Hermiston
City of Klamath Falls
City of Lake Oswego
City of Lebanon
City of Medford, City
City of Milwaukie
City of Roseburg
City of Sherwood
City of Wilsonville
Jackson County
Josephine County
Electric - Additional Comps
Canby Utility Board

City of Canby
City of Monmouth
Forest Grove Light & Power
McMinnville Water and Light
Fire - Additional Comps
City of Newberg*
City of Redmond
City of Wilsonville
Jackson County Fire District
Redmond Fire & Rescue
Tualatin Valley Fire & Rescue District
Park - Additional Comps
Bend Parks & Recreation
PW - Additional Comps
Medford Water Commission
*Did Not Participate

The collection of this compensation data was utilized to analyze the average Market Minimum, Midpoint, and Maximum Rates per defined benchmark positions. A comparison of the average salary of the positions to the salary of incumbents within the City was also performed. When necessary, evaluation of the comparable organization's job description, when available online, was utilized to resolve conflicts. In some cases, titles were altered to better align with the industry or responsibility. Not all positions are reflected in the following data analysis. In some situations, data was not available in the external market, data was insufficient, or there were no internal matches at the time of the Study.

The data will be presented for the City as a whole.

Market Data Solicited

The market survey gathered the following 2024 information: Minimum, Midpoint, and Maximum salary for the positions as well as the average salaries of the incumbents. Upon examination, salaries were eliminated if statistically too high or too low so as not to skew the average (typically within one to two standard deviations). A new average was then calculated with the remaining salaries. There was a great deal of time spent analyzing the data to ensure that each position was examined based on the data available and how the responsibilities of each position align within the City.

The market data will be presented to show how the entire organization compares to the external market rate, followed by individual comparisons for Non-represented, IBEW Clerical, IBEW Electric, Laborers, Parks, and Public Safety units.

Market Analysis – All Positions

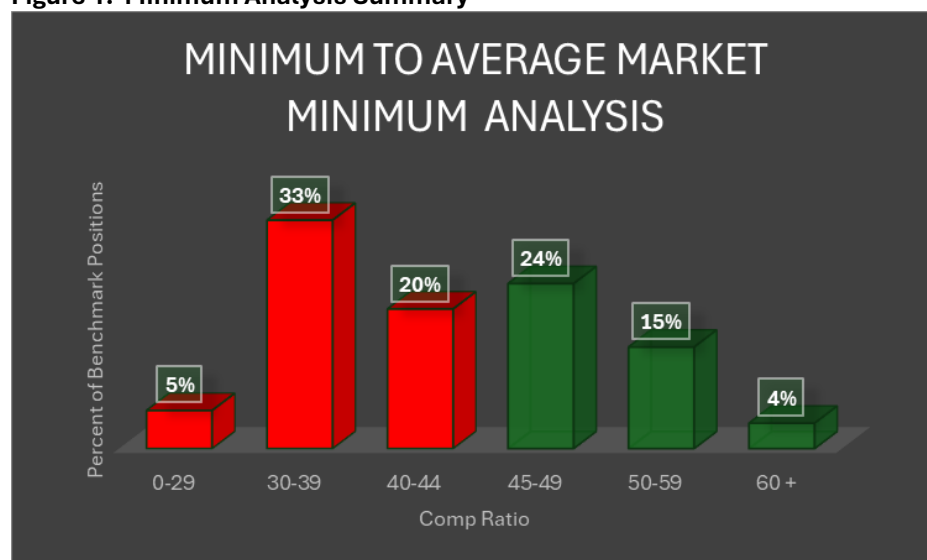
In order to analyze the ranges, a comp ratio is used, which is a ratio of the City's salary in relation to the external market data. A 50% comp ratio would mean that the salary is in line with the external market while utilizing +/-5% range around each data point. Thus, if a position has a comp ratio of 45% or greater, the employee is considered to be competitively compensated. However, given current labor market conditions, these comp ratios may still be facing challenges with recruitment or retention and have been identified separately.

Minimum Salary Comparison

The analysis of the minimum salary range gives an initial indication of whether starting salaries are within an acceptable market range. When building a salary schedule, consideration of this information will ensure the City's minimums are within an acceptable range to the average market minimum; however, this analysis is only the beginning in the development of a compensation schedule.

Approximately 58% of the benchmarked job titles are below the average market for minimums. Overall, 42% of the positions are within the acceptable average market minimum. Figure 1 below provides a summary of findings.

Figure 1: Minimum Analysis Summary



*May not total 100% due to rounding

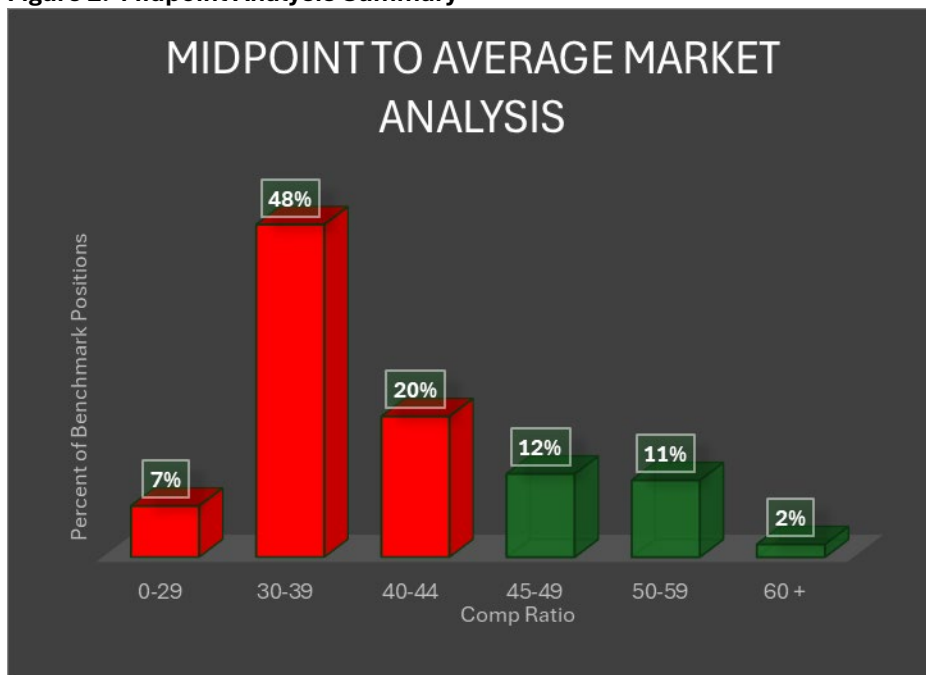
Average Midpoint Salary Analysis

The Consultants wanted to know if the midpoint of the existing salary schedule was aligned with the average market; therefore, a midpoint analysis between the City's midpoint and the

market average was conducted. In many compensation structures, the Midpoint represents the average market rate. An employee should be at or above the average market rate typically within three (3) to five (5) years of service. This indicates the employee is fully capable of performing all of the duties of the position and should be paid at the average market rate.

Again, a comp ratio less than 45% would indicate the salary ranges are not aligned to the market. Approximately 75% of the midpoint of benchmarked positions are lower than the average market. Overall, 25% of the positions are within the acceptable average market at the midpoint. The following is a summary of findings.

Figure 2: Midpoint Analysis Summary

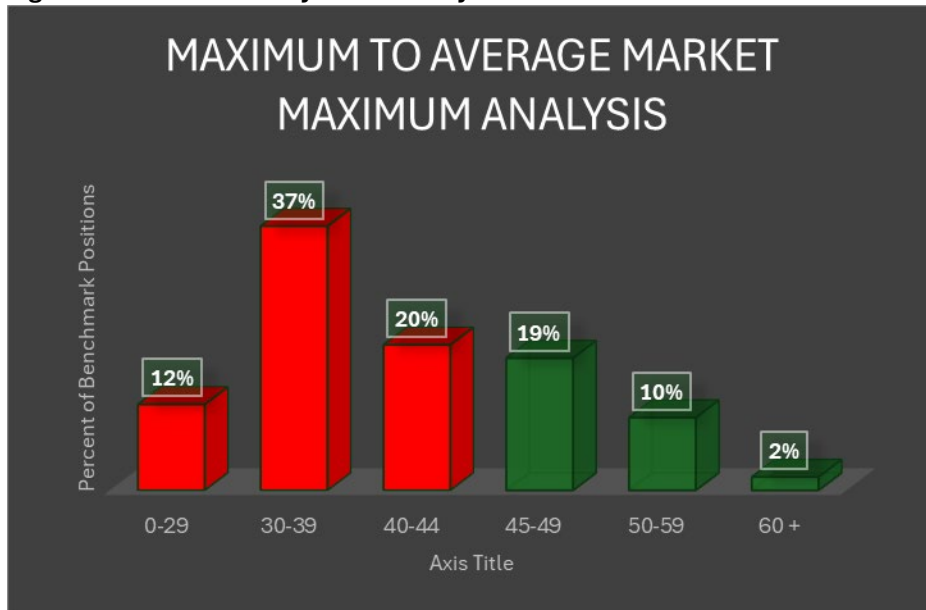


*May not total 100% due to rounding

Average Market Maximum

The Consultants wanted to know how the maximum rates aligned with the average market; therefore, a maximum rate analysis between the City's maximums and the market's maximum average was conducted. Again, a comp ratio less than 45% would indicate the salary ranges are not aligned to the market. Approximately 69% of the maximum rates of benchmarked positions are lower than the average market. Overall, 31% of the positions are within the acceptable average market at the maximum, although maximum rates by the nature of compensation philosophy may vary significantly. The following is a summary of findings.

Figure 3: Maximum Analysis Summary

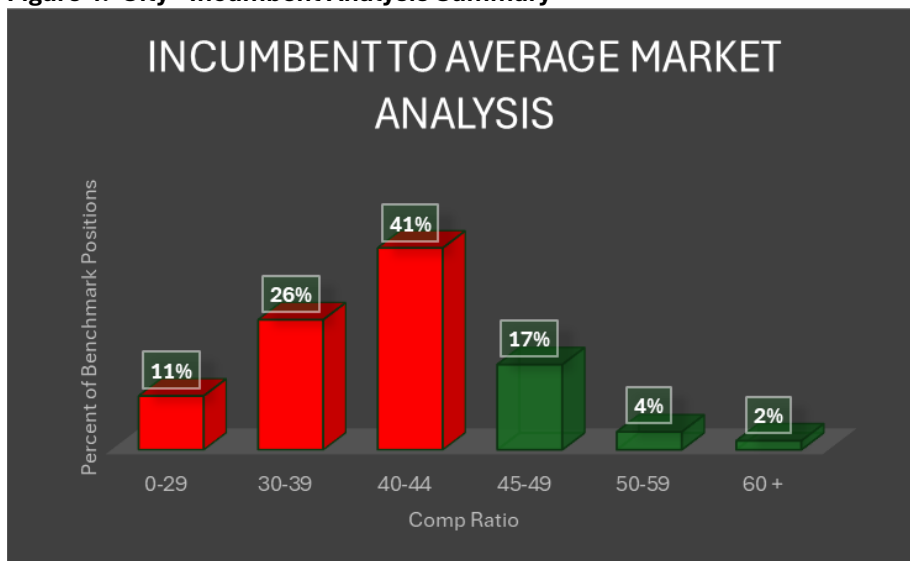


*May not total 100% due to rounding

Average Market Salary Analysis

The next step is to compare the City's current incumbent salaries to the average market rate to assess how competitive incumbent wages are within the market. For this purpose, an *average* of current employee wages is utilized for positions with more than one (1) incumbent. Twenty-three percent (23%) of the positions are at or above the average market rate, and 79% of positions are in a lower comp ratio that may not be at market competitiveness. One needs to consider tenure of employees, which is discussed in the Employee Demographics section. The Figure below provides a summary of findings.

Figure 4: City - Incumbent Analysis Summary



*May not total 100% due to rounding

Market Data Summary

The City has not kept pace with the external market. There needs to be adjustments not only to positions within the salary range; but also with the salary ranges.

Summary

Overall, regardless of union or non-represented, the vast majority of positions have fallen below the average market. Thus, adjustment to the salary ranges needs to occur.

Current Compensation System

There are 15 salary schedules. These include six (6) union schedules:

- **IBEW Clerical**
 - Schedule has 16 pay grades, although 1 pay grade is no longer used
 - There are 4 steps within each grade that range from 5 -6%
 - The pay grades are in numerical order, and those that have the minimum in chronological order, have 23-25% between the pay grades
 - Although in chronological order by Clerical number; the minimums are not so it is difficult to determine the percentage between the pay grades.
- **IBEW Electrical:**
 - 9 pay grades with only a minimum salary
 - There is 1% - 10% between these 9 pay grades
 - 6 pay grades with 5 steps. The distance between steps ranges from 4 – 29%
 - Although these pay grades are numbered sequentially, the minimums are not in sequential order so difficult to determine the percentage between the pay grades.
- **IAFF-Fire**
 - There are 14 pay grades
 - The FF/EMT-O grade has 5 steps that are 4 – 5% apart; however, the remainder of the pay grades only have 3 steps that are 2 – 3% apart.
 - There is 5% between the pay grades. As such this is going to cause compression between the ranks, especially when overtime is incurred.
- **Laborers**
 - There are 7 pay grades
 - There is 5 – 6% between the 5 steps
 - There is 24% between pay grades
- **Non-Represented**
 - There are 5 different salary schedules
 - Exempt Management
 - 10 steps with 3 – 5% between the steps
 - 29-42% between the 4 pay grades

- Exempt Supervisor
 - 7 pay grades with approximately 22% between the grades
 - Each grade has 5 steps that are 5% apart
- Non Exempt – Sergeants
 - 1 pay grade with 5 steps; 5% apart
- Non Exempt
 - 3 pay grades that are 22% apart
 - 5 steps that are 5% apart
- Non-Represented Non Supervisor
 - 5 pay grades that are 22% apart
 - All have 5 steps that are 5% apart
- Non-Represented Confidential
 - 5 pay grades that are 22% apart
 - Each pay grade has 5 steps that are 5% apart
- Elected
 - Has 2 positions with one salary
- **Parks**
 - There are 3 salary schedules within this group
 - Parks Executive management
 - 1 pay grade with 10 steps that are 2 – 5% apart
 - Parks Exempt Supervisor
 - 2 pay grades that have 5 steps that are 5% apart
 - The 2 pay grades are 22% apart
 - Parks Non Exempt Supervisors
 - 17 pay grades grouped by Clerical and Maintenance
 - All have 5 steps that are 3 – 15% apart
 - For those in sequence, there is 22-25% between the pay grades
- **Police**
 - 5 pay grades
 - 2 pay grades have 6 steps that are 4 – 6% apart
 - 3 pay grades have 5 steps that are 5-6% apart
 - There is 27% between the police officer and senior police officer
 - Whereas there is 23-36% between the remaining 3 pay grades.

The Consultant combined all of the salary schedules in sequential order by the minimum. There is considerable overlap between pay grades; compression between the various pay grades, and the inconsistency between the pay grades is illustrated. The spreadsheet has been provided to the City Administration under separate cover.

Significant issues in this study are the number of schedules, the inconsistency in which they are developed, the difficulty to determine the hierarchy of positions and as such, minimize

compression. In addition, the City does not have methodology for placing positions within the salary schedule.

Compensation Philosophy

A compensation philosophy is an organization's financial commitment to how it values its employees. The goal of this philosophy is to attract, retain, and motivate qualified people. A consistent philosophy provides a strong foundation in determining the type of total compensation package to offer employees.

There are foundational aspects of compensation to assist with the development of a compensation philosophy to ensure the goals of compensation align with the goals of the organization. First, there are basic questions to consider:

1. What is considered a fair wage?
2. Are wages too high for the financial health of the organization?
3. Does the compensation system reflect the value of positions within the organization?
4. Is your compensation strong enough to retain employees?
5. Do you currently have a defined compensation philosophy?
6. If so, is your compensation philosophy keeping in line with labor market change, industry change, and organizational change?

The City is in business to provide services to the citizens, businesses, and visitors of the community. It does that through hiring qualified employees who lend their skills and talents to various positions within the organization. Without those individuals, the City would cease to provide infrastructure, safety, court services, and other essential services and process the necessary functions to keep those systems in place. Employees expect a compensation system that pays a competitive wage for the skills, education, and responsibilities of the position, and the City is in close proximity to larger communities and organizations that lead the market's wages.

In order for the City to be competitive with recruitment and retention, it is recommended the City establish its compensation philosophy that is based on an *average market* compensation so the City can be competitive in the current labor market. The following sections support that recommendation.

Employee Demographics

In reviewing the City's employee demographics for positions covered in the Study, the tenure of the organization ranges from new hire – 36 years. The overall tenure average of the employees is 8.76 years. The national average in the public sector is currently 6.4 years

(Local Government-Bureau of Labor Statistics, September 2024), showing the City is greater than the national average. In order to have a full picture of the City, one needs to explore these demographics further. These findings are in the following Figures.

Figure 5: Employee Demographics by Years of Service

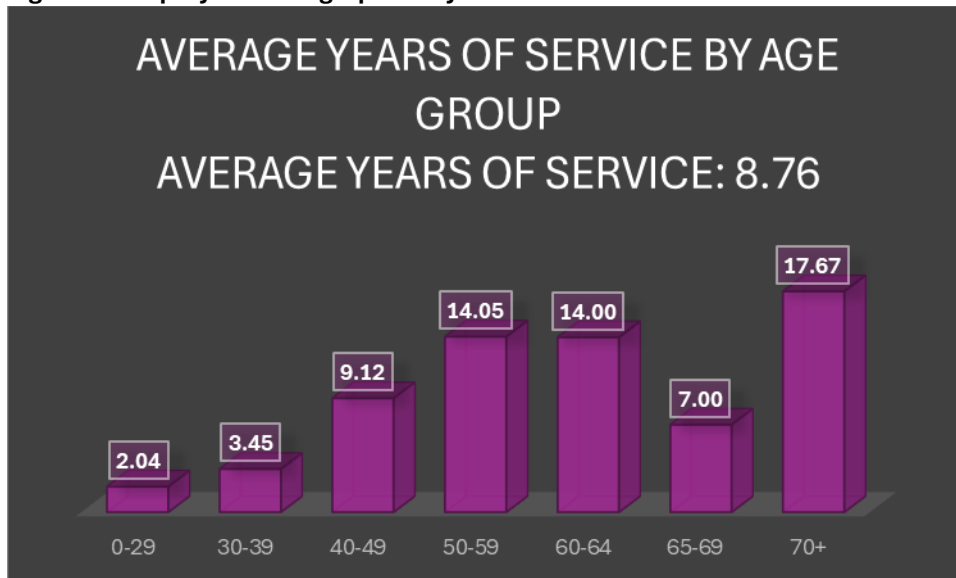
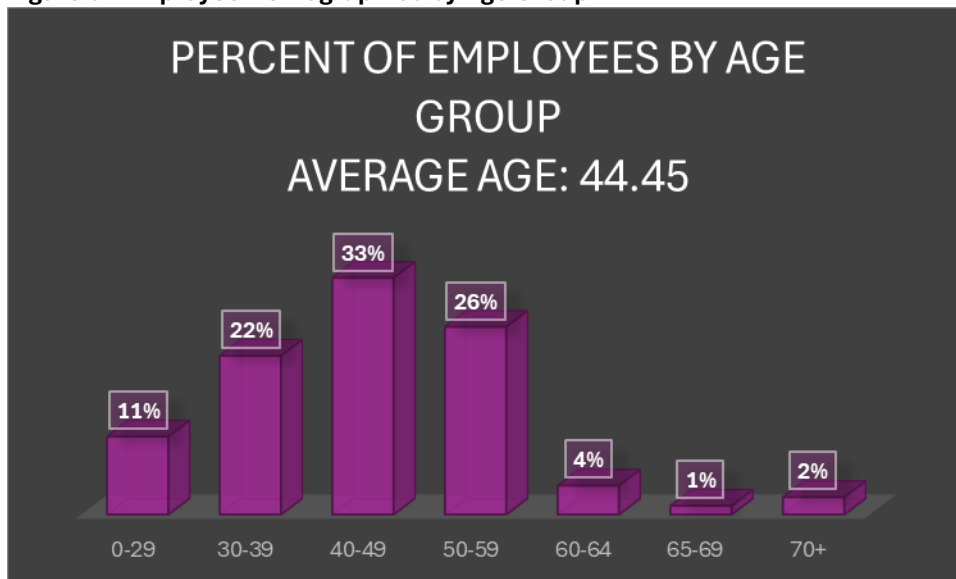


Figure 6: Employee Demographics by Age Group



The above Figures show those in age groups 50 and above have the longest tenure of the organization and represent 34% of employees covered under this Study. The City should expect turnover simply due to retirements over the next decade and beyond. When these employees leave the City, the average tenure of the organization is going to decline further, as their tenure is boosting the current average tenure. This data should be monitored at least annually.

The demographics profile also illustrates that 33% of the workforce is under the age of 40, and this is likely the cross-section of employees who are seen as more mobile in today's workforce, focus heavily on work/life balance, and consider non-compensatory benefits for the purposes of retention. This group also changes jobs quickly because it results in earning higher wages as opposed to remaining with one organization for a longer period of time, which is notable as average tenure in these age groups is about 5.5 years.

What is interesting is that 59% of the City's employees are within the 40-59 age group. This group typically is more stable and less likely to switch employers. Although, with the current economy, this group is highly desirable to other employers due to their experience and knowledge. Thus, the City needs to not only be cognizant of recruitment, but also how will it retain employees, as well as transition all that institutional knowledge as this group nears retirement.

Public Sector Turnover/Recruitment Challenges

According to human resources professionals across the United States, it is becoming progressively harder to hire qualified personnel. Looking at a tight labor market, recruitment and retention of qualified personnel with the necessary skills for public service has topped the list of workforce challenges for the last several years, and nearly all human resources professionals reported moderate to significant increases in vacancies within their organizations.

There has been a rise in job openings in the government and the private sector; however, this is not a recent phenomenon; openings have been going up steadily since 2009. The likely reason behind this trend is that while the demand for personnel with specific skill sets has gone up in the government and the private sector, both haven't been able to find adequate personnel to fill these roles. In government, some of these roles may be specific to the work it typically does such as provision of social services and ensuring law and justice. But in others such as technology, the government has been increasingly competing with the private sector for tech-related talent. This is evident from trends in occupational employment. This is not necessarily a new issue, but some employers do state it has become increasingly problematic to operations. Public employers have been experiencing ongoing challenges of this nature for almost a decade.

Governments historically have had a compelling proposition to offer workers secure lifetime employment and generous health benefits followed by a robust pension for retirement, which is no longer the case.

Public employers are battling for their talent because:

- The "Silver Tsunami" identifies between 30%-40% of local government workers eligible to retire, and there is a workforce gap.

- Long-term employment has less appeal for the younger workforce.
- There is a real or perceived decline in public support for government workers.
- Public employers do not feel they can compete with salaries and benefits as benefits erode and the private sector is more competitive.
- There is a growing skills gap. Many government jobs now require specialized education or training. Fewer positions are ‘learn on the job.’
- Public employers are not able to offer the same level of flexible work arrangements to all employees.
- Limitations in technologies prevent efficiency and automation.
- There are limited financial resources.
- Not all work cultures are satisfying and supportive.

The Great Resignation and Private Sector Influence

Compounding the public sector recruitment challenges, the country has experienced continued private industry prosperity, record inflation, record retirements, and record turnover from an otherwise qualified workforce, causing all industries, both public and private, to be competing for already limited human resources. This has led employers to increase wages for all positions to help recruit and retain their talent. The effect has been substantial, and nearly every employer is experiencing recruitment and retention challenges. Many businesses report the lack of available workers and have curtailed their ability to meet current work demands, while raising wages.

Inflationary Impact on Employees

The latest trend that has impacted human capital is Inflation. Inflation may be showing signs of it slightly cooling in 2024 over 2023, but unrelenting high costs are not lessening. Persistent inflation has pushed many in today’s workforce to live paycheck to paycheck, cut back on expenses, dip into their savings and stop contributing to their retirement accounts, etc. It is also becoming an issue for mental health, because there is no sense of control over the issue. Because there is no sense of control over high costs, the “dollar” for employees does not stretch as far. Employers have a role in addressing this issue. Offering competitive wages that keep up with the rising cost of living is crucial not only for retaining employees but also for ensuring their well-being, so employees do not feel they have to leave simply because they cannot afford to stay.

Salary Schedule Options

The salary structure is one of the basic building blocks of a base compensation program. The type of structure sends a clear message about an organization's approach to job design, work processes, and organization structure. The type of salary structure an organization chooses must fit its culture, business needs, and operating cycle. The options discussed included the following:

Step Model

A compensation system that is common in the public sector is the step system. Within this system, individuals receive a set increase based upon years in position to advance to the market rate. Individual performance should be a factor of compensation, as movement to the next step should be based upon acceptable documented performance. Step models are also generally predictable so employees can see their advancement through the range, are easy to budget for, and can be administered with administrative ease.

Range Model

When considering a compensation system, some organizations gravitate toward a range model, with a standard mechanism to progress through the system. This gives the City flexibility in hiring based on qualifications and allows the employee to progress toward the market rate for the respective position within a reasonable period of time. The City can also incorporate performance increases in the future with this model.

Recommended Salary Schedule

The recommended compensation system is an 8-step schedule (the schedule has been provided under separate cover). The percentage between steps is 3% for all steps which results in a 23% salary range. This schedule is built off the average market, which is Step 5 of the recommended salary schedule. The percentage between pay grades varies to minimize compression between superior and subordinate positions.

To reset all of the various pay granges, all groups – represented/non-represented, have been placed onto one pay schedule. This provided an opportunity to ensure competitiveness to the external market, ensured the pay ranges in relation to the City's hierarchy and minimizing compression, as well as a review of all positions in relation to internal equity.

The recommended system has the pay grades coded by the various unions, in the event that the City desires to break up the schedule by the various labor groups.

Electric Schedule

The current salary schedule for IBEW-Electrical, for many of the positions, has only one (1) salary. The Consultant has placed these positions on the salary schedule; thus, providing eight (8) steps. It is not uncommon in the electric industry to have very limited steps in their schedules. Although the Consultant strongly encourages having all of the represented and non-represented groups on one salary schedule, there may be a case to pull the technical positions into an independent salary schedule. There is no internal comparability among many of these positions; rather, these positions compete with the private sector market.

Position Placement

Placement of positions in the salary schedule is based upon several criteria:

- Point factor system
- Market analysis
- Compression analysis
- Internal equity

Figure 7: Position Placement Diagram



The point factor system is a system that evaluates a position based on 13 competencies. Information in these categories is obtained through the completion of a PQ completed by employees and reviewed by the supervisor. This system evaluates a position on the following criteria:

- Education
- Licenses/Certifications
- Procedures/Guidelines
- Job Complexity
- Consequence of Errors
- Confidential Information
- Contact with Others
- Equipment, Machinery, Tools

- Use /Type of Technology
- Financial
- Leadership/Supervision
- Work Environment
- Physical Requirements

This point factor system will remain confidential. Often when supervisors and employees know the point factor system, an objective evaluation of the position becomes suspect, as the PQ addresses the criteria rather than the true responsibilities of the position.

It is essential for the City to understand that the combination of the minimum salary, market salary, point factor, compression analysis, and internal equity all make up the recommended compensation plan – not just one (1) factor.

After considering all these elements, the placement of some positions on the Salary Schedule have changed, with some positions now being placed in lower or higher pay grades than on the previous Schedule. This is not an indication that any given position is more or less important. Similarly, this is not a “reclassification” process, where a position is being evaluated on changes in responsibility, authority, or decision making that may place the position in a higher or lower pay grade, etc. This process is a complete reset of the Compensation System. This is sometimes difficult for employees, because they look only at where their position is placed on the Schedule and compare themselves to positions that have been placed higher. When this occurs, employees begin to compare their perception of the value of positions within the organization, and do not know, or disregard, the factors the Consultants considered when placing all the positions onto the schedule.

All union, nonunion positions and the multiple salary schedules have been placed onto one (1) salary schedule. The positions are coded so that if the City needs to separate the schedules based on union groups, it can be done. However, resetting all of the salary schedules onto one (1) has allowed for duplication of pay grades/positions to be eliminated; ensure alignment and minimize compression between subordinate and superior positions; as well as ensure internal equity among similar positions that were on different salary structures.

Employee Placement

To implement the recommended salary schedule, employees currently below minimum of the new pay range Step 1 will be placed on Step 1. Employees above Step 1 will be placed on the step closest to their current salary without a decrease.

For example, if the employee is earning \$15.00 and the closest step is \$15.02, it results in a \$0.02 increase. This may not be a significant increase and should only be viewed as a wage adjustment to move onto the new salary schedule, i.e., consideration is not given to how the employee is valued by the City, but rather it is a re-set of the salary schedule.

In most organizations, this type of placement proves problematic as employees feel that if they have more tenure in the position, they should be higher within the salary range. Although there is merit to this argument, placement on the schedule by years in the position proves to be very costly – something most public sector entities cannot afford.

Classification Structure

During the Study, there was an opportunity to better align job titles with responsibilities, moving away from the current general classification title and working title structure currently in place. Some job titles were revised to either have consistency throughout the organization, or to become more current with the external market/respective industry. These changes have been reviewed with department directors and are reflected on the recommended salary schedule.

It should be noted that not all titles will follow the new classification structure if the title needs to be specific for statutory/funding/regulatory reasons, or simply due to alignment with local government industry practices. The following classification hierarchy is recommended, and the City should begin to move to this classification structure.

Director - Senior level position within the organization that has direct and routine contact with elected officials and City management. Directors report to the City Manager.

Manager – The next level of management within a department. This is a direct report to a director, based on the organizational structure and levels of management required. A manager is an individual who supervises individuals who are classified as a supervisor or supervise employees and is in charge of a program within the department. This includes not only supervisor responsibilities, but also budget and strategic planning of the program.

Supervisor – This is a direct report to a manager, director or administrator, based on the organizational structure and levels of management required. This position has at least two (2) direct reports

and has supervisory responsibilities that include hiring, performance management, and a defined level of discipline.

Fire Department Incentive pay

The Fire Department provides incentive pay for employees who have an EMT-I or Paramedic certification. Within the pay grades assigned to these positions, there are two (2) extra tiers for individuals that have these certifications and perform the responsibilities associated with the certification. The Consultant provided a flat dollar amount that was added to the EMT-I and Paramedic level. Employees were placed on the salary schedule based upon their rank and EMS certification.

Police Department – Stipends/incentive pay

The Police Officers have some specialty pay options for sworn staff. The Officer specialty pay does not have a limit; however, the Sergeants have a limit of 15% of specialty pays. The Consultant has no recommendations for changing the incentive pay, but recommends a limit on the number of specialty pays as bargained with the Sergeants.

General Operational Guidelines

Maintenance of Salary Schedule

It is important for the City to have a standardized procedure to adjust the Salary Schedule for consistency and for budgetary forecasting. It is the Consultant's recommendation that on a set date each year, the Salary Schedule be adjusted by the Consumer Price Index – Urban (CPI-U) percentage or by a local economic indicator, if preferred. For example, since budgeting is done at approximately the same time each year, the City should establish a specific month in which to capture the average of the previous twelve (12) months of the selected economic indicator for a recommended adjustment. The City will still maintain control if conditions and finances fluctuate in a specific year.

In the event the salary structure is uncoupled based on bargaining units, it would be in the best interest of the City that increases to the salary schedule are negotiated consistently among all of the salary schedules. Thus, the work to ensure internal equity and compression will be lost.

Step Movement

Employees advance to the next step on the employee's anniversary date. There is no recommended change to the City's current process.

Benefits

In addition to compensation, the City asked that a comparison of major benefits be completed. The following is a summary of how the City is fairing in the market and future opportunities.

Health Insurance

Plan Design Overview

The City currently offers two (2) plan designs summarized as follows:

Table 2: Health Plan Summary

PLAN DESCRIPTION	DEDUCTIBLE AMOUNTS (S/F)
CIS Co-Pay H Base Plan	\$1,500/\$4,500
CIS Co-Pay F Buy-Up Plan	\$500/\$1,500

Most organizations have been forced to add higher deductibles and coinsurance limits onto health plans to push costs back onto the end users/consumers, which is now a standard across the nation. Offering multiple plan options gives employees the opportunity to select the coverage that best matches their personal situation, which is a positive attribute to the benefits package.

Employers often also include contributions to a Health Reimbursement Account (HRA VEBA) or Health Savings Account (HSA). The City currently contributes 3% of the employee's salary towards an HRA VEBA for single or family coverage. Comparable organizations reported average HRA VEBA annual contributions of \$1,980 for single coverage and \$2,700 for family coverage. Those offering contributions as a percentage of employee salaries reported a range of 1% to 6%, with an average of 3.38%.

Premiums

It is extremely difficult to compare health insurance, as the number of plans and the plan designs are significantly different among organizations. What can be compared is the amount the employee contributes toward the cost of that insurance. As the City is aware, the cost of health insurance is a large budget item for any organization. Health insurance is also often the single largest benefit looked at by potential new hires with the City, so a review of employee contributions to this benefit is imperative for offering a comprehensive benefit package.

The Consultants conducted a comparison between the City's 2024 health plans and the comparable organization's health plans for a more accurate assessment of insurance within its specific peer group.

The market information indicates the Ashland Base Plan is in the moderate to high range of the comparable market in terms of premium only. However, that is not a comprehensive picture because employees have actual claims costs as well.

Expected Employee Cost

Because premiums and deductibles vary across the region, considering the combined cost of the monthly premium and deductible provides a more accurate reflection of the expected employee expense.

Looking at deductible amount with premium cost, the City is in the middle to higher range depending on the plan. A final look at the City in relation to out-of-pocket maximums, follows.

Maximum Employee Cost

An analysis of the market data employees that experience a major medical event that exceeds the deductible costs will have an overall moderate risk on the City's plans than other comparables when considering the maximum out of pocket expenses.

Health Insurance Summary

Overall, the City has multiple plan options, which is favorable to the employees. Although some of the newer workforce does not always appreciate the value of health insurance benefits, most existing employees and more mature applicants do. Lowering the employee premium or increasing the annual HRA VEBA contribution would provide a more attractive plan design to poise the City competitively. This will present a total wage and benefit package that aligns with the market average.

Time-Off Benefits

Time-off and work life balance continue to be top areas candidates and employees look at when considering employment and retention. Therefore, the City's paid time-off benefits were also reviewed.

Holidays

Currently the City offers a total of 11 observed holidays. The comparables that provided holiday information reported total observed holidays between 9-13 days, with most reporting 11 days. The floating/personal holidays reported by comparables ranged from 1-4 days with the majority providing one (1) day. Floating holidays are beneficial when the City does not observe a federal holiday or for an individual religious holiday or traditional practices that do not align with the City's holiday schedule. The consultants recommend the City add floating holidays to the time-off benefit package.

Vacation

The City's vacation models are summarized as follows:

Table 3: Current Vacation Model

Plan	Levels of Accrual	Minimum Accrual	Maximum Accrual	Years to Reach Maximum
Management - Confidential	5	120 hours	240 hours	19 years
Laborers	5	120 hours	240 hours	19 years
IBEW Clerical and Electrical	5	120 hours	240 hours	19 years
Fire	6	168 hours	360 hours	24 years
Police	6	120 hours	288 hours	24 years

Data was collected from comparables in the respective employee groups. The City's minimum accrual is lower than the average among the comparables in the Management – Confidential employee group. The City is leading the market in terms of maximum accrual in all groups. The City's maximum accrual limit of two (2) times the annual accrual (range of 480-720 hours) is leading the average maximum balance of all the comparable groups except Fire personnel. The table below provides the average accruals as reported by the comparables by employee type. The City is recommended to review accrual amounts and make adjustments where they are falling behind the comparables.

Table 4: Vacation Average Comparison

Employee Type	Average Minimum Accrual	Average Maximum Accrual	Average Years to Reach Maximum	Average Maximum Accrual Balance
Exempt - Management	133 hours	220 hours	18 years	424 hours
Non-Represented	92 hours	206 hours	19 years	416 hours
Laborers Personnel	118 hours	226 hours	20 years	444 hours
Clerical Personnel	97 hours	215 hours	22 years	375 hours
Police Personnel	106 hours	210 hours	19 years	407 hours
Fire Shift Personnel	162 hours	360 hours	22 years	745 hours
Fire Personnel (40hr/week)	102 hours	233 hours	22 years	468 hours

Sick Leave

The City's sick leave models are summarized as follows:

Table 5: Current Sick Leave Model

Plan	Annual Accrual	Maximum Balance
Non-Public Safety Employees	96 hours	960 hours
Police Personnel	144 hours	1,200 hours
Fire Personnel	192 hours	1,248 hours

Sick leave data was collected from comparables in the respective employee groups shown in the Table below. The City's annual sick leave accrual is matching or leading the market in all employee groups. The Consultants have observed a trend toward offering unlimited sick leave, as reflected in the comparable data ranges provided.

The City currently provides employees with an option to cashout excess sick leave, add to cumulative sick leave or convert to vacation. Comparables reported similar incentives including conversions into VEBA accounts. Upon retirement, the City's employees will have 30% to 50% of their sick leave balance credited to their HRA VEBA account and/or the balance credited to their retirement account, depending on the employee group. Comparable organizations reported a range of payout options, such as a percentage of the sick leave balance or conversion of unused hours to a VEBA account or deferred compensation plan. The Consultants recommend the City consider expanding the sick leave maximum balance to remain competitive in the region.

Table 6: Sick Leave Average Comparison

Plan	Average Annual Accrual	Maximum Balance (avg/range)
Non-Public Safety Employees	96 hours	960 hours/720 hours to unlimited
Police Personnel	104 hours	1,280 hours/1,000 hours to unlimited
Fire Personnel	173 hours	2,920 hours/1,800 hours to unlimited

Paid Time-Off

Paid Time-Off (PTO) is a single bank of time-off, which is then used for sick, vacation, and even bereavement time, instead of having different banks of time for different purposes. Some organizations include holidays into this program, while others do not. PTO is a benefit that is not yet common among employers in this region; however, is one that the public sector is embracing and the City may want to consider in the future.

Four Day Work Week

The four (4) day work week has gained some momentum over the past few years. It is a trend that many would not have considered prior to COVID; however the trend in flexible work schedules has garnered more interest. A majority of employers in Europe have tried the 32-hour work week, but continue to pay for 40 hours. In Canada, an overwhelming majority – 91% - of senior managers surveyed by Robert Half favored some type of four (4)-day work week. With that said, most favored 4 – 10 hour days. Many organizations that have tried the four-day work week found increased morale and better focus. However, the challenges are the assumption that there is less work, or one has to work more intensely when on site. Further, there are the challenges of how benefits will be determined.

AGREEMENT

CITY OF ASHLAND

And

ASHLAND POLICE ASSOCIATION

July 1, 2023 – June 30, 2026

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AGREEMENT

Between

THE CITY OF ASHLAND

And

ASHLAND POLICE ASSOCIATION

PREAMBLE

This Agreement is entered into by the City of Ashland, Oregon, hereinafter referred to as the “City,” and the Ashland Police Association, hereinafter called the “Association”. Unless indicated otherwise, reference to the “City” herein shall include the Mayor, City Manager, and City Council or their designee(s) as the officials directly responsible for the operation of the department covered by this Agreement. The purpose of this Agreement is to set forth the full and complete Agreement between the parties on matters pertaining to rates of pay, hours of work and other conditions of employment.

SCOPE OF AGREEMENT

This Agreement shall apply to all bargaining unit employees of the Police Department, Ashland, Oregon as set forth in “Appendix A.” The Agreement specifically excludes the members listed as “excluded” as set forth in Appendix A.

Where the term “employee” is used, it shall mean employees within the bargaining unit, as defined in Article XIII and Appendix A.

The parties agree as follows:

ARTICLE I RECOGNITION

1.1 The City recognizes the Association as the sole and exclusive bargaining agent for the purposes of establishing rates of pay hours of work and other conditions of employment for all employees within the bargaining unit described immediately above.

1.2 When any position not listed on the pay schedule is established, the City shall designate a job classification and pay rate for the position. The Association shall be notified and the pay rate established by the City shall be considered tentative until the Association has been afforded the opportunity to meet and confer on the matter. If the Association does not agree that the classification or pay rate is proper, the Association may pursue its bargaining rights in accordance with PECBA.

ARTICLE II ASSOCIATION SECURITY

2.1 Check-off. Any employee who is a member of the Association or who has applied for membership shall sign and deliver to the Association, who shall forward to the City, an original assignment authorizing deductions of membership dues in the Association. Such authorization shall continue in effect from year to year unless revoked or changed in writing. Pursuant to each authorization the City shall deduct such dues from the first and second salary check, which will salary-be direct deposited in the APA's savings account. The Association shall be the sole custodian of authorization forms.

It is agreed there shall be no discrimination in favor of or against, any employee of the City on account of membership in the Association or failure or refusal to join the Association. Nor shall the City interfere in any way with the decision of any employee to join or not to join the Association.

2.2 Dues Cancellation. Employees may cancel their membership in the Association at any time subject to the employee completing the dues cancellation form. Any employee who elects not to pay dues will not be a member of the Association.

2.3 Hold Harmless. The Association agrees to hold the City harmless against any and all claims, orders or judgments brought or issued against the City as a result of any action taken or not taken by the City under the provisions of this article. Upon written notification by the Association of a checkoff error, the City will make adjustments within thirty (30) days of receipt of such notification.

2.4 New Hires. The City will notify the Association of all new hires in the unit within two (2) weeks after their having been employed and will furnish the Association with the name, social security number, mailing address and position for which they were hired.

2.5 Bulletin Boards. The City agrees to allow suitable wall space in the Police Station, not to exceed 3'x 3' for bulletin boards to be used by the Association for the posting of notices and bulletins relating to the Association.

The Association shall limit its posting of Association notices and bulletins to such bulletin board, which shall be used only for the following Association notices and bulletins:

- A. Recreation and social affairs of the Association
- B. Association meetings
- C. Association elections
- D. Reports of Association committees
- E. Communications from the Association to the bargaining unit
- G. Current events regarding Association activity

2.6 Association Representatives. Employees selected by the Association to act as representatives shall be certified in writing to the City by the Association. Duties required by the Association representatives, except attendance at meetings with supervisory personnel and aggrieved employees arising out of a grievance already initiated by an employee under Article XII, shall not interfere with their or other employees' regular work assignments as employees of the City. Contacts between Association

representatives and employees or the Association may be made during working hours so long as the contact does not disrupt regular Department operations. A maximum of two (2) employees shall be permitted to attend negotiation and mediation sessions during regular working hours without loss of pay. Additional team members, as well as employees who participate in negotiations or mediation during off duty hours, will not be paid for such attendance.

2.7 Solicitation. The Association agrees that its members will not solicit membership in the Association or otherwise carry on Association activities during working hours, except as specifically provided in this Agreement.

2.8 Visits by Association Representatives. The City agrees that accredited representatives of the Association, upon reasonable and proper introduction, may have reasonable access to the premises of the City at any time during working hours for the purpose of assisting in the administration of this Agreement, if they first obtain permission to do so from the Police Chief or their designated representative. In no case will such access be unreasonably denied.

2.9 E-Mail Usage. The Association and Association representatives shall be allowed to use City e-mail to communicate with Association members for the purposes set forth in Section 2.6 above. Employee use of e-mails and internet access is governed by the City's Electronic Media and Services Use Policy, as it currently exists or is subsequently modified.

2.10 Disciplinary Notices. The city will provide the Association President or representative if the Association President is not available, copies of all disciplinary notices within 24 hours of the issuance of such notice to an employee within the bargaining unit. This notice shall be in writing and be delivered in person unless both the Association President and the management representative handling the discipline mutually agree upon another form of service. As long as good faith efforts are made to satisfy the notice requirements of this section unintentional failure to comply will not invalidate the discipline or discharge.

ARTICLE III MANAGEMENT RIGHTS

3.1 The City shall retain the exclusive right to exercise the customary functions of management including, but not limited to, directing the activities of the Department; determining the levels of service and methods of operation including contracting and subcontracting, and the introduction of new equipment; the right to hire, layoff, transfer, and promote; to discipline or discharge for cause as defined in Article XI; to determine the content, duties and responsibilities of job classifications; to make, revise and discontinue rules, consistent with the terms of this Agreement; to determine work schedules and assign work; and any other such rights not specifically referred to in this Agreement. The failure by the City to exercise its rights under this Article or to exercise its rights under this Article in a particular way shall not be taken as a waiver of such rights.

ARTICLE IV STRIKE PROHIBITION

4.1 The Association and its members, as individuals or as a group, will not initiate, cause, permit or participate or join in any authorized strike, work stoppage, or slowdown, picketing, or any other restriction of work at any location in the City. Employees in the bargaining unit, when acting in the course of their employment, shall not honor any picket line established in the City by the Association or by any other labor organization when called upon to cross a picket line in the line of duty. Disciplinary action, including discharge may be taken by the City against any employee or employees engaged in a violation of this Article. Such disciplinary action may be undertaken selectively at the option of the City and shall not preclude or restrict recourse to any other remedies, including an action for damages, which may be available to the City.

4.2 In the event of an unauthorized strike, work stoppage, slowdown, picketing, observance of a picket line, or other restriction of work in any form, either on the basis of individual choice or collective employee conduct, the Association will immediately upon notification, attempt to secure an immediate and orderly return to work of its members. This obligation and the obligations set forth in Section 1 above shall not be affected or limited by the subject matter involved in the dispute giving rise to the stoppage or by whether such subject matter is or is not subject to the grievance and arbitration provision of this Agreement.

4.3 The City agrees that there will be no lockout of employees of the bargaining unit as a consequence of any dispute with the Association arising during the term of this Agreement.

ARTICLE V HOLIDAYS

5.1 Recognized Holidays. In recognition that police work is a constant endeavor, and in recognition that police personnel very often after work holidays, COA will establish a holiday leave bank for each member in the amount of 110 hours (10 hours for each holiday). This holiday leave bank may be used by the employee to take time off through-out the year if operational needs are met. If any time remains in this bank at the end of November, the remainder will be paid out at the employee's present rate of pay and will be included in the first paycheck in December. On the first business day of the following pay period, or as soon as possible, COA will recharge the holiday bank back to 110 hours for the following 12 months. In the event any other bargaining units within the City are given additional time off, or the State or Federal governments declare a day off, that time will be added to our holiday bank.

The following shall be recognized as holidays:

- New Year's Day (January 1)
- Martin Luther King Day (3rd Monday in January)
- Washington's Birthday (3rd Monday in February)
- Memorial Day (last Monday in May)
- Juneteenth (June 19)**
- Independence Day (4th of July)
- Labor Day (1st Monday in September)
- Veteran's Day (November 11)
- Thanksgiving Day (4th Thursday in November)
- Day after Thanksgiving (4th Friday in November)
- Christmas Day (December 25th)

At the time of hire, a new officer will be provided with a holiday which will include 10 hours for any holidays that have not yet occurred during that calendar year. Any officer leaving employment who has used their holiday hours may be responsible for repaying 10 hours for each holiday taken as time off that has not occurred during the calendar year.

ARTICLE VI VACATIONS

6.1 Eligibility. An employee shall be eligible to take accrued vacation leave with pay after one (1) full year of service with the City. Regular full-time employees shall accrue vacation leave on a monthly basis for 24 pay periods in accordance with the following schedule:

- A. Employees with less than four (4) full years of continuous service shall accrue five (5) hours per pay period.
- B. Employees with more than four (4), but less than nine (9) full years of continuous service, shall accrue six (6) hours per pay period.
- C. Employees with more than nine (9), but less than fourteen (14) full years of continuous service, shall accrue seven (7) hours per pay period.
- D. Employees with more than fourteen (14), but less than nineteen (19) full years of continuous service, shall accrue eight (8) hours per pay period.
- E. Employees with more than nineteen (19), but less than twenty-four (24) full years of continuous service shall accrue ten (10) hours per pay period.
- F. Employees with more than twenty-four (24) full years of continuous service shall accrue twelve (12) hours per pay period.

Regular part-time employees covered by the Agreement shall receive prorated vacation benefits in accordance with the above schedule.

6.2 Continuous Service. Continuous service, for the purpose of accumulating vacation leave credit, shall continue unless one of the events listed in Section 13.4 occurs.

6.3 Accrual Limitations. Vacation leave taken shall not be in excess of the amount actually accrued at the time it is taken. An employee may accumulate up to two years of vacation at the applicable accrual rate for their length of continuous service. The City shall notify an employee thirty (30) days in advance of pending loss of accrued vacation time. The City will post every employee's maximum accrual limitations on the Department bulletin board and will periodically update accrual postings. An employee who is about to lose vacation credit because of accrual limitations, may notify their immediate supervisor fifteen (15) days in advance of their need to be absent to prevent such loss. Such action taken by the employee shall not constitute a basis for disciplinary action or loss of pay. If an employee does not take their accrued vacation time after being notified by the City, such vacation credit shall be deemed forfeited,

unless failure to take vacation is caused by the City's insistence that the employee be at work. In the event that the City insists that the employee be at work, the employee will be allowed to accumulate vacation leave in excess of the maximum or be paid for such leave, at the City's discretion.

6.4 Scheduling. Vacation time off may be taken in as little as 15-minute increments.

- A. **Bid.** Employees shall be permitted to request vacation on the basis of classification seniority annually. All days of the year shall be available for the annual seniority bid. The vacation schedule shall be posted as of December 1st and will be closed as of January 1st. Subsequent changes to the bid may be made only by mutual consent of the parties. Employees may submit a request for three blocks of time off during each annual bid. Based upon classification seniority and subject to reasonable operation needs of the Department, employees shall be awarded three bids. Each employee will be allowed to exercise their first bid choice before any employee is granted a second bid choice. Each employee will then be allowed to exercise their third bid choice after the completion of the second bid choice. Junior members of the bargaining unit may not be awarded three bids, if they are outbid by more senior members.
- B. **Other Requested Time Off.** After the annual bid has concluded, employees may request additional time off on a first come first serve basis. Such requests shall not be denied because of supervisory time off, unless such supervisory time off was approved and posted prior to an employee's submission through the current electronic scheduler. Vacation time shall be granted if no overtime is incurred, consistent with operational needs. Nothing in this subsection prohibits the City from allowing a vacation request even if the request requires the payment of overtime.
- C. **Cancellation for Emergencies Only.** Once an employee has been approved to take time off work, that time cannot be canceled by the city except in the case of an emergency. If an employee has approved time off, he or she cannot be ordered to work their regular days off directly prior to, or after the time off, or days which fall within the approved time off, except in the case of an emergency.

6.5 Payment on Termination. In the event of termination or other severance of employment of an employee during the initial twelve (12) months of employment, no vacation is considered earned and no payment in lieu of vacation shall be made. In the event of death of an employee during the initial twelve (12) months of employment, all vacation earned shall be paid out to the survivors. In the event of death, termination, or other severance of employment after an employee has served for twelve (12) continuous months, and is otherwise eligible for vacation credits, the employee shall be entitled to payment for accrued vacation leave at the wage rate applicable on the date of severance of employment. In the event of death, earned but unused vacation leave shall be paid in the same manner as salary due the deceased employee is paid.

ARTICLE VII HOURS OF WORK

This article is intended to be construed only as a basis for recognizing overtime and shall not be construed as a guarantee of hours of work per day or per week. Any flex-time arrangements must be through the current electronic scheduler and mutually agreed between the City and the Association.

7.1 Work Hours. The regular hours of a regular full-time employee shall be five (5) consecutive eight (8) hour days followed by two (2) consecutive days off or four (4) ten (10) hour days followed by three (3) consecutive days off, or twelve (12) hours shift as mutually agreed upon by the Association and as determined by the City consistent with operational needs.

7.2 Workday. The workday shall consist of an eight (8) or ten (10) hour or twelve (12) hours within a twenty four (24) hour period, including rest periods (i.e. the 24 hour period will begin at the start of the employee's work day and end 24 hours later). This section shall not apply to scheduled training days, so long as the employee has eight (8) hours off work between the end of the training session and beginning of their normally scheduled shift. If less than eight (8) hours is allowed, overtime shall apply for all hours worked on the employee's normally scheduled shift with less than eight (8) hours off work. If, for any reason training is canceled the City may return the affected employees to their regular work schedules without incurring overtime.

If an officer is needed for official duty during their usual off-time and was not able to get enough rest to safely report for duty at the scheduled start time, the officer is entitled to eight (8) hours off in order to rest between the end of the officer's official duty and the start of the officer's regular shift. If this eight (8) hours rest period overlaps with the officer's scheduled shift hours, the officer will be paid as though they had reported for work at their usual start time. This will not be charged against any leave bank. If staffing allows the officer may take the entire shift off using accumulated leave time, however, the officers leave bank will not be charged for that time that contributes to the 8 hour break.

7.3 Workweek. The workweek shall consist of a seven (7) day work schedule with five (5) consecutive eight (8) hour days, followed by two (2) consecutive days off or four (4) consecutive ten (10) hour days, followed by three (3) consecutive days off or a 12 hour work schedule agreed upon by both the City and the association. If the employees are scheduled to work a twelve hour schedule they will receive overtime pay for any time worked over their assigned work scheduled time.

An employee may, upon approval of their supervisor, work a scheduled day off in exchange for another day off during their regular workweek. However, the following conditions must be met to allow for a modification in the employee's scheduled workweek:

- A. The modification cannot cause the City to incur overtime obligations. Employees requesting such modifications waive their right to receive overtime under Section 7.4 for working outside their regular work schedule for the period of the modification. Additionally, the request will be denied if the modification would cause the City to incur overtime obligations to another employee.
- B. Any requests for a change in an employee's workweek must be submitted in the electronic scheduler.
- C. Denial should not be unreasonable and the denial of an employee's request for a

modification in the employee's regularly scheduled workweek shall not be grievable. Unreasonable is defined as an action which is inconsistent with practice or not based upon a sound business reason; an action that is not anticipatory but based on facts.

7.4 Work Schedule All employees shall be scheduled to work on a regular shifts and each shift shall have regular starting and ending times. Work schedules showing the employee's shift, workdays and hours shall be posted (30) days prior to their effective date, except for emergency situations and for the duration of the emergency, and except for scheduled training for which ten (10) days' notice is required. Employees will normally be given seven (7) calendar days advance notice of any change in their work schedule, which is required by the City. Employees whose work schedules are changed by the City without seven (7) calendar days advance notice will be paid at overtime rates for time worked outside their regular work schedule, except under the following circumstances:

- A. When the scheduling changes are made in response to an emergency (Act of God, natural disaster, civil unrest, or governmental declaration of emergency) and only for the duration of the emergency;
- B. When scheduling changes are made to accommodate non-mandatory training, for the employee requesting and attending the training only;
- C. Upon mutual agreement between the City, APA and the employee.
- D. The Association retains the right to perform an upgrade to the shift assignments according its rules assuming doing so would not cause operational hardships on the department.

7.5 Shift Rotation. Employees shall rotate work-shifts by bidding for 3-month work cycles each calendar year. Bidding shall be conducted annually, commencing on November 1st and ending on December 1st.

Employees on a 12 hour shift shall select their short days by total time served with the Ashland Police Department, regardless of rank. Employees will be awarded shifts within the classification they are assigned, based on classification seniority. Prior to or during the bidding process, no shift with days off can be reserved for probationary or new hires. Prior to or during the bidding process, notation must be made to leave a specified number of shifts with days off vacant for probationary or new hires.

In the event of a vacancy/vacancies on a shift with eight (8) or more weeks remaining in a shift rotation, the Association may elect the right to upgrade the shift rotations for the remainder of that three (3) month work cycle. All upgrades must be completed by the Executive Board during regular working hours and must be confirmed by the Association in writing, within one week of the date the employee leaves the City's employment.

All employees who exercise upgrading rights waive the right to seven (7) days advance notice of shift changes under Section 7.4.

Any officer who at a shift rotation is rotating from one shift to another, and who, because of this rotation, would be compelled to work two shifts in a row, without a break, is entitled to an 8 hour rest period between the shifts, at regular rate of pay. This will not be charged against any leave bank.

Notwithstanding the above, employees who are assigned to light-duty position to recover from on or off-the-job injuries or illnesses may be assigned to shifts to accommodate their light-duty position without regard to seniority.

7.6 Rest Periods . A rest period of fifteen (15) minutes shall be permitted for all employees during each half shift, which shall be scheduled by the City in accordance with its determination as to the operating requirements and each employee's duties.

7.7 Meal Period . To the extent consistent with operating requirements of the department, meal periods shall be scheduled by the employee at the time of their choosing. Employees will attempt not to schedule their meal period during the first or last hour of their assigned shift. The meal period shall be thirty (30) minutes and shall be considered on duty time.

7.8 Overtime. The City has the right to assign overtime work as required in a manner most advantageous to the City and consistent with the requirements of municipal service and the public interest. Except as otherwise provided in this Agreement, employees shall be compensated at the rate of one-and-one half (1 1/2) times their regular rate for overtime work by the City under the following conditions:

- A. All assigned work in excess of eight (8) hours on any scheduled workday for employees who are scheduled to work an eight (8) hour workday and all assigned work in excess of ten (10) hours on any scheduled workday for employees who are scheduled to work a ten (10) hour workday and all assigned work in excess of twelve (12) hours on any scheduled workday for employees who are scheduled to work a twelve (12) hour workday.
- B. All assigned work in excess of forty (40) hours in the workweek. The City shall not be liable for the payment of overtime when more than forty (40) hours are worked in a seven (7) day period as the result of a scheduled seniority shift rotation for sworn personnel. To this end the City may work an employee (80) hours in a 2-week period before incurring any overtime liability.
- C. All work assigned outside an employee's work schedule, except in accordance with Section 7.4 of this Article.

In no event shall such compensation be received twice for the same hours. Overtime work will be equitably distributed to other employees within the same classification whenever possible

Association members will not be compelled to work overtime hours for special events unless the event is a sanctioned City or school event, or unless there is a compelling reason for the department's participation. In all situations the City will endeavor to find volunteers before compelling officers to work overtime for special events.

- D. Overtime Accumulation while at DPSST—Compensation while attending the Basic Police Academy. Employees assigned to training at the basic police academy are expected to do what is needed to ensure successful completion of the academy. Employees who are required to work more than 80 hours per pay period because the academy staff require it shall earn comp time for

time worked at the rate of equal comp time earned for time worked. Examples of this include but are not limited to: attending color guard ceremonies, participating in class wide exercise, attending evening RADAR/LIDAR or similar classes. Employees assigned to training at the academy are not compensated for lunch breaks.

Employees who choose to engage in after hours studying, exercising, practicing, project development or similar activities that are not directly mandated by the academy staff shall not be compensated for time spent engaging in these activities.

Employees assigned to training at the academy are required to accurately record and report their time worked.

7.9 Callback Time. Employees called back to work shall receive overtime pay with a guaranteed minimum of four (4) hours at the overtime rate for the work for which they are called back. Employees called back to work on a regularly scheduled day off shall receive overtime pay with a guaranteed minimum of four (4) hours at the overtime rate for the work for which they are called back. Employees who are called back to work for court appearances shall receive one callback payment if those appearances occur within four (4) hours of the initial callback. When an employee is on call-back, once the employee has completed the specific task (for example to appear at a legal proceeding or attend a meeting) for which the employee was called back, then they are free to leave. This section applies only when call-back results in hours worked which are not annexed consecutively to or that overlaps one end or the other of the working day or working shift. This section does not apply to scheduled overtime, callback times annexed to the beginning of the work shift, holdover times annexed to the end of the work shift or workday or to brief routine phone calls. For purposes of this section, a regularly scheduled day(s) off shall commence at the conclusion of the last scheduled workday of the work week and end at the beginning of the next scheduled work week.

7.10 Compensatory Time. Overtime work shall be compensated by compensatory time at the rate of one-and-one-half times the hours worked to a maximum accrual of eighty (80) hours or by cash payment at the rate of one-and-one-half times the regular hourly rate at the option of the employee. Employees are encouraged to provide as much notice as possible of requested time off. Compensatory time shall be taken at such times in such blocks as are mutually agreed upon between the employee and their supervisor, subject to the following:

- A. Employees must provide a minimum of forty-eight (48) hours advance notice of the requested compensatory time off. This forty-eight (48) hour notice will, subject to “B” below, be considered reasonable notice under FLSA. The department may waive the forty-eight (48) hour advance notice requirement.
- B. Minimum staffing shall be determined by the City, however the APA must be notified prior to implementation of the change. If the employee cannot secure a volunteer to cover for the employee requesting compensatory time off and thereby assure minimum staffing levels, compensatory time will be denied. If staffing is met with less than 48 hours, the request will not be unreasonably denied.

7.11 Shift Trades. Qualifying employees may trade rotations as per Department policy. For the trade,

the employees will indemnify and hold the City harmless for any overtime provisions which would otherwise be applicable.

7.12 CSO Work Schedule. While the department employs a cadet, the CSO will be allowed to choose their workdays for the work week, per rotation, and the CSO will be allowed to choose to work either five (5) eight (8) hour shifts or four (4) ten (10) hour shifts as described in Section 7.1, so long as department business needs are met.

ARTICLE VIII SICK LEAVE

8.1 Accumulation. Sick leave shall be earned by each eligible full-time employee at the rate of twelve-(12) hours for each full calendar month of service, irrespective of the employee's work schedule. Sick leave shall not accrue during periods of unpaid leave or layoff. Employees who return to work from unpaid leave or recall from layoff shall, however, be credited with any unused sick leave they had accrued prior to unpaid leave or layoff. Sick leave may be accumulated to a total of 1200 hours and must be taken for the purposes specified in Section 8.2 below, as a condition precedent to any sick leave payment. Sick leave shall not continue to accrue if an employee is on unpaid leave due to illness or injury.

8.2 Utilization for Illness or Injury. Employees may utilize their accrued sick leave when unable to perform their work duties by reason of illness or injury or for the illness or injury of a qualifying family member under applicable state or federal family medical leave laws. In such event, the employee shall notify the Police Chief or other supervisor of absence due to illness or injury, the nature and expected length thereof, as soon as possible prior to the beginning of their scheduled regular work shift, unless unable to do so because of the nature of injury or illness. Employees are encouraged to schedule routine medical and dental appointments outside their regularly scheduled working hours, whenever possible. In the event such appointments must be scheduled during an employee's scheduled shift, every effort must be made by that employee to give the Department at least twenty-four (24) hours advance notice. The City may require an employee to submit certification by a physician or health care professional or other acceptable verification of the reason for utilization of sick leave as a precondition to payment of sick leave whenever the employee's absence exceeds three (3) consecutive workdays or whenever the City can articulate a good faith concern (e.g. questionable patterns of usage, etc.) regarding the employee's eligibility to receive sick leave. For the purpose of this section and the following sections of this Article, pregnancy shall be treated as any other illness or disability.

An employee may be granted up to twelve (12) weeks, per calendar year, paid sick leave for the employee to care for an ill or injured family member and for other OFLA qualifying purposes in accordance with OFLA. For the purpose of this Section family member includes: spouse, children (including step-children and foster children), parent, parent-in-law, grandchildren, grandparents, "domestic partner" as defined in Section 16.1 and the children, grandchildren and grandparents of such domestic partners.

8.3 Integration with Workers' Compensation. When an employee suffers a work-related injury or illness, the City's obligation to pay under this sick leave Article is limited to the difference between any payment received under Worker's Compensation laws and the employee's regular pay, minus state and federal deductions. In such instances, no charges will be made against accrued sick for the time an employee is absent from work to receive medical treatment on the date a work-related injury or illness

occurs and leave for the first three (3) days following the injury or illness. Thereafter prorated charges will be made against accrued sick leave, unless an employee is absent from work for a work related injury or illness that exceeds ninety (90) calendar days. In situations where and employee's work-related injury or illness exceeds ninety (90) calendar days, the City will credit sick leave benefits paid to the employee during that period back to their sick leave bank.

8.4 Sick Leave Without Pay. Upon application by the employee, sick leave without pay may be granted by the City for the remaining period of disability after accrued sick leave and other paid leave banks have been exhausted. The City may require that the employee submit a certificate from a physician periodically during the period of such disability and before returning to work.

8.5 Termination. Sick leave is provided by the City in the nature of insurance against loss of income due to illness or injury. No compensation for accrued sick leave shall be provided for any employee upon their death or termination of employment, except as provided for in Section 16.2.

8.6 Pay for Unused Sick Leave. All employees may elect to receive up to forty (40) hours of their unused annual sick leave accrual (maximum of 144 hours) as cash on their first paycheck in December provided at least forty (40) hours of accrued sick leave remains after the aforesaid payout. If cash payment is not elected, the unused portion of sick leave will be added to cumulative sick leave balance or converted to accrued vacation at the option of the employee.

8.7 Sick leave payout upon retirement. Upon retirement, employees covered by this agreement shall receive a percentage of the unused sick leave balance credited to the employee's individual HRA/VEBA. Credit will be provided at the employee's wage rate at retirement in accordance with the following schedule:

UNUSED SICK LEAVE HOURS	PERCENTAGE OF CREDIT
1-399	30%
400-599	40%
600-1200	50%

Employees must provide to the City four weeks advance written notice of retirement unless extenuating circumstances prevent this notice.

No compensation for unused accrued sick leave shall be provided if employment with the City ends for any reason other than retirement pursuant to ORS 238.280.

8.8 Uses for Family Illness. The City will grant leave for OFLA/FMLA qualifying reasons consistent with state and federal law.

8.9 Purposes of Sick Leave. Employees are entitled to use the City's sick leave benefit for the following purposes. Reference to "family members" means an employee's spouse or "partner" in a "domestic partnership" as such terms are defined in ORS 106. 310, biological adopted or foster parent or child, parent-in-law, grandparent, grandchild or a person with whom the employees was or is in a

relationship of in loco parentis, any other relationship identified in the City's Employee Handbook as a "family member" for the purpose of using sick leave.

- A. For an employee's or family member's mental or physical illness, injury or health condition or need for medical diagnosis of these conditions or need for preventative medical care.
- B. To care for an infant or newly adopted child under 18, or for a newly placed foster child under 18, or for a child over 18 if the child is incapable of self-care because of mental or physical disability.
- C. To care for a family member with a serious health condition.
- D. To recover from or seek treatment for a serious health condition that renders the employee unable to perform at least one of the essential functions of the employee's job.
- E. To care for a child of the employee who is suffering from a non-serious illness, injury, or condition.
- F. To deal with the death of a family member by attending the funeral or alternative, making arrangements necessitated by the death of a family member, or grieving the death of a family member.
- G. To seek medical treatment, legal or law enforcement assistance, remedies to ensure health and safety, or to obtain other services related to domestic violence, sexual assault, harassment or stalking incidents to the employee or employee's minor child or dependent.
- H. To donate sick time to another employee for qualifying purposes if the employer has a policy allowing such donations.
- I. For certain public health emergencies including closure by public official of the employee's place of business, school or place of care of the employee's child, or a determination by a public health authority or health care provider that the presence of the employee or a family member presents a health risk to others.

ARTICLE IX OTHER LEAVES OF ABSENCE

9.1 Criteria and Procedure. Leaves of absence without pay not to exceed ninety (90) days may be granted upon establishment of reasonable justification and where it is determined that the operation of the department and/or division will not be negatively impacted by the temporary absence of the employee. Requests for such leaves must be in writing and submitted to the Police Chief thirty (30) days prior to the requested leave date, unless otherwise waived.

9.2 Jury Duty. Employees shall be granted leave with pay for service upon a jury provided, however, that the regular pay of such an employee for the period of absence shall be reduced by the amount of money received for such jury service, and upon being excused from jury service for any day employee shall immediately contact their supervisor for assignment for the remainder of their regular workday.

9.3 Appearances. Leave with pay shall be granted for an appearance before a court, legislative committee, judicial or quasi-judicial body as a witness in response to a subpoena or other direction by proper authority provided, however, that the regular pay of such employee shall be reduced by an amount

equal to any compensation they may receive as witness fees.

9.4 Required Court Appearances. Leave of absence with pay shall be granted for attendance in court in connection with an employee's officially assigned duties, including the time required for travel to the court and return to the employee's headquarters.

9.5 Association Business. Employees elected to any Association office or selected by the Association to do work which takes them from their employment with the City may, upon written request of the Association and the employee, be recommended by the Police Chief for a leave of absence, of up to thirty (30) days without pay. Employees selected by the Association to attend collective bargaining sessions between the Association and the City shall not suffer a loss of pay or benefits as a result of attendance at such meetings. However, all efforts shall be made to schedule such meetings so as not to adversely affect the staffing or operation of the department.

9.6 Educational Leave. After the completion of probation, an employee, upon written request, may be granted a leave of absence without pay by the City for the purpose of upgrading their professional ability through enrollment in educational courses directly related to employment at an accredited school or course of study. The period of such leave of absence shall not exceed one (1) year, but may be renewed or extended upon request of the employee and approval by the Police Chief. One year leaves of absence, with requested extensions for educational purposes may not be provided more than once in any three (3) year period. Their replacement shall be considered a temporary employee. Employees shall also be granted time off with pay for educational purposes, for reasonable lengths of time, to attend conferences, seminars, briefing sessions, training programs and other programs of a similar nature that are intended to improve or upgrade the employee's skill and professional ability, when ordered by the employee's Police Chief.

9.7 Military Leave. Military leave shall be granted as required by Oregon Revised Statutes and federal law. Employees may use accrued vacation and holiday time for official military leave in excess of the employer-paid time provided by statute.

9.8 Bereavement Leave. In addition to regular sick leave, an employee may be granted five (5) days bereavement leave with regular pay in the event of death of a family member of the employee. For the purpose of this benefit, the term "family member" shall include the employee's spouse or "partner" in a "domestic partnership" as such terms are defined in ORS 106.310, biological, adopted, step or foster parent or child, sibling, parent-in-law, sibling-in-law, grandparent and grandparent-in-law. The employee will be paid their regular hourly rate for any such days of excused absence which occur only during their assigned work week. The City will grant additional paid or unpaid bereavement leave consistent with state and federal laws. (E.g., OFLA/FMLA or Oregon Sick Leave). The City may, at its discretion, grant other compassionate leave under exceptional circumstances.

9.9 Failure to Return from Leave. Any employee who is granted a leave of absence and who, for any reason, fails to return to work at the expiration of said leave of absence, shall be considered as having resigned their position with the City, and their position shall be declared vacated; except and unless the employee, prior to the expiration of their leave of absence, has furnished evidence that they are unable to work by reason of sickness, physical disability or other legitimate reason beyond their control.

ARTICLE X COMPENSATION

10.1 Pay Schedule. Employees shall be compensated in accordance with the pay schedule attached to this Agreement and marked “Appendix B.”

This pay schedule shall incorporate the following wage increases:

- A. Effective July 1, 2023, all bargaining unit base wages will be increased 4.5%.
Effective July 1, 2024, all bargaining unit base wages will be increased by 4%
Effective July 1, 2025, all bargaining unit base wages will be increased by 4%
- B. At the conclusion of the City contracted compensation and classification study Article X Section A will be reopened at the request of the City if salary adjustments need to be made to include both salary increases and salary freezes.
- C. The City shall establish and maintain an HRA/VEBA for each bargaining unit member, and deposit an amount equal to 3% of the employee’s regular rate of pay into the account at the beginning of each pay period.

10.2 Pay Periods. Employees shall be paid every other Friday. Pay periods shall be for 14 days beginning at 12:01 A.M. on Saturday and ending on the 14th day (Friday) at 11:59 P.M. Pay days shall be on the Friday following the close of each pay period.

10.3 Overtime Compensation. Authorized overtime shall be paid in the form of pay or compensatory time off pursuant to Section 7.10. All overtime shall be recorded by the employee and must be approved by the Police Chief or designated supervisor.

10.4 Standby Pay. An employee assigned to standby status to handle emergencies (i.e. Act of God, natural disaster, civil unrest, or governmental declaration of emergency) during their off-duty hours and who is required to respond upon a phone call from a supervisor, shall be paid at twenty (20) percent of their regular rate for all predetermined hours of such period. In addition, he/she shall be compensated at overtime rates for actual time worked to the nearest one-half hours and shall not be eligible for callback time as set forth in Section 7.9.

10.5 Incentive Pay

10.51 DPSST Certification.

An employee classified as a Police Officer shall, upon receiving an intermediate or advanced certificate from the Department of Public Safety, Standards and Training, be eligible for a monthly allowance of 7% for intermediate DPSST certification, or 12% for advanced DPSST certification.

10.52 Educational Incentive.

Employees in the bargaining unit who obtain a degree or advanced degree from a regionally accredited college or university shall be eligible to receive additional compensation in the form of an educational incentive as described below.

- A. 2% for having/attaining an Associate's degree
- B. 3% for having/attaining a Bachelor's degree
- C. 5% for having/attaining a Master's degree

The educational incentive may be combined with DPSST certification and/or additional compensation for special assignments described in section 10.6, but employees must choose between educational incentive and longevity pay. Education incentive will begin once proof of degree is provided.

10.53 Longevity Pay (formerly senior police officer pay).

Employees in the job classification of Police Officer achieving ten consecutive years of service as a police officer shall be designated as Senior Police Officer, and will receive longevity pay based on the following schedule:

- A. 3% after attaining 10 years continuous service as a police officer
- B. 6% after attaining 15 years continuous service as a police officer
- C. 9% after attaining 20 or more years of continuous service as a police officer
- D. 12% after attaining 25 or more years of continuous service as a police officer

Longevity pay is not applicable if the employee is already receiving the equivalent or greater education incentive.

Note: Officers may choose the combination of DPSST certification pay + Educational Incentive **or** DPSST certification pay + longevity pay based on which combination is most beneficial. In no case will an officer be eligible for more than two incentives under section 10.5. Officers are responsible for notifying a supervisor within 60 days of their anniversary date for an intermediate or advanced certificate. Officers are responsible for providing proof of any certifications prior to receiving incentive pay. The city will make every effort to compensate the officer for incentive pay on their anniversary date if proof of certification is provided by their anniversary date. If proof of any certification is not provided by the employee's anniversary date compensation will begin once the proof of certification is provided.

10.54 Fitness Incentive Reimbursement. The City will reimburse employees up to ten dollars (\$10.00) per month toward membership in a recognized fitness club, weight management program, or City of Ashland Recreation health/fitness program in which they are actively participating.

10.55 Fitness Incentive. All Department employees shall participate in the Department's fitness program. Employees may receive a fitness incentive payment upon completion of the run twice a year. The incentive will apply for successful testing at the approved Cooper Standard levels of performance based upon the following schedule:

Completion within 60 th percentile	\$700
Completion within 50 th percentile	\$500
Completion within 40 th percentile	\$400

Officers will continue to receive (2 hours) compensatory time for participation (4 hours) compensatory time for meeting the “Fair” standard, (6 hours) compensatory time for meeting the “Good” standard, and (8 hours) compensatory time for meeting the “Excellent/Superior” standard.

The fitness test will be conducted two (spring and fall) times per year. In order to receive the fitness incentive, employees must successfully complete the test per the Cooper Standards two times during the fiscal year. If an employee has previously demonstrated and achieved a fitness goal prior to being placed on Workers Compensation or FMLA/OFLA, then the employee will be paid for the same level as last achieved during the testing period.

10.6 Special Assignment Pay. Employees assigned to the following special temporary assignments shall be compensated as follows:

- A. **Detective.** Any member of the bargaining unit who is assigned to detective status shall be compensated an additional five percent (5%) over the monthly rate for Police Officer set forth in “Appendix B” of this Agreement until relieved of such assignment. Employees assigned to the detective division shall be compensated for overtime in the same manner as patrol officers assuming the overage has been approved by the detective supervisor.
- B. **Officer in Charge.** Any employee on active duty designated by the City as acting in capacity in a higher-level position other than their regular job classification shall receive 10% additional pay above their current base salary for the length of the assignment. This rate applies to hours worked only and when combined with other special assignment pay then the combined total shall not exceed 10% (e.g. DARE Officer 5% plus Officer in Charge 5%).
- C. **Other Special Assignments.** Special Assignments, including Motorcycle Officer, School Resource Officer, Survival Skills Instructor during the time they are actually involved in instructing other officers, and CAP Officer, shall be compensated an additional five percent (5%) over their normal monthly rate, until relieved of such assignment. Employees assigned to Police Training Officer shall receive an additional five percent (5%) for the period of the assignment. Employees assigned for SWAT callouts shall receive an additional five percent (5%) for the period of the callout.
- D. **Clothing Allowance Advance for Detectives.** Detectives will receive \$100 clothing allowance per month.

10.7 Detective On-call Compensation. Employees assigned to the detective division who are required to be “on-call” for a period of one week will be paid ten (10) hours of regular pay as compensation for remaining in the area and available for after-hours emergency call outs.

ARTICLE XI DISCIPLINE

11.1 No regular employee as defined in Article XIII may be disciplined or discharged, except for just cause. Disciplinary action, including discharge, may be imposed upon any employee for failing to fulfill their responsibilities as an employee. Conduct reflecting discredit upon the City or Department, or which is a direct hindrance to the effective performance of City functions, shall be considered good cause for disciplinary action. Such cause also includes, but is not limited to: misconduct, inefficiency, unsatisfactory work performance, incompetence, insubordination, violation of Department rules, unauthorized or excessive tardiness or absenteeism, dishonesty, engaging in political activities forbidden by State law, or other violations of Departmental standards of conduct. The employee, upon request, has the right to have Association representation at any meeting during which disciplinary matters are discussed.

11.2 Discipline for just cause may include the following:

- A. Written reprimand, which will be placed in Guardian Tracker
- B. Demotion
- C. Suspension
- D. Discharge

11.3 An employee may be placed on paid administrative leave while charges against the employee are investigated.

11.4 Any disciplinary action imposed upon an employee, if protested, shall be protested only as a grievance through the regular grievance procedure. If a Police Chief or other supervisor has reason to discipline an employee, he/she shall make reasonable efforts to impose such discipline in a manner that will not embarrass or humiliate the employee before other employees or the public. Oral reprimands shall not be protested through the grievance procedure. Written reprimands, upon request of the employee, shall be removed from the personnel file at the end of three years from the time the reprimand was dated, provided there are no related subsequent written reprimands or disciplinary action taken during the intervening period of time. It is understood and agreed disciplinary action that has been removed from an employee's personnel file cannot be used for the purpose of progressive discipline. However, in the event an employee grieves subsequent disciplinary action, including discharge, at an arbitration hearing and the Association introduces evidence regarding the employee's past work record, the City reserves the right to introduce removed disciplinary action for the purpose of enabling the arbitration to evaluate the City's action.

Additionally, in the event an employee grieves or otherwise challenges disciplinary action in a legal proceeding and raises the claim that (s)he was discriminated against or treated inconsistently, the City reserves the right to introduce disciplinary action removed from the personnel files of other employees for the limited purpose of addressing such claims of discrimination or inconsistency.

11.5 Upon removal of documents, pursuant to 11.4, the City shall store all removed documents outside the Department until the mandated state archive period is complete. The Department documents shall not be released or used for any purpose after being removed from employee personnel files, except as set forth in Section 11.4 above.

The City shall store all completed internal affairs investigations, which result in an unfounded or exonerated finding outside the Department. These documents will be disposed of in accordance with the state archive laws and shall not serve as the basis for further discipline.

11.6 The just cause protections set forth in the Article shall not apply to any employee who is discharged during probation, as defined in Article XIII.

11.7 When an employee is under investigation, which could lead to disciplinary action:

- A. The City shall notify the employee under investigation for a matter involving an Internal Affairs Investigation, as defined in the department's policy manual, in writing, at least forty-eight (48) hours prior to any interview of the nature of the investigation and the specific allegations levied against him or her. The employee will, upon request, be provided with a copy of any complaint submitted in writing at the time of this notification.
- B. The employee shall be entitled to Association representation and shall be provided a reasonable amount of time prior to the interview to consult with an Association representative, irrespective of whether the matter involves an Internal Affairs Investigation or Informational Report being placed in Guarding Tracker, which are non-disciplinary in nature and are intended to document commendations and incidents that do not warrant discipline. Informational Reports may, however, be referenced in employee evaluations and used to identify training and professional needs.
- C. The City shall strive to hold the interview of an employee during normal business hours, which shall be defined as 8:00 a.m. to 5:00 p.m., Monday through Friday. This does not preclude management from scheduling an interview outside of normal business hours, provided a member of the Association's Executive Board (excluding a member who is a material witness or has a direct personal interest in the outcome of the investigation) is available to accompany the employee to the interview. In the event that the Association desires to have its legal counsel present at the interview, the Department will schedule the interview at a mutually agreeable time during normal business hours, provided the interview is not delayed more than three (3) business days.

The interview shall be for a reasonable period, taking into consideration the gravity and complexity of the issue(s) being investigated. If the interview is of extended duration (i.e. beyond 2 hours in length), reasonable breaks will be afforded to the employee being interviewed, upon request. Nothing in this Article is intended to prohibit the Department from conducting follow-up interviews with the employee, subject to the same conditions.

Either the Department or the employee may request that a recording be made of the interview. Neither party will record the interview without informing the other that recording is taking place. If a recording is made by either party, the other party will provide a true copy of the recording upon request, but no more than five (5) business days after the request is made. Under no circumstances will the recording be shared with material witnesses during the period the investigation is pending.

The City shall limit investigations to complaints, which have been reduced to writing by

the complainant or Department. No employee will be required to appear or participate in an interview with the complaining party.

- D. The Department will strive to complete investigations within thirty (30) days from the date the complaint or conduct giving rise to the investigation became known to management. In the event additional time is needed to complete the investigation, the employee and the Association's Executive Board will be notified of any extension and the reason(s) for the extension. The employee and the Association will further be advised of the outcome of the investigation.
- E. No employee will be required to submit to a polygraph examination.
- F. No member of the Association will be required to participate in any type of Citizen Review Board in any form or by any title or name pertaining to the use of force or police practices/conduct issues.

11.8 Whenever there is a use of force incident involving an employee discharging a firearm or there is a serious physical injury or death to any person, a Departmental supervisor will promptly notify an Executive Board member.

ARTICLE XII SETTLEMENT OF DISPUTES

12.1 Grievance and Arbitration Procedure. Any grievance or dispute which may arise between the parties concerning the application and/or the Association, and/or employee with regard to interpretation issues, meaning or interpretation of this Agreement shall be settled in the following manner:

Step I The affected employee and, with regard to interpretation issues the Association and/or the employee, shall take up the grievance or dispute with the Police Chief, or their designee, within ten (10) days of when the employee knew or should have known of the violation. The written notice shall include details of the grievance, the section of this Agreement allegedly violated and the specific remedy requested. The Police Chief, or their designee, shall respond to the Association representative in writing within ten (10) days after receipt thereof.

Step II If the grievance remains unadjusted, it may be presented by the Association to the City Manager of the City or their designee(s), within ten (10) days after the response specified in Step I is due or received. The City Manager, or their designee(s), shall respond in writing to the Association within ten (10) days.

Step III For matters other than misconduct as defined in ORS 243.706 et seq., If the grievance is still unsettled, either party may within ten (10) days of the decision of the City Manager or their designee(s) under Step III have the right to have the matter arbitrated by a third party jointly agreed upon by the City and the Association. If the parties are unable to agree upon an arbitrator, the

Employment Relations Board shall be requested to submit a list of five names of Oregon and Washington arbitrators. Both the City and the Association shall have the right to strike two names from the list. The party requesting arbitration shall strike the first name and the other party shall then strike one name. The process shall be repeated, and the remaining person shall be the arbitrator. The arbitrator's decision shall be final and binding on the parties and the employee. The arbitrator shall have no right to amend, modify, nullify, ignore or add provisions to the Agreement, but shall be limited to consideration of the particular issue(s) presented. Their decision shall be based solely upon their interpretation of the meaning and express language of the agreement. Expenses for the arbitrator shall be borne by the losing party as designated by the arbitrator. However, each party shall be responsible for compensating its own representatives and witnesses.

The City will adjust schedules, as necessary, to enable the grievant and one Association representative the opportunity to attend the arbitration hearing. Time spent at the arbitration hearing will be paid at straight-time rates.

If either party desires a verbatim recording of the proceedings, it may cause such a record to be made, provided it pays for the record. If the other party desires a copy, both parties shall jointly share the cost of the transcript and all copies.

If any grievance is not presented or forwarded by the employee or Association within the time limits specified above, such grievance shall be deemed waived. All days and hours specified shall be calendar days. If the City fails to respond in a timely fashion, the grievance may be appealed to the next step. A grievance may not change once it has been filed in writing.

For arbitration proceedings involving alleged deputy misconduct, the hearing will be conducted and the parties will select arbitrators pursuant to ORS .706

ARTICLE XIII SENIORITY

13.1 Definition of Seniority. Only regular employees shall have seniority. Two types of seniority will be recognized for various purposes as set forth in this Agreement: bargaining unit seniority and classification seniority. Bargaining unit seniority shall be defined as an employee's length of service within the bargaining unit without termination of seniority, dating from their first day of compensable work within the bargaining unit. Classification seniority shall be defined as an employee's length of service within a job classification listed in Appendix "A" without a termination of seniority. Employees who move to different classifications within the bargaining unit will retain the classification seniority they had in their previous job classification.

13.2 Layoff and Recall. In the event of layoff, the selection of employees to be laid off shall be as follows: First, probationary employee(s) in the positions affected shall be laid off. If there are no such probationary employees, the employee in the position affected who has the least classification seniority in that position will be the first laid off and layoffs shall continue in that order. An employee who has classification seniority in a lower job classification may exercise their seniority to bump into that lower

job classification, provided he or she is qualified to perform the work. When displacing another employee, the “bumping” employee’s salary or wage shall be at the step that most closely approximates, but does not exceed, their salary range in the previous classification on the effective date of layoff. In order to be entitled to bumping rights, an employee must notify the Chief of Police of their intent to bump within seven (7) calendar days of receipt of layoff notice. Recall from layoff shall be in reverse order of seniority, provided the senior employee is capable of performing the work.

13.3 Suspension of Seniority. Bargaining unit and classification seniority shall be retained but shall not continue to accrue during layoffs and authorized leaves in excess of ninety (90) calendar days.

Also, employees who are promoted to positions within the Department that are outside the bargaining unit but are returned to a bargaining unit position by the City within the six (6) month promotional probationary period set forth in Article 14.2, will return with the bargaining unit and classification seniority they had accrued at the time of their promotion restored. The time an employee spends in such a position will not however be applied toward their seniority.

13.4 Termination of Seniority. Bargaining unit and classification seniority and the employment relationship shall be terminated if an employee:

- A. Quits;
- B. Is discharged for just cause;
- C. Is absent from work for three (3) consecutive working days without notification to the City, unless the City determines, in its discretion that mitigating circumstances existed to justify the failure to notify;
- D. Is laid off and fails to report to work within three days after receipt of notice of recall by certified mail or five days after delivery of such notice of recall;
- E. Is laid off from work for any reason for 24 months, or for a period of time equal to their seniority, whichever is shorter;
- F. Fails to report for work at the expiration of a leave of absence or in the case of an absence due to an on or off-the-job injury or illness, fails to report for work within seven (7) days of receipt of a full or limited medical release to return to work;
- G. If while on leave of absence for personal health reasons accepts other employment without permission; or
- H. Is retired.
- I. If the employee is absent from work due to an on-the-job injury or illness for a period in excess of three years from their original date of injury/illness or another event occurs to extinguish reinstatement rights in accordance with ORS 659A.043 and ORS 659A.046. (It is however understood and agreed that the seniority of an employee who is continuously absent due to an

on-the-job injury or illness will be frozen after one year.)

13.5 Probationary Period.

The probationary period is an integral part of the employee selection process and provides the City with the opportunity to upgrade and improve the Department by observing a new employee's work, training, aiding new employees in adjustment to their positions, and by providing an opportunity to reject any employee whose work performance fails to meet required work standards. For new employees hired, the probationary period for entry-level employees shall be eighteen (18) full months of employment. The probationary period for lateral employees shall be twelve (12) full months of employment. Probationary periods will commence on the first day of an employee's compensable work in a job classification and may be extended up to an additional six (6) months by written mutual approval between the City and the Association. The Association recognizes the right of the City to terminate probationary employees for any reason and to exercise all rights not specifically modified by this Agreement with respect to such employees, including, but not limited to, the shifting of work schedules and job classifications, the assignment of on the job training, cross training in other classifications, the assignment of on-the-job training, cross-training in other classifications and the assignment to educational courses and training programs. Termination of a probationary employee shall not be subject to the grievance procedure under Article XII.

13.6 Notice of Recall from Layoff Status.

Recall from layoff exceeding five (5) workdays shall be by certified letter sent to the employee at their last known address furnished to the City by the employee. The City may also use any other means to return an employee sooner.

ARTICLE XIV PROMOTIONS

14.1 Postings.

Promotional opportunities to job classifications listed in Appendix "A" (not assignments), as well as supervisory/management positions in the Department shall be posted for at least three (3) weeks prior to the closing of accepting applications for the position. Whenever a promotional examination is given the notice announcing such examination shall state the passing score on all parts of the examination and the relative weight of each part of the examination.

14.2 Promotional Probationary Period.

Regular employees promoted into a higher classification within the Department shall serve a promotional probationary period of six (6) continuous months. The Association also recognizes the right of the City to demote an employee on promotional probationary status to their previous position. Demotion of an employee on promotional probationary status, as well as demotion of employee who was filling the employee's position within the promotional probationary period, shall not be subject to the grievance procedure under Article XII and such demotion shall not be considered a disciplinary action.

ARTICLE XV GENERAL PROVISIONS

15.1 No Discrimination.

The provisions of this Agreement shall be applied equally to all employees in the bargaining unit without discrimination as to race, creed, color, age, sex, national origin or other protected status in accordance with applicable law. The Association shall share equally with the City the

responsibility for applying the provisions of this Section. All references to employees in this Agreement designate both sexes, and whenever the male gender is used, it shall be construed to include the male and female employees. Employees shall have the right to form, join, and participate in the activities of the Association or any other labor organization, or to refrain from any or all such activities, and there shall be no discrimination by either the City or the Association by reason of the exercise of such right except as specifically provided herein. Nothing in this Agreement shall be construed as precluding or limiting the right of an individual employee to represent him/herself in individual personal matters.

15.2 Professional Standards and Safety Committee. In order that the City may be informed and/or take appropriate action on professional standards of safety and protective equipment, a committee shall be formed composed of the Police Chief and/or their designated representatives not to exceed two, and representatives of the Association not to exceed three. This committee shall meet as mutually agreed upon, consider surveys and factual studies, and make recommendations for improvements to the City Manager.

15.3 Rules. It is jointly recognized that the City must retain broad authority to fulfill and implement its responsibilities and may do so by work rule, oral or written, existing or future. It is agreed, however, that no work rule will be promulgated or implemented which is inconsistent with a specific provision of this Agreement. All work rules which have been reduced to writing will be furnished to the Association and to affected employees upon request.

15.4 Other Employment. Prior to accepting outside employment, an employee shall first discuss the matter with the Police Chief. Acceptance or continuance of regular outside employment by an employee shall be subject to the following criteria:

- A. The need for mentally alert and physically able public safety employees.
- B. Insulating employees from potential conflict of interest situations.
- C. Maintaining efficiency unimpaired by other employment, recognizing the nature of the job requiring police officers to be available for emergency duty twenty four (24) hours a day.

15.5 Uniforms, Protective Clothing and Devices. If an employee is required to wear a uniform, protective clothing or use any type of protective device, such article shall be provided by the City. Replacements shall be provided by the City upon surrender of the article, at no cost to the employee, reasonable wear excepted. Lost articles or damage to articles due to negligence shall be reimbursed to the City by the employee. Failure of any employee to wear such required uniform, protective clothing, or use such protective device as prescribed by the City shall be cause for disciplinary action as set forth in Article XI.

15.5 A. Equipment/Clothing Allowance. Association members will receive a stipend of \$300 per year, to be paid on the first pay period in July for equipment and clothing significantly used while the employee is performing the employee's day-to-day duties. New hires will be provided with the stipend at the time of hire for the year in which they begin working for the City. They would be eligible for additional stipends each July during this contract.

15.6 Educational Allowance. After an employee's completion of probation, the Police Chief may

authorize reimbursement to the employee for costs directly related to upgrading their professional ability through enrollment in an educational course of study or class at a state accredited educational institution. The amount of such reimbursement shall be at the sole discretion of the Police Chief, based on the availability of departmental resources for such expenditures and upon the relative benefit to be realized by the department from the employee's participation in the class or coursework. Funds may be advanced to an employee to pay initial costs; however, final reimbursement shall require the employee to provide evidence of their successful completion of the class or coursework. In no event shall the Department be responsible for reimbursing educational costs incurred by an employee outside of an advance mutual agreement with the Police Chief.

15.7 Position Descriptions. The general classifications of labor which shall be recognized throughout this Agreement shall be those set forth in Appendix A.

15.8 Personnel File.

- A. **Inspection.** Each bargaining unit member shall have the right to review and obtain at their expense, copies of the contents of their personnel file, exclusive of materials received prior to the date of their employment with the City. The official personnel files shall be maintained in the City Manager's office.
- B. **Employee Signature.** Each employee shall be offered the opportunity to read and sign any written material that is placed in their official personnel file. The employee may:
 - 1. Sign such material indicating agreement.
 - 2. Sign such material, indicating disagreement, in which case the employee may place in their file a signed response to such material.
 - 3. Refuse to sign such material in which case an employee of management shall place in that person's file a signed statement indicating that the material was offered to the employee for reading and signing and the employee refused.

15.9 Training. The City shall provide outside training opportunities to employees in the bargaining unit as follows:

- A. The City shall provide outside training opportunities to employees in the bargaining unit on an equitable basis. All training must be approved by the Chief or their designee and is subject to the Department's evaluation of operational needs and budgeting constraints.
- B. The City shall provide twenty four (24) hours of outside training per year to Survival Skills instructors, and shall provide any additional training hours DPSST requires, such instructors to have maintain DPSST teaching credentials.

15.10 Travel Time for Training and Other Off-Site Activities. The city's Travel & Expense Reimbursement Policy as written and published at the time of signing will apply to travel time for training and other off-site activities. A copy of the published Travel and Expense policy will be attached and

marked as Appendix “D.”

15.11 Fitness for Duty. The City reserves the right to require employees to provide verification of medical ability to perform the essential functions of their positions, as well as confirmation of any limitations on an employee’s ability to perform such essential functions, so long as such verification is consistent with applicable law. Verification may be required if the City can articulate a reasonable, good faith basis for the need for verification.

The verification will be limited to the determination of whether the employee can perform their essential job duties without a direct threat to their safety or the safety of others. All medical information released pursuant to a fitness-for-duty test will be maintained in the employee’s confidential medical file and released only on a need-to-know basis.

The City will place any employee who is required to submit to a fitness-for-duty test on paid administrative leave until the verification is obtained. The City will also pay for the cost of evaluation, as well as the time spent by the employee undergoing the required evaluation and traveling to/from the evaluation.

ARTICLE XVI HEALTH, WELFARE & RETIREMENT

16.1 The Employee Health Benefits Advisory Committee shall be repurposed as a Labor Management Committee and shall include (1) representative of the Ashland Police Association. The Committee shall meet at least once per year for the purpose of discussing City wide issues including health insurance benefits along with other items.

Health benefits and other insurance will be provided to the APA represented employees under the same conditions and restrictions as provided to all other city employees. Adjustments to the health benefits plan may be made by the City upon annual benefit renewal within budgetary constraints.

In the event an employee chooses not to use the City provided insurance with proof of other coverage, the City shall pay the employee \$100 per month.

16.2 Retirement. The City agrees to maintain its existing Retirement Plan, subject to the terms and provisions thereof, as it applies to regular employees in the bargaining unit. The City will report to PERS the total accumulated sick time. The City will also assume or pay the employee contributions required by ORS 238A.355 for all employees included under this agreement at a uniform rate of six (6) percent.

16.3 Deferred Compensation. The City shall contribute \$50.00 per month in matching funds per member enrolled in a City deferred compensation program. This program is at the option of the member and contingent upon a minimum \$15.00 per month contribution paid by the member.

16.5 Reemployment of Retired Employees.

- A. The City may at its discretion rehire retired Association members for up to 1039 hours each year following their retirement date.

- B. At the retiring Association member's option, the City shall only use rehired retired employees to fill a vacant Association member position on a temporary basis and for not more than 90 days following the retirement date of the rehired retired employee. Re-employment of retired employees will not cause the layoff of any other bargaining unit member and the rehired retired member will remain a member of the Association while re-employed with the exception of Article 5, 6, 8, 10.1A and 16.

ARTICLE XVII - WORKER'S COMPENSATION

All employees will be insured under the provisions of the Oregon State Worker's Compensation Act for injuries received while at work for the City. Compensation paid by the City for a period of sick leave also covered by Worker's Compensation shall be equal to the difference between the Workers Compensation pay for lost time and the employee's regular pay rate.

ARTICLE XVIII LIABILITY INSURANCE AND INDEMNIFICATION

18.1 The City shall purchase liability insurance in the maximum amounts set forth in O.R.S. for the protection of all employees covered by this Agreement against claims against them incurred in or arising out of the performance of their official duties. The premiums for such insurance shall be paid by the City.

18.2 The City shall indemnify and defend employees in the bargaining unit against any tort claim arising out of an alleged act or omission occurring in the performance of duty as required by ORS 30.285 and 30.287 (1977 replacement part.)

The City agrees to reimburse the bargaining unit member for all reasonable, usual and customary legal fees charged by an attorney to represent the employee as a direct result of criminal charges or a criminal investigation arising out of the employee's performance of his/her duties as an employee. The reimbursement shall not be made if:

- A. The employee undergoes diversion, is convicted by verdict or plea, or pleads no contest to criminal charges arising from the incident; or
- B. The Department gives grievable discipline to the employee based upon the employee's actions that form the basis for the possible or actual criminal liability and the Department sustains the discipline through the grievance arbitration process or the employee does not appeal the discipline.

18.3 Any reimbursement from the City shall be made only at the conclusion of all criminal and disciplinary proceedings against the Association member arising out of the incident and are subject to the following maximum requirements:

- A. Legal fees relating to a grand jury and/or appearance: \$5,000
- B. Legal fees relating to post-grand jury indictment or other charging instrument: \$10,000

Before becoming obligated under this Article, the City shall be presented with a sworn affidavit by the attorney listing an hourly breakdown of time spent and describing briefly the purpose of such time. The City may submit the bill to the Oregon State Bar Association for review for compliance with reasonable, usual and customary fees charged for such matters. The Oregon State Bar Association's determination shall be final and binding for the City's obligation under this Article.

ARTICLE XIX SAVINGS CLAUSE AND FUNDING

19.1 Savings Clause. Should any provision of this Agreement be subsequently declared by the proper legislative or judicial authority to be unlawful, unenforceable, or not in accordance with applicable statutes or ordinances, all other provisions of this Agreement shall remain in full force and effect for the duration of the Agreement. Upon such declaration, the parties agree to immediately meet and confer on a substitute, if possible, for the invalidated portion thereof.

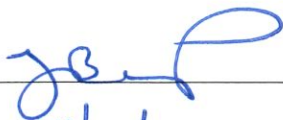
19.2 Funding. The parties recognize that revenue needed to fund the wages and benefits provided by the Agreement must be approved annually by established budgetary procedures and in certain circumstances by vote of the citizens of the City. The City shall not reduce the wages and benefits specified in the Agreement because of budgetary limitations but cannot and does not guarantee any level of employment in the bargaining unit covered by this Agreement. The City agrees to include in its annual budget request amounts sufficient to fund the wages and benefits provided by this Agreement but makes no guarantee as to passage of such budget requests or voter approval thereof.

ARTICLE XX TERMINATION AND REOPENING

This Agreement concludes all collective bargaining between the parties during the term of this Agreement effective July 1, 2023, and shall remain in full force and effect until June 30, 2026.

This Agreement shall automatically be renewed from year to year thereafter unless either party notifies the other in writing not later than ninety (90) days prior to the expiration date of this Agreement of their intent to modify or terminate the Agreement. If such notice is not given, this Agreement may be subsequently reopened for modification upon sixty (60) days written notice; however, the Agreement shall remain in full force and effect during the period of negotiations.

ASHLAND POLICE ASSOCIATION

By:  _____

Date: 4/29/24

CITY OF ASHLAND, OREGON

By:  _____

Date: 04/24/2024

By: _____

Date: _____

APPENDIX “A”

CLASSIFICATIONS WITHIN BARGAINING UNIT

Police Officer
Community Services Officer
Evidence Property Technician

CLASSIFICATIONS EXCLUDED FROM BARGAINING UNIT

Sergeant and above in rank
Administrative Services Manager
Confidential Employees

Irregular parttime employees who
do not work a set schedule or who
work less than an average of 20
hours per week

Seasonal and temporary employees
who are hired to work on a temporary
basis for an undefined period of time

Appendix B – Wage Schedule (Attached Separately)

APPENDIX “C” HEALTH AND WELFARE BENEFITS

Section 1. Health and Welfare The City agrees to pay ninety percent (90%) of the premium for employee and/or family coverage through the term of this agreement for the following health and welfare plans. The employee agrees to pay ten percent (10%) of the premium, to be deducted from the employee’s check through regular payroll deductions. The parties recognize this agreement is to provide the insurance plans. Plan benefits are subject to annual adjustments. Nothing in this agreement shall be deemed a limitation on the annual plan benefit adjustments. Medical benefits, including vision and dental, will continue within the current plan equivalent for the 3 years of the contract, July 1, 2023, through June 30, 2026.

Retired employees shall be allowed to participate in the existing insurance plan at their own expense to the extent required by state of federal law. The City shall also make available to employees an optional choice to participate in a Flexible Spending Account Program (pre-tax health premium and health and dependent care expense reimbursement).

- (1) Health Insurance – employee and family coverage. \$500 deductible, Copay F.
- (2) Dental Insurance – employee and family coverage. (CIS Incentive Dental Plan III with Ortho or Willamette Dental Option with Ortho).
- (3) Vision Insurance - employee and family coverage. (CIS Vision)
- (4) City paid reimbursement for programs contained in the City’s Wellness Program.
- (5) Other benefit levels and maximum premium payments by the City shall be as follows:

State mandated Life Insurance	\$12,500 in life coverage (duty connected only)
Standard Life Insurance	\$2,000 in coverage
Standard Dependent Life Insurance	\$1,000/dependent
Salary Continuation Plan (LTD)	66.67%, Up to \$2,000/month

- (6) Physical Fitness Reimbursement: 50% of membership cost up to a maximum of \$120 per year. Note: The dollar value of this benefit is taxable; it is reported on Form W-2.
- (7) The City will contribute an amount equivalent to 3% of earnings into an HRA-VEBA account for the employee and eligible dependents to use for eligible healthcare expenses.

The City agrees to continue providing the additional fringe benefits:

- Life Insurance- employee (\$20,000 with AD&D) and dependent coverage (\$1,000).
- Long Term Disability Insurance- employee only

Section 4: Medical Coverage for Retirees- Any employee hired prior to July 1, 2005, and retiring during the term of this contract with twenty (20) or more years of full-time service with the City, shall be eligible for a one-time contribution into their HRA/VEBA account in the amount of \$3,612.00 (\$60.20/month for 5 years) to assist with healthcare costs in retirement.

**APPENDIX “D”
TRAVEL AND EXPENSE POLICY**

**The current policy and reimbursement forms are located on the City Network
X: PERSONNEL INFORMATION\ADMINISTRATIVE POLICIES\Travel_Reimbursement
Policy**

AGREEMENT

CITY OF ASHLAND

And

ASHLAND POLICE ASSOCIATION

July 1, 2026 – June 30, 2029

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AGREEMENT

Between

THE CITY OF ASHLAND

And

ASHLAND POLICE ASSOCIATION

PREAMBLE

This Agreement is entered into by the City of Ashland, Oregon, hereinafter referred to as the “City,” and the Ashland Police Association, hereinafter called the “Association”. Unless indicated otherwise, reference to the “City” herein shall include the Mayor, City Manager, and City Council or their designee(s) as the officials directly responsible for the operation of the department covered by this Agreement. The purpose of this Agreement is to set forth the full and complete Agreement between the parties on matters pertaining to rates of pay, hours of work and other conditions of employment.

SCOPE OF AGREEMENT

This Agreement shall apply to all bargaining unit employees of the Police Department, Ashland, Oregon as set forth in “Appendix A.” The Agreement specifically excludes the members listed as “excluded” as set forth in Appendix A.

Where the term “employee” is used, it shall mean employees within the bargaining unit, as defined in Article XIII and Appendix A.

The parties agree as follows:

ARTICLE I RECOGNITION

1.1 The City recognizes the Association as the sole and exclusive bargaining agent for the purposes of establishing rates of pay hours of work and other conditions of employment for all employees within the bargaining unit described immediately above.

1.2 When any position not listed on the pay schedule is established, the City shall designate a job classification and pay rate for the position. The Association shall be notified and the pay rate established by the City shall be considered tentative until the Association has been afforded the opportunity to meet and confer on the matter. If the Association does not agree that the classification or pay rate is proper, the Association may pursue its bargaining rights in accordance with PECBA.

ARTICLE II ASSOCIATION SECURITY

2.1 Check-off. Any employee who is a member of the Association or who has applied for membership shall sign and deliver to the Association, who shall forward to the City, an original assignment authorizing deductions of membership dues in the Association. Such authorization shall continue in effect from year to year unless revoked or changed in writing. Pursuant to each authorization the City shall deduct such dues from the first and second salary check, which will salary-be direct deposited in the APA's savings account. The Association shall be the sole custodian of authorization forms.

It is agreed there shall be no discrimination in favor of or against, any employee of the City on account of membership in the Association or failure or refusal to join the Association. Nor shall the City interfere in any way with the decision of any employee to join or not to join the Association.

2.2 Dues Cancellation. Employees may cancel their membership in the Association at any time subject to the employee completing the dues cancellation form. Any employee who elects not to pay dues will not be a member of the Association.

2.3 Hold Harmless. The Association agrees to hold the City harmless against any and all claims, orders or judgments brought or issued against the City as a result of any action taken or not taken by the City under the provisions of this article. Upon written notification by the Association of a checkoff error, the City will make adjustments within thirty (30) days of receipt of such notification.

2.4 New Hires. The City will notify the Association of all new hires in the unit within two (2) weeks after their having been employed and will furnish the Association with the name, social security number, mailing address and position for which they were hired.

2.5 Bulletin Boards. The City agrees to allow suitable wall space in the Police Station, not to exceed 3'x 3' for bulletin boards to be used by the Association for the posting of notices and bulletins relating to the Association.

The Association shall limit its posting of Association notices and bulletins to such bulletin board, which shall be used only for the following Association notices and bulletins:

- A. Recreation and social affairs of the Association
- B. Association meetings
- C. Association elections
- D. Reports of Association committees
- E. Communications from the Association to the bargaining unit
- G. Current events regarding Association activity

2.6 Association Representatives. Employees selected by the Association to act as representatives shall be certified in writing to the City by the Association. Duties required by the Association representatives, except attendance at meetings with supervisory personnel and aggrieved employees arising out of a grievance already initiated by an employee under Article XII, shall not interfere with their or other employees' regular work assignments as employees of the City. Contacts between Association

representatives and employees or the Association may be made during working hours so long as the contact does not disrupt regular Department operations. A maximum of two (2) employees shall be permitted to attend negotiation and mediation sessions during regular working hours without loss of pay. Additional team members, as well as employees who participate in negotiations or mediation during off duty hours, will not be paid for such attendance.

2.7 Solicitation. The Association agrees that its members will not solicit membership in the Association or otherwise carry on Association activities during working hours, except as specifically provided in this Agreement.

2.8 Visits by Association Representatives. The City agrees that accredited representatives of the Association, upon reasonable and proper introduction, may have reasonable access to the premises of the City at any time during working hours for the purpose of assisting in the administration of this Agreement, if they first obtain permission to do so from the Police Chief or their designated representative. In no case will such access be unreasonably denied.

2.9 E-Mail Usage. The Association and Association representatives shall be allowed to use City e-mail to communicate with Association members for the purposes set forth in Section 2.6 above. Employee use of e-mails and internet access is governed by the City's Electronic Media and Services Use Policy, as it currently exists or is subsequently modified.

2.10 Disciplinary Notices. The city will provide the Association President or representative if the Association President is not available, copies of all disciplinary notices within 24 hours of the issuance of such notice to an employee within the bargaining unit. This notice shall be in writing and be delivered in person unless both the Association President and the management representative handling the discipline mutually agree upon another form of service. As long as good faith efforts are made to satisfy the notice requirements of this section unintentional failure to comply will not invalidate the discipline or discharge.

ARTICLE III MANAGEMENT RIGHTS

3.1 The City shall retain the exclusive right to exercise the customary functions of management including, but not limited to, directing the activities of the Department; determining the levels of service and methods of operation including contracting and subcontracting, and the introduction of new equipment; the right to hire, layoff, transfer, and promote; to discipline or discharge for cause as defined in Article XI; to determine the content, duties and responsibilities of job classifications; to make, revise and discontinue rules, consistent with the terms of this Agreement; to determine work schedules and assign work; and any other such rights not specifically referred to in this Agreement. The failure by the City to exercise its rights under this Article or to exercise its rights under this Article in a particular way shall not be taken as a waiver of such rights.

ARTICLE IV STRIKE PROHIBITION

4.1 The Association and its members, as individuals or as a group, will not initiate, cause, permit or participate or join in any authorized strike, work stoppage, or slowdown, picketing, or any other restriction of work at any location in the City. Employees in the bargaining unit, when acting in the course of their employment, shall not honor any picket line established in the City by the Association or by any other labor organization when called upon to cross a picket line in the line of duty. Disciplinary action, including discharge may be taken by the City against any employee or employees engaged in a violation of this Article. Such disciplinary action may be undertaken selectively at the option of the City and shall not preclude or restrict recourse to any other remedies, including an action for damages, which may be available to the City.

4.2 In the event of an unauthorized strike, work stoppage, slowdown, picketing, observance of a picket line, or other restriction of work in any form, either on the basis of individual choice or collective employee conduct, the Association will immediately upon notification, attempt to secure an immediate and orderly return to work of its members. This obligation and the obligations set forth in Section 1 above shall not be affected or limited by the subject matter involved in the dispute giving rise to the stoppage or by whether such subject matter is or is not subject to the grievance and arbitration provision of this Agreement.

4.3 The City agrees that there will be no lockout of employees of the bargaining unit as a consequence of any dispute with the Association arising during the term of this Agreement.

ARTICLE V HOLIDAYS

5.1 Recognized Holidays. In recognition that police work is a constant endeavor, and in recognition that police personnel very often after work holidays, COA will establish a holiday leave bank for each member in the amount of 120 hours (10 hours for each holiday). This holiday leave bank may be used by the employee to take time off through-out the year if operational needs are met. If any time remains in this bank at the end of November, the remainder will be paid out at the employee's present rate of pay and will be included in the first paycheck in December. On the first business day of the following pay period, or as soon as possible, COA will recharge the holiday bank back to 120 hours for the following 12 months. **In the event the City formally closes City Hall administrative offices for a full business day due to a declared holiday, bargaining unit employees shall receive an equivalent credit of ten (10) hours added to their holiday bank. This provision shall not apply to discretionary or administrative closure that do not apply department-wide.**

The following shall be recognized as holidays:

- New Year's Day (January 1st)
- Martin Luther King Day (3rd Monday in January)
- Washington's Birthday (3rd Monday in February)
- Memorial Day (last Monday in May)
- Juneteenth (June 19th)
- Independence Day (4th of July)
- Labor Day (1st Monday in September)
- Veteran's Day (November 11th)
- Thanksgiving Day (4th Thursday in November)

Day after Thanksgiving (4th Friday in November)
Christmas Eve (December 24th)
Christmas Day (December 25th)

At the time of hire, a new officer will be provided with a holiday which will include 10 hours for any holidays that have not yet occurred during that calendar year. Any officer leaving employment who has used their holiday hours may be responsible for repaying 10 hours for each holiday taken as time off that has not occurred during the calendar year.

ARTICLE VI VACATIONS

6.1 Eligibility. Regular full-time employees shall accrue vacation leave on a monthly basis for 24 pay periods in accordance with the following schedule:

- A. Employees with less than four (4) full years of continuous service shall accrue five (5) hours per pay period.
- B. Employees with more than four (4), but less than nine (9) full years of continuous service, shall accrue six (6) hours per pay period.
- C. Employees with more than nine (9), but less than fourteen (14) full years of continuous service, shall accrue seven (7) hours per pay period.
- D. Employees with more than fourteen (14), but less than nineteen (19) full years of continuous service, shall accrue eight (8) hours per pay period.
- E. Employees with more than nineteen (19), but less than twenty-four (24) full years of continuous service shall accrue ten (10) hours per pay period.
- F. Employees with more than twenty-four (24) full years of continuous service shall accrue twelve (12) hours per pay period.

Regular part-time employees covered by the Agreement shall receive prorated vacation benefits in accordance with the above schedule.

Newly hired employees shall receive an advance of vacation leave equal to six (6) months of accrual at their applicable accrual rate upon hire. No additional vacation shall accrue until the employee completes six (6) months of continuous service, at which time regular accrual shall resume. If an employee separates from employment before completing six (6) months of service, any unearned advanced vacation leave shall be deducted from final compensation to the extent permitted by law.

Officers in training (e.g. PTO program) may be denied vacation if completion of the training process might be impacted.

6.2 Continuous Service. Continuous service, for the purpose of accumulating vacation leave

credit, shall continue unless one of the events listed in Section 13.4 occurs. **Continuous service shall be based on the employee's last date of hire. Vacation leave shall not accrue during any leave of absence without pay during a pay period.**

6.2.1 Sworn Officer Service Credit. During this agreement, any newly hired sworn police officer will receive "Years of Service" credit from the date they became certified and will be placed in accordance with the vacation schedule outlined in section 6.1 Eligibility. The employee will then follow the vacation schedule as outlined. Employees are only eligible for a maximum of ten (10) years' credit.

For purposes of determining eligibility for this benefit tied to prior law enforcement service, "law enforcement officer" shall include individuals previously employed by a federal, state, county, or municipal agency. Federal law enforcement agencies must be within the United States.

Effective July 1, 2026, any current employee who meets the eligibility credit outlined in this section will be adjusted in the vacation schedule, if necessary.

6.3 Accrual Limitations. Vacation leave taken shall not be in excess of the amount actually accrued at the time it is taken. An employee may accumulate up to two years of vacation at the applicable accrual rate for their length of continuous service. The City shall notify an employee thirty (30) days in advance of pending loss of accrued vacation time. The City will post every employee's maximum accrual limitation on the Department bulletin board and will periodically update accrual postings. An employee who is about to lose vacation credit because of accrual limitations, may notify their immediate supervisor fifteen (15) days in advance of their need to be absent to prevent such loss. Such action taken by the employee shall not constitute a basis for disciplinary action or loss of pay. If an employee does not take their accrued vacation time after being notified by the City, such vacation credit shall be deemed forfeited, unless failure to take vacation is caused by the City's insistence that the employee be at work. In the event that the City insists that the employee be at work, the employee will be allowed to accumulate vacation leave in excess of the maximum or be paid for such leave, at the City's discretion. **If an employee reaches the maximum accrual cap and is unable to take vacation leave due to documented operational needs as determined by the City, vacation hours accrued in excess of the cap shall be paid out at the employee's regular rate of pay in the pay period following the accrual.**

6.4 Personal Days. Regular employees shall receive three (3) personal days (24 hours) each July. No cash payment will be made for personal days, and they can only be taken as time off during the fiscal year in which they are granted. Personal days must be used by June 30 of each year, or they will be forfeited. In the event of termination, resignation, or retirement, no cash payment will be made for personal days.

Personal leave may be used for any purpose with prior supervisory approval, which shall not be unreasonably denied. Requests shall be made in accordance with Department scheduling procedures.

6.4 Scheduling. Vacation time off may be taken in as little as 15-minute increments.

- A. **Bid.** Employees shall be permitted to request vacation on the basis of classification seniority annually. All days of the year shall be available for the annual seniority bid. The vacation schedule shall be posted as of December 1st and will be closed as of January 1st. Subsequent changes to the bid may be made only by mutual consent of the parties. Employees may submit a request for three blocks of time off during each annual bid. Based upon classification seniority and subject to reasonable operation needs of the Department, employees shall be awarded three bids. Each employee will be allowed to exercise their first bid choice before any employee is granted a second bid choice. Each employee will then be allowed to exercise their third bid choice after the completion of the second bid choice. Junior members of the bargaining unit may not be awarded three bids, if they are outbid by more senior members.
- B. **Other Requested Time Off.** After the annual bid has concluded, employees may request additional time off on a first come first serve basis. Such requests shall not be denied because of supervisory time off, unless such supervisory time off was approved and posted prior to an employee's submission through the current electronic scheduler. Vacation time shall be granted if no overtime is incurred, consistent with operational needs. Nothing in this subsection prohibits the City from allowing a vacation request even if the request requires the payment of overtime.
- C. **Cancellation for Emergencies Only.** Once an employee has been approved to take time off work, that time cannot be canceled by the city except in the case of an emergency. If an employee has approved time off, he or she cannot be ordered to work their regular days off directly prior to, or after the time off, or days which fall within the approved time off, except in the case of an emergency.

6.5 Payment on Termination. In the event of termination or other severance of employment of an employee during the initial twelve (12) months of employment, no vacation is considered earned and no payment in lieu of vacation shall be made. In the event of death of an employee during the initial twelve (12) months of employment, all vacation earned shall be paid out to the survivors. In the event of death, termination, or other severance of employment after an employee has served for twelve (12) continuous months, and is otherwise eligible for vacation credits, the employee shall be entitled to payment for accrued vacation leave at the wage rate applicable on the date of severance of employment. In the event of death, earned but unused vacation leave shall be paid in the same manner as salary due the deceased employee is paid.

ARTICLE VII HOURS OF WORK

This article is intended to be construed only as a basis for recognizing overtime and shall not be construed as a guarantee of hours of work per day or per week. Any flex-time arrangements must be through the current electronic scheduler and mutually agreed between the City and the Association.

7.1 Work Hours. The regular hours of a regular full-time employee shall be five (5) consecutive eight (8) hour days followed by two (2) consecutive days off or four (4) ten (10) hour days followed by three (3) consecutive days off, or twelve (12) hours shift as mutually agreed upon by the Association and

as determined by the City consistent with operational needs.

7.2 Workday. The workday shall consist of an eight (8) or ten (10) hour or twelve (12) hours within a twenty four (24) hour period, including rest periods (i.e. the 24 hour period will begin at the start of the employee's work day and end 24 hours later). This section shall not apply to scheduled training days, so long as the employee has eight (8) hours off work between the end of the training session and beginning of their normally scheduled shift. If less than eight (8) hours is allowed, overtime shall apply for all hours worked on the employee's normally scheduled shift with less than eight (8) hours off work. If, for any reason training is canceled the City may return the affected employees to their regular work schedules without incurring overtime. **An employee assigned to an eight (8) hour training day by the City shall be deemed to have satisfied their regular workday obligation for that day, if it is within 2 hours of their normal shift or at the discretion of the supervisor. The employee shall not owe compensatory time or other leave to account for any difference between the training duration and their regularly scheduled shift.**

If an officer is needed for official duty during their usual off-time and was not able to get enough rest to safely report for duty at the scheduled start time, the officer is entitled to eight (8) hours off in order to rest between the end of the officer's official duty and the start of the officer's regular shift. If this eight (8) hours rest period overlaps with the officer's scheduled shift hours, the officer will be paid as though they had reported for work at their usual start time. This will not be charged against any leave bank. If staffing allows the officer may take the entire shift off using accumulated leave time, however, the officers leave bank will not be charged for that time that contributes to the 8 hour break.

7.3 Workweek. The workweek shall consist of a seven (7) day work schedule with five (5) consecutive eight (8) hour days, followed by two (2) consecutive days off or four (4) consecutive ten (10) hour days, followed by three (3) consecutive days off or a 12 hour work schedule agreed upon by both the City and the association. If the employees are scheduled to work a twelve hour schedule they will receive overtime pay for any time worked over their assigned work scheduled time.

An employee may, upon approval of their supervisor, work a scheduled day off in exchange for another day off during their regular workweek. However, the following conditions must be met to allow for a modification in the employee's scheduled workweek:

- A. The modification cannot cause the City to incur overtime obligations. Employees requesting such modifications waive their right to receive overtime under Section 7.4 for working outside their regular work schedule for the period of the modification. Additionally, the request will be denied if the modification would cause the City to incur overtime obligations to another employee.
- B. Any requests for a change in an employee's workweek must be submitted in the electronic scheduler.
- C. Denial should not be unreasonable and the denial of an employee's request for a modification in the employee's regularly scheduled workweek shall not be grievable. Unreasonable is defined as an action which is inconsistent with practice or not based upon a sound business reason; an action that is not anticipatory but based on facts.

7.4 Work Schedule All employees shall be scheduled to work on a regular shifts and each shift shall have regular starting and ending times. Work schedules showing the employee's shift, workdays and hours shall be posted (30) days prior to their effective date, except for emergency situations and for the duration of the emergency, and except for scheduled training for which ten (10) days' notice is required. Employees will normally be given seven (7) calendar days advance notice of any change in their work schedule, which is required by the City. Employees whose work schedules are changed by the City without seven (7) calendar days advance notice will be paid at overtime rates for time worked outside their regular work schedule, except under the following circumstances:

- A. When the scheduling changes are made in response to an emergency (Act of God, natural disaster, civil unrest, or governmental declaration of emergency) and only for the duration of the emergency;
- B. When scheduling changes are made to accommodate non-mandatory training, for the employee requesting and attending the training only;
- C. Upon mutual agreement between the City, APA and the employee.
- D. The Association retains the right to perform an upgrade to the shift assignments according its rules assuming doing so would not cause operational hardships on the department.

7.5 Shift Rotation. Employees shall rotate work-shifts by bidding for 3-month work cycles each calendar year. Bidding shall be conducted annually, commencing on November 1st and ending on December 1st.

Employees on a 12 hour shift shall select their short days by total time served with the Ashland Police Department, regardless of rank. Employees will be awarded shifts within the classification they are assigned, based on classification seniority. Prior to or during the bidding process, no shift with days off can be reserved for probationary or new hires. Prior to or during the bidding process, notation must be made to leave a specified number of shifts with days off vacant for probationary or new hires.

In the event of a vacancy/vacancies on a shift with eight (8) or more weeks remaining in a shift rotation, the Association may elect the right to upgrade the shift rotations for the remainder of that three (3) month work cycle. All upgrades must be completed by the Executive Board during regular working hours and must be confirmed by the Association in writing, within one week of the date the employee leaves the City's employment.

All employees who exercise upgrading rights waive the right to seven (7) days advance notice of shift changes under Section 7.4.

Any officer who at a shift rotation is rotating from one shift to another, and who, because of this rotation, would be compelled to work two shifts in a row, without a break, is entitled to an 8 hour rest period between the shifts, at regular rate of pay. This will not be charged against any leave bank.

Notwithstanding the above, employees who are assigned to light-duty position to recover from on or off-the-job injuries or illnesses may be assigned to shifts to accommodate their light-duty position without

regard to seniority.

7.6 Rest Periods . A rest period of fifteen (15) minutes shall be permitted for all employees during each half shift, which shall be scheduled by the City in accordance with its determination as to the operating requirements and each employee's duties.

7.7 Meal Period . To the extent consistent with operating requirements of the department, meal periods shall be scheduled by the employee at the time of their choosing. Employees will attempt not to schedule their meal period during the first or last hour of their assigned shift. The meal period shall be thirty (30) minutes and shall be considered on duty time.

7.8 Overtime. The City has the right to assign overtime work as required in a manner most advantageous to the City and consistent with the requirements of municipal service and the public interest. Except as otherwise provided in this Agreement, employees shall be compensated at the rate of one-and-one half (1 1/2) times their regular rate for overtime work by the City under the following conditions:

- A. All assigned work in excess of eight (8) hours on any scheduled workday for employees who are scheduled to work an eight (8) hour workday and all assigned work in excess of ten (10) hours on any scheduled workday for employees who are scheduled to work a ten (10) hour workday and all assigned work in excess of twelve (12) hours on any scheduled workday for employees who are scheduled to work a twelve (12) hour workday.
- B. All assigned work in excess of forty (40) hours in the workweek. The City shall not be liable for the payment of overtime when more than forty (40) hours are worked in a seven (7) day period as the result of a scheduled seniority shift rotation for sworn personnel. To this end the City may work an employee (80) hours in a 2-week period before incurring any overtime liability.
- C. All work assigned outside an employee's work schedule, except in accordance with Section 7.4 of this Article.

In no event shall such compensation be received twice for the same hours. Overtime work will be equitably distributed to other employees within the same classification whenever possible

Association members will not be compelled to work overtime hours for special events unless the event is a sanctioned City or school event, or unless there is a compelling reason for the department's participation. In all situations the City will endeavor to find volunteers before compelling officers to work overtime for special events.

While the City agrees, pursuant to above language, that unless above described circumstances in this section are met, compelled overtime cannot be mandated. However, if the City is compelled to manage large scale events, the City can offer overtime to officers to cover these events. Additionally, the City reserves the right to retain scheduled staffing and disallow comp time, vacation, or other paid time off in the interest of adequately staffing such events. The City shall make reasonable attempts to ensure adequate volunteer and event staffing is in place to mitigate the need to disallow time off requests by association members. However, if these attempts are not adequate to safely

handle the event, department management and supervision disallowing time off shall not be infringed upon.

D. Overtime Accumulation while at DPSST—Compensation while attending the Basic Police Academy. Employees assigned to training at the basic police academy are expected to do what is needed to ensure successful completion of the academy. Employees who are required to work more than 80 hours per pay period because the academy staff require it shall earn comp time for time worked at the rate of equal comp time earned for time worked. Examples of this include but are not limited to: attending color guard ceremonies, participating in class wide exercise, attending evening RADAR/LIDAR or similar classes. Employees assigned to training at the academy are not compensated for lunch breaks.

Employees who choose to engage in after hours studying, exercising, practicing, project development or similar activities that are not directly mandated by the academy staff shall not be compensated for time spent engaging in these activities.

Employees assigned to training at the academy are required to accurately record and report their time worked.

7.9 Callback Time. Employees called back to work shall receive overtime pay with a guaranteed minimum of four (4) hours at the overtime rate for the work for which they are called back. Employees called back to work on a regularly scheduled day off shall receive overtime pay with a guaranteed minimum of four (4) hours at the overtime rate for the work for which they are called back. Employees who are called back to work for court appearances shall receive one callback payment if those appearances occur within four (4) hours of the initial callback. When an employee is on call-back, once the employee has completed the specific task (for example to appear at a legal proceeding or attend a meeting) for which the employee was called back, then they are free to leave. This section applies only when call-back results in hours worked which are not annexed consecutively to or that overlaps one end or the other of the working day or working shift. This section does not apply to scheduled overtime, callback times annexed to the beginning of the work shift, holdover times annexed to the end of the work shift or workday or to brief routine phone calls. For purposes of this section, a regularly scheduled day(s) off shall commence at the conclusion of the last scheduled workday of the work week and end at the beginning of the next scheduled work week.

7.10 Compensatory Time. Overtime work shall be compensated by compensatory time at the rate of one-and-one-half times the hours worked to a maximum accrual of eighty (80) hours or by cash payment at the rate of one-and-one-half times the regular hourly rate at the option of the employee. Employees are encouraged to provide as much notice as possible of requested time off. Compensatory time shall be taken at such times in such blocks as are mutually agreed upon between the employee and their supervisor, subject to the following:

- A. Employees must provide a minimum of forty-eight (48) hours advance notice of the requested compensatory time off. This forty-eight (48) hour notice will, subject to “B” below, be considered reasonable notice under FLSA. The department may waive the forty-eight (48) hour advance notice requirement.

- B. Minimum staffing shall be determined by the City, however the APA must be notified prior to implementation of the change. If the employee cannot secure a volunteer to cover for the employee requesting compensatory time off and thereby assure minimum staffing levels, compensatory time will be denied. If staffing is met with less than 48 hours, the request will not be unreasonably denied.

7.11 Shift Trades. Qualifying employees may trade rotations as per Department policy. For the trade, the employees will indemnify and hold the City harmless for any overtime provisions which would otherwise be applicable.

7.12 CSO Work Schedule. Full-time CSO will work a weekday daytime hour schedule. A part-time CSO will work a weekend (variable days Friday through Monday) daytime hour schedule, as mutually agreed upon by the Association and the City.

ARTICLE VIII SICK LEAVE

8.1 Accumulation. Sick leave shall be earned by each eligible full-time employee at the rate of twelve-(12) hours for each full calendar month of service, irrespective of the employee's work schedule. Sick leave shall not accrue during periods of unpaid leave or layoff. Employees who return to work from unpaid leave or recall from layoff shall, however, be credited with any unused sick leave they had accrued prior to unpaid leave or layoff. Sick leave may be accumulated to a total of 1200 hours and must be taken for the purposes specified in Section 8.2 below, as a condition precedent to any sick leave payment. Sick leave shall not continue to accrue if an employee is on unpaid leave due to illness or injury.

8.2 Utilization for Illness or Injury. Employees may utilize their accrued sick leave when unable to perform their work duties by reason of illness or injury or for the illness or injury of a qualifying family member under applicable state or federal family medical leave laws. In such event, the employee shall notify the Police Chief or other supervisor of absence due to illness or injury, the nature and expected length thereof, as soon as possible prior to the beginning of their scheduled regular work shift, unless unable to do so because of the nature of injury or illness. Employees are encouraged to schedule routine medical and dental appointments outside their regularly scheduled working hours, whenever possible. In the event such appointments must be scheduled during an employee's scheduled shift, every effort must be made by that employee to give the Department at least twenty-four (24) hours advance notice. The City may require an employee to submit certification by a physician or health care professional or other acceptable verification of the reason for utilization of sick leave as a precondition to payment of sick leave whenever the employee's absence exceeds three (3) consecutive workdays or whenever the City can articulate a good faith concern (e.g. questionable patterns of usage, etc.) regarding the employee's eligibility to receive sick leave. For the purpose of this section and the following sections of this Article, pregnancy shall be treated as any other illness or disability.

An employee may be granted up to twelve (12) weeks, per calendar year, paid sick leave for the employee to care for an ill or injured family member and for other OFLA qualifying purposes in accordance with OFLA. For the purpose of this Section family member includes: spouse, children (including step-children and foster children), parent, parent-in-law, grandchildren, grandparents, "domestic partner" as defined in Section 16.1 and the children, grandchildren and grandparents of such domestic partners.

8.3 Integration with Workers' Compensation. When an employee suffers a work-related injury or illness, the City's obligation to pay under this sick leave Article is limited to the difference between any payment received under Worker's Compensation laws and the employee's regular pay, minus state and federal deductions. In such instances, no charges will be made against accrued sick for the time an employee is absent from work to receive medical treatment on the date a work-related injury or illness occurs and leave for the first three (3) days following the injury or illness. Thereafter prorated charges will be made against accrued sick leave, unless an employee is absent from work for a work related injury or illness that exceeds ninety (90) calendar days. In situations where an employee's work-related injury or illness exceeds ninety (90) calendar days, the City will credit sick leave benefits paid to the employee during that period back to their sick leave bank.

8.4 Sick Leave Without Pay. Upon application by the employee, sick leave without pay may be granted by the City for the remaining period of disability after accrued sick leave and other paid leave banks have been exhausted. The City may require that the employee submit a certificate from a physician periodically during the period of such disability and before returning to work.

8.5 Termination. Sick leave is provided by the City in the nature of insurance against loss of income due to illness or injury. No compensation for accrued sick leave shall be provided for any employee upon their death or termination of employment, except as provided for in Section 16.2.

8.6 Pay for Unused Sick Leave. All employees may elect to receive up to forty (40) hours of their unused annual sick leave accrual (maximum of 144 hours) as cash on their first paycheck in December provided at least forty (40) hours of accrued sick leave remains after the aforesaid payout. If cash payment is not elected, the unused portion of sick leave will be added to cumulative sick leave balance or converted to accrued vacation at the option of the employee.

8.7 Sick leave payout upon retirement. Upon retirement, employees covered by this agreement shall receive a percentage of the unused sick leave balance credited to the employee's individual HRA/VEBA. Credit will be provided at the employee's wage rate at retirement in accordance with the following schedule:

UNUSED SICK LEAVE HOURS	PERCENTAGE OF CREDIT
1-399	30%
400-599	40%
600-1200	50%

Employees must provide to the City four weeks advance written notice of retirement unless extenuating circumstances prevent this notice.

No compensation for unused accrued sick leave shall be provided if employment with the City ends for any reason other than retirement pursuant to ORS 238.280.

8.8 Uses for Family Illness. The City will grant leave for OFLA/FMLA qualifying reasons consistent with state and federal law.

8.9 Purposes of Sick Leave. Employees are entitled to use the City’s sick leave benefit for the following purposes. Reference to “family members” means an employee’s spouse or “partner” in a “domestic partnership” as such terms are defined in ORS 106. 310, biological adopted or foster parent or child, parent-in-law, grandparent, grandchild or a person with whom the employees was or is in a relationship of in loco parentis, any other relationship identified in the City’s Employee Handbook as a “family member” for the purpose of using sick leave.

- A. For an employee’s or family member’s mental or physical illness, injury or health condition or need for medical diagnosis of these conditions or need for preventative medical care.
- B. To care for an infant or newly adopted child under 18, or for a newly placed foster child under 18, or for a child over 18 if the child is incapable of self-care because of mental or physical disability.
- C. To care for a family member with a serious health condition.
- D. To recover from or seek treatment for a serious health condition that renders the employee unable to perform at least one of the essential functions of the employee’s job.
- E. To care for a child of the employee who is suffering from a non-serious illness, injury, or condition.
- F. To deal with the death of a family member by attending the funeral or alternative, making arrangements necessitated by the death of a family member, or grieving the death of a family member.
- G. To seek medical treatment, legal or law enforcement assistance, remedies to ensure health and safety, or to obtain other services related to domestic violence, sexual assault, harassment or stalking incidents to the employee or employee’s minor child or dependent.
- H. To donate sick time to another employee for qualifying purposes if the employer has a policy allowing such donations.
- I. For certain public health emergencies including closure by public official of the employee’s place of business, school or place of care of the employee’s child, or a determination by a public health authority or health care provider that the presence of the employee or a family member presents a health risk to others.

ARTICLE IX OTHER LEAVES OF ABSENCE

9.1 Criteria and Procedure. Leaves of absence without pay not to exceed ninety (90) days may be granted upon establishment of reasonable justification and where it is determined that the operation of the department and/or division will not be negatively impacted by the temporary absence of the employee. Requests for such leaves must be in writing and submitted to the Police Chief thirty (30) days prior to the requested leave date, unless otherwise waived.

9.2 Jury Duty. Employees shall be granted leave with pay for service upon a jury provided, however, that the regular pay of such an employee for the period of absence shall be reduced by the amount of money received for such jury service, and upon being excused from jury service for any day employee shall immediately contact their supervisor for assignment for the remainder of their regular workday.

9.3 Appearances. Leave with pay shall be granted for an appearance before a court, legislative committee, judicial or quasi-judicial body as a witness in response to a subpoena or other direction by proper authority provided, however, that the regular pay of such employee shall be reduced by an amount equal to any compensation they may receive as witness fees.

9.4 Required Court Appearances. Leave of absence with pay shall be granted for attendance in court in connection with an employee's officially assigned duties, including the time required for travel to the court and return to the employee's headquarters.

9.5 Association Business. Employees elected to any Association office or selected by the Association to do work which takes them from their employment with the City may, upon written request of the Association and the employee, be recommended by the Police Chief for a leave of absence, of up to thirty (30) days without pay. Employees selected by the Association to attend collective bargaining sessions between the Association and the City shall not suffer a loss of pay or benefits as a result of attendance at such meetings. However, all efforts shall be made to schedule such meetings so as not to adversely affect the staffing or operation of the department.

9.6 Educational Leave. After the completion of probation, an employee, upon written request, may be granted a leave of absence without pay by the City for the purpose of upgrading their professional ability through enrollment in educational courses directly related to employment at an accredited school or course of study. The period of such leave of absence shall not exceed one (1) year, but may be renewed or extended upon request of the employee and approval by the Police Chief. One year leaves of absence, with requested extensions for educational purposes may not be provided more than once in any three (3) year period. Their replacement shall be considered a temporary employee. Employees shall also be granted time off with pay for educational purposes, for reasonable lengths of time, to attend conferences, seminars, briefing sessions, training programs and other programs of a similar nature that are intended to improve or upgrade the employee's skill and professional ability, when ordered by the employee's Police Chief.

9.7 Military Leave. Military leave shall be granted as required by Oregon Revised Statutes and federal law. Employees may use accrued vacation and holiday time for official military leave in excess of the employer-paid time provided by statute.

9.8 Bereavement Leave. In addition to regular sick leave, an employee may be granted five (5) days bereavement leave with regular pay in the event of death of a family member of the employee. For the purpose of this benefit, the term "family member" shall include the employee's spouse or "partner" in a "domestic partnership" as such terms are defined in ORS 106.310, biological, adopted, step or foster parent or child, sibling, parent-in-law, sibling-in-law, grandparent and grandparent-in-law. The employee will be paid their regular hourly rate for any such days of excused absence which occur only during their assigned work week. The City will grant additional paid or unpaid bereavement leave consistent with state and federal laws. (E.g., OFLA/FMLA or Oregon Sick Leave). The City may, at its discretion, grant other compassionate leave under exceptional circumstances.

9.9 Failure to Return from Leave. Any employee who is granted a leave of absence and who, for

any reason, fails to return to work at the expiration of said leave of absence, shall be considered as having resigned their position with the City, and their position shall be declared vacated; except and unless the employee, prior to the expiration of their leave of absence, has furnished evidence that they are unable to work by reason of sickness, physical disability or other legitimate reason beyond their control.

ARTICLE X COMPENSATION

10.1 Pay Schedule. Employees shall be compensated in accordance with the pay schedule attached to this Agreement and marked “Appendix B.”

This pay schedule shall incorporate the following wage increases:

- A. Effective July 1, 2026 – Wage adjustment per City’s comp & class study where employees will be placed in the new salary schedule on the step closest to their current salary without a decrease. All employees whose placement into the new salary schedule results in an increase of less than 2.5% as of June 30, 2026, will be moved up one additional step automatically. All current employees’ anniversary dates, for reasons specific to the salary schedule, will be adjusted to July 1, 2026.**

Upon placement into the new salary schedule, each current employee shall receive credit for time already served toward their next step increase under the prior schedule. Such credit shall be applied as a one-time payment equal to the pro-rated value of the step progress earned between July 1, 2026 and June 30, 2027. In no instance will an employee receive less than \$500.

Effective July 1, 2027 – 2.5% COLA

Effective July 1, 2028 – 2.5% COLA

- B. At the conclusion of the City contracted compensation and classification study Article X Section A will be reopened at the request of the City if salary adjustments need to be made to include both salary increases and salary freezes.**

10.2 Pay Periods. Employees shall be paid every other Friday. Pay periods shall be for 14 days beginning at 12:01 A.M. on Saturday and ending on the 14th day (Friday) at 11:59 P.M. Pay days shall be on the Friday following the close of each pay period.

10.3 Overtime Compensation. Authorized overtime shall be paid in the form of pay or compensatory time off pursuant to Section 7.10. All overtime shall be recorded by the employee and must be approved by the Police Chief or designated supervisor.

10.4 Standby Pay. An employee assigned to standby status to handle emergencies (i.e. Act of God,

natural disaster, civil unrest, or governmental declaration of emergency) during their off-duty hours and who is required to respond upon a phone call from a supervisor, shall be paid at twenty (20) percent of their regular rate for all predetermined hours of such period. In addition, he/she shall be compensated at overtime rates for actual time worked to the nearest one-half hours and shall not be eligible for callback time as set forth in Section 7.9.

10.5 Incentive Pay

10.51 DPSST Certification.

An employee classified as a Police Officer shall, upon receiving an intermediate or advanced certificate from the Department of Public Safety, Standards and Training, be eligible for a monthly allowance of 7% for intermediate DPSST certification, or 12% for advanced DPSST certification.

10.52 Educational Incentive.

Employees in the bargaining unit who obtain a degree or advanced degree from a regionally accredited college or university shall be eligible to receive additional compensation in the form of an educational incentive as described below.

- A. 2% for having/attaining an Associate's degree
- B. 3% for having/attaining a Bachelor's degree
- C. 5% for having/attaining a Master's degree

The educational incentive may be combined with DPSST certification and/or additional compensation for special assignments described in section 10.6, but employees must choose between educational incentive and longevity pay. Education incentive will begin once proof of degree is provided.

10.53 Longevity Pay (formerly senior police officer pay).

Employees in the job classification of Police Officer achieving ten consecutive years of service as a police officer shall be designated as Senior Police Officer, and will receive longevity pay based on the following schedule:

- A. 3% after attaining 10 years continuous service **with the City**
- B. 6% after attaining 15 years continuous service **with the City**
- C. 9% after attaining 20 or more years of continuous service **with the City**
- D. 12% after attaining 25 or more years of continuous service **with the City**

Longevity pay is not applicable if the employee is already receiving the equivalent or greater education incentive.

Note: Officers may choose the combination of DPSST certification pay + Educational Incentive **or** DPSST certification pay + longevity pay based on which combination is most beneficial. In no case will an officer be eligible for more than two incentives under section 10.5. Officers are responsible for notifying a supervisor within 60 days of their anniversary date for an intermediate or advanced certificate. Officers are responsible for providing proof of any certifications prior to receiving incentive pay. The city will make every effort to compensate the officer for incentive

pay on their anniversary date if proof of certification is provided by their anniversary date. If proof of any certification is not provided by the employee's anniversary date compensation will begin once the proof of certification is provided.

***Bargaining unit members currently receiving the longevity incentive as of July 1, 2026 will continue to have their incentive calculated as continuous service as a police officer until end of employment with the City.**

10.54 Fitness Incentive. All Department employees shall participate in the Department's fitness program. Employees may receive a fitness incentive payment upon completion of the run twice a year. The incentive will apply for successful testing at the approved Cooper Standard levels of performance based upon the following schedule:

Completion within 60 th percentile	\$700
Completion within 50 th percentile	\$500
Completion within 40 th percentile	\$400

Officers will continue to receive (2 hours) compensatory time for participation (4 hours) compensatory time for meeting the "Fair" standard, (6 hours) compensatory time for meeting the "Good" standard, and (8 hours) compensatory time for meeting the "Excellent/Superior" standard.

The fitness test will be conducted two (spring and fall) times per year. In order to receive the fitness incentive, employees must successfully complete the test per the Cooper Standards two times during the fiscal year. If an employee has previously demonstrated and achieved a fitness goal prior to being placed on Workers Compensation or FMLA/OFLA, then the employee will be paid for the same level as last achieved during the testing period.

10.54.1 Fitness Incentive Alternative.

(a) Fitness Incentive Alternative To fulfill the fitness incentive, APA members may choose to complete either the 1.5-mile run/walk (as mentioned above) or the alternative fitness program, as detailed in Section 10.54.3. Those unable to provide proof of alternative fitness participation must still complete the 1.5-mile run as specified above.

(b) Protected Status As is the case with the fitness run, if a member has, during the most recent participation in the fitness program, met the requirements to receive this incentive, if that member is not able to participate in the fitness program due to being on protected leave such as workers' comp or FMLA/OFLA, the member will receive the incentive at the same level as was most recently awarded to the member.

(c) Tracking Equipment It is the responsibility of the members, not the department, to purchase whatever tracking equipment is needed to participate in this alternative fitness program.

10.54.2 Definitions.

(a) **Activity Levels** These activity levels are based on the Physical Activity Guidelines for Americans, published by the U.S. Department of Health and Human Services, Office of Disease Prevention and Health Promotion. They recommend how much physical evidence supporting the connections between physical activity, overall health and well-being, disease prevention and quality of life. The activity levels and the alternative outlined in Section 3 attempts to incorporate the health care recommendations that adults get at least 150 minutes per week of moderate intensity aerobic activity or 75 minutes per week of vigorous aerobic activity, or a combination of both, preferably spread throughout the week.

- (i) **Moderate intensity aerobic activity:** an activity that raises your heart rate to 50-70% of your maximum heart rate.
- (ii) **Vigorous aerobic activity:** an activity that raises your heart rate to 70-85% of your maximum heart rate.

(b) **Tracking Applications** Tracking applications are mobile applications capable of tracking and recording the user's heart rate during physical activity, displaying the date in a concise and readable format for management. Acceptable applications include, but are not limited to, (1) Fitbit's "zone minutes" (broken down by Fat Burn and Cardio), (2) Apple Health's "exercise minutes with average heart rate", and (3) Garmin products with similar heart rate data. Management retains the right to reject applications outside of these examples whose data is not concise and readable.

10.54.3 Fitness Alternative To qualify for the alternative fitness incentive, members must meet the required activity for each of the three months preceding the 1.5-mile run (typically April and October). By way of example, if a member completes the appropriate activity level for months 1 and 2 but does not complete the activity level for month 3, that member is not eligible for the fitness alternative. If a member meets different activity levels across the three months, the lowest level achieved will determine the compensation awarded. By way of example, if a member completes Level 1 activity for the first and second months but a Level 3 activity level for the third month, that member will be given the incentive payment of Level 3. Proof of activity must be submitted via an approved app. Compensatory time will be calculated according to the Master Agreement. Compensation is detailed below:

Activity Level/ Compensation	Activity Level	Incentive
1	600 minutes of Moderate or 300 minutes Vigorous aerobic activity	\$700 and 8 hours of extra compensatory time
2	400 minutes of Moderate or 200 minutes Vigorous aerobic activity	\$500 and 6 hours of extra compensatory time

3	200 minutes of Moderate or 100 minutes Vigorous aerobic activity	\$400 and 4 hours of extra compensatory time
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10.6 Special Assignment Pay. Employees assigned to the following special temporary assignments shall be compensated as follows:

- A. **Detective**. Any member of the bargaining unit who is assigned to detective status shall be compensated an additional five percent (5%) over the monthly rate for Police Officer set forth in “Appendix B” of this Agreement until relieved of such assignment. Employees assigned to the detective division shall be compensated for overtime in the same manner as patrol officers assuming the overage has been approved by the detective supervisor.
- B. **Officer in Charge**. Any employee on active duty designated by the City as acting in capacity in a higher-level position other than their regular job classification shall receive 10% additional pay above their current base salary for the length of the assignment. This rate applies to hours worked only.
- C. **Other Special Assignments**. Special Assignments, including Motorcycle Officer, School Resource Officer, Survival Skills Instructor during the time they are actually involved in instructing other officers, and CAP Officer, shall be compensated an additional five percent (5%) over their normal monthly rate, until relieved of such assignment. Employees assigned to Police Training Officer shall receive an additional five percent (5%) for the period of the assignment. Employees assigned for SWAT callouts shall receive an additional five percent (5%) for the period of the callout.
- D. **Clothing Allowance Advance for Detectives**. Detectives will receive \$100 clothing allowance per month.

10.7 Detective On-call Compensation. Employees assigned to the detective division who are required to be “on-call” for a period of one week will be paid ten (10) hours of regular pay as compensation for remaining in the area and available for after-hours emergency call outs.

ARTICLE XI DISCIPLINE

11.1 No regular employee as defined in Article XIII may be disciplined or discharged, except for just cause. Disciplinary action, including discharge, may be imposed upon any employee for failing to fulfill their responsibilities as an employee. Conduct reflecting discredit upon the City or Department, or which is a direct hindrance to the effective performance of City functions, shall be considered good cause for disciplinary action. Such cause also includes, but is not limited to: misconduct, inefficiency, unsatisfactory work performance, incompetence, insubordination, violation of Department rules, unauthorized or excessive tardiness or absenteeism, dishonesty, engaging in political activities forbidden by State law, or other violations of Departmental standards of conduct. The employee, upon request, has

the right to have Association representation at any meeting during which disciplinary matters are discussed.

11.2 Discipline for just cause may include the following:

- A. Written reprimand, which will be placed in Guardian Tracker
- B. Demotion
- C. Suspension
- D. Discharge

11.3 An employee may be placed on paid administrative leave while charges against the employee are investigated.

11.4 Any disciplinary action imposed upon an employee, if protested, shall be protested only as a grievance through the regular grievance procedure. If a Police Chief or other supervisor has reason to discipline an employee, he/she shall make reasonable efforts to impose such discipline in a manner that will not embarrass or humiliate the employee before other employees or the public. Oral reprimands shall not be protested through the grievance procedure. Written reprimands, upon request of the employee, shall be removed from the personnel file at the end of three years from the time the reprimand was dated, provided there are no related subsequent written reprimands or disciplinary action taken during the intervening period of time. It is understood and agreed disciplinary action that has been removed from an employee's personnel file cannot be used for the purpose of progressive discipline. However, in the event an employee grieves subsequent disciplinary action, including discharge, at an arbitration hearing and the Association introduces evidence regarding the employee's past work record, the City reserves the right to introduce removed disciplinary action for the purpose of enabling the arbitration to evaluate the City's action.

Additionally, in the event an employee grieves or otherwise challenges disciplinary action in a legal proceeding and raises the claim that (s)he was discriminated against or treated inconsistently, the City reserves the right to introduce disciplinary action removed from the personnel files of other employees for the limited purpose of addressing such claims of discrimination or inconsistency.

11.5 Upon removal of documents, pursuant to 11.4, the City shall store all removed documents outside the Department until the mandated state archive period is complete. The Department documents shall not be released or used for any purpose after being removed from employee personnel files, except as set forth in Section 11.4 above.

The City shall store all completed internal affairs investigations, which result in an unfounded or exonerated finding outside the Department. These documents will be disposed of in accordance with the state archive laws and shall not serve as the basis for further discipline.

11.6 The just cause protections set forth in the Article shall not apply to any employee who is discharged during probation, as defined in Article XIII.

11.7 When an employee is under investigation, which could lead to disciplinary action:

- A. The City shall notify the employee under investigation for a matter involving an Internal Affairs Investigation, as defined in the department's policy manual, in writing, at least forty-eight (48) hours prior to any interview of the nature of the investigation and the specific allegations levied against him or her. The employee will, upon request, be provided with a copy of any complaint submitted in writing at the time of this notification.
- B. The employee shall be entitled to Association representation and shall be provided a reasonable amount of time prior to the interview to consult with an Association representative, irrespective of whether the matter involves an Internal Affairs Investigation or Informational Report being placed in Guarding Tracker, which are non-disciplinary in nature and are intended to document commendations and incidents that do not warrant discipline. Informational Reports may, however, be referenced in employee evaluations and used to identify training and professional needs.
- C. The City shall strive to hold the interview of an employee during normal business hours, which shall be defined as 8:00 a.m. to 5:00 p.m., Monday through Friday. This does not preclude management from scheduling an interview outside of normal business hours, provided a member of the Association's Executive Board (excluding a member who is a material witness or has a direct personal interest in the outcome of the investigation) is available to accompany the employee to the interview. In the event that the Association desires to have its legal counsel present at the interview, the Department will schedule the interview at a mutually agreeable time during normal business hours, provided the interview is not delayed more than three (3) business days.

The interview shall be for a reasonable period, taking into consideration the gravity and complexity of the issue(s) being investigated. If the interview is of extended duration (i.e. beyond 2 hours in length), reasonable breaks will be afforded to the employee being interviewed, upon request. Nothing in this Article is intended to prohibit the Department from conducting follow-up interviews with the employee, subject to the same conditions.

Either the Department or the employee may request that a recording be made of the interview. Neither party will record the interview without informing the other that recording is taking place. If a recording is made by either party, the other party will provide a true copy of the recording upon request, but no more than five (5) business days after the request is made. Under no circumstances will the recording be shared with material witnesses during the period the investigation is pending.

The City shall limit investigations to complaints, which have been reduced to writing by the complainant or Department. No employee will be required to appear or participate in an interview with the complaining party.

- D. The Department will strive to complete investigations within thirty (30) days from the date the complaint or conduct giving rise to the investigation became known to management. In the even additional time is needed to complete the investigation, the employee and the Association's Executive Board will be notified of any extension and the reason(s) for the extension. The employee and the Association will further be advised of the outcome of the investigation.
- E. No employee will be required to submit to a polygraph examination.

- F. No member of the Association will be required to participate in any type of Citizen Review Board in any form or by any title or name pertaining to the use of force or police practices/conduct issues.

11.8 Whenever there is a use of force incident involving an employee discharging a firearm or there is a serious physical injury or death to any person, a Departmental supervisor will promptly notify an Executive Board member.

ARTICLE XII SETTLEMENT OF DISPUTES

12.1 Grievance and Arbitration Procedure. Any grievance or dispute which may arise between the parties concerning the application and/or the Association, and/or employee with regard to interpretation issues, meaning or interpretation of this Agreement shall be settled in the following manner:

Step I The affected employee and, with regard to interpretation issues the Association and/or the employee, shall take up the grievance or dispute with the Police Chief, or their designee, within ten (10) days of when the employee knew or should have known of the violation. The written notice shall include details of the grievance, the section of this Agreement allegedly violated and the specific remedy requested. The Police Chief, or their designee, shall respond to the Association representative in writing within ten (10) days after receipt thereof.

Step II If the grievance remains unadjusted, it may be presented by the Association to the City Manager of the City or their designee(s), within ten (10) days after the response specified in Step I is due or received. The City Manager, or their designee(s), shall respond in writing to the Association within ten (10) days.

Step III For matters other than misconduct as defined in ORS 243.706 et seq., If the grievance is still unsettled, either party may within ten (10) days of the decision of the City Manager or their designee(s) under Step III have the right to have the matter arbitrated by a third party jointly agreed upon by the City and the Association. If the parties are unable to agree upon an arbitrator, the Employment Relations Board shall be requested to submit a list of five names of Oregon and Washington arbitrators. Both the City and the Association shall have the right to strike two names from the list. The party requesting arbitration shall strike the first name and the other party shall then strike one name. The process shall be repeated, and the remaining person shall be the arbitrator. The arbitrator's decision shall be final and binding on the parties and the employee. The arbitrator shall have no right to amend, modify, nullify, ignore or add provisions to the Agreement, but shall be limited to consideration of the particular issue(s) presented. Their decision shall be based solely upon their interpretation of the meaning and express language of the agreement. Expenses for the arbitrator shall be borne by the losing party as designated by the arbitrator. However, each party shall be responsible for compensating its own representatives and witnesses.

The City will adjust schedules, as necessary, to enable the grievant and one Association representative the opportunity to attend the arbitration hearing. Time spent at the arbitration

hearing will be paid at straight-time rates.

If either party desires a verbatim recording of the proceedings, it may cause such a record to be made, provided it pays for the record. If the other party desires a copy, both parties shall jointly share the cost of the transcript and all copies.

If any grievance is not presented or forwarded by the employee or Association within the time limits specified above, such grievance shall be deemed waived. All days and hours specified shall be calendar days. If the City fails to respond in a timely fashion, the grievance may be appealed to the next step. A grievance may not change once it has been filed in writing.

For arbitration proceedings involving alleged deputy misconduct, the hearing will be conducted and the parties will select arbitrators pursuant to ORS .706

ARTICLE XIII SENIORITY

13.1 Definition of Seniority. Only regular employees shall have seniority. Two types of seniority will be recognized for various purposes as set forth in this Agreement: bargaining unit seniority and classification seniority. Bargaining unit seniority shall be defined as an employee's length of service within the bargaining unit without termination of seniority, dating from their first day of compensable work within the bargaining unit. Classification seniority shall be defined as an employee's length of service within a job classification listed in Appendix "A" without a termination of seniority. Employees who move to different classifications within the bargaining unit will retain the classification seniority they had in their previous job classification.

13.2 Layoff and Recall. In the event of layoff, the selection of employees to be laid off shall be as follows: First, probationary employee(s) in the positions affected shall be laid off. If there are no such probationary employees, the employee in the position affected who has the least classification seniority in that position will be the first laid off and layoffs shall continue in that order. An employee who has classification seniority in a lower job classification may exercise their seniority to bump into that lower job classification, provided he or she is qualified to perform the work. When displacing another employee, the "bumping" employee's salary or wage shall be at the step that most closely approximates, but does not exceed, their salary range in the previous classification on the effective date of layoff. In order to be entitled to bumping rights, an employee must notify the Chief of Police of their intent to bump within seven (7) calendar days of receipt of layoff notice. Recall from layoff shall be in reverse order of seniority, provided the senior employee is capable of performing the work.

13.3 Suspension of Seniority. Bargaining unit and classification seniority shall be retained but shall not continue to accrue during layoffs and authorized leaves in excess of ninety (90) calendar days.

Also, employees who are promoted to positions within the Department that are outside the bargaining unit but are returned to a bargaining unit position by the City within the six (6) month promotional probationary period set forth in Article 14.2, will return with the bargaining unit and classification seniority they had accrued at the time of their promotion restored. The time an employee spends in such a position will not however be applied toward their seniority.

13.4 Termination of Seniority. Bargaining unit and classification seniority and the employment relationship shall be terminated if an employee:

- A. Quits;
- B. Is discharged for just cause;
- C. Is absent from work for three (3) consecutive working days without notification to the City, unless the City determines, in its discretion that mitigating circumstances existed to justify the failure to notify;
- D. Is laid off and fails to report to work within three days after receipt of notice of recall by certified mail or five days after delivery of such notice of recall;
- E. Is laid off from work for any reason for 24 months, or for a period of time equal to their seniority, whichever is shorter;
- F. Fails to report for work at the expiration of a leave of absence or in the case of an absence due to an on or off-the-job injury or illness, fails to report for work within seven (7) days of receipt of a full or limited medical release to return to work;
- G. If while on leave of absence for personal health reasons accepts other employment without permission; or
- H. Is retired.
- I. If the employee is absent from work due to an on-the-job injury or illness for a period in excess of three years from their original date of injury/illness or another event occurs to extinguish reinstatement rights in accordance with ORS 659A.043 and ORS 659A.046. (It is however understood and agreed that the seniority of an employee who is continuously absent due to an on-the-job injury or illness will be frozen after one year.)

13.5 Probationary Period. The probationary period is an integral part of the employee selection process and provides the City with the opportunity to upgrade and improve the Department by observing a new employee's work, training, aiding new employees in adjustment to their positions, and by providing an opportunity to reject any employee whose work performance fails to meet required work standards. For new employees hired, the probationary period for entry-level employees shall be eighteen (18) full months of employment. The probationary period for lateral employees shall be twelve (12) full months of employment. Probationary periods will commence on the first day of an employee's compensable work in a job classification and may be extended up to an additional six (6) months by written mutual approval between the City and the Association. The Association recognizes the right of the City to terminate probationary employees for any reason and to exercise all rights not specifically modified by this Agreement with respect to such employees, including, but not limited to, the shifting of work schedules and job classifications, the assignment of on the job training, cross training in other classifications, the assignment of on-the-job training, cross-training in other classifications and the

assignment to educational courses and training programs. Termination of a probationary employee shall not be subject to the grievance procedure under Article XII.

13.6 Notice of Recall from Layoff Status. Recall from layoff exceeding five (5) workdays shall be by certified letter sent to the employee at their last known address furnished to the City by the employee. The City may also use any other means to return an employee sooner.

ARTICLE XIV PROMOTIONS

14.1 Postings. Promotional opportunities to job classifications listed in Appendix "A" (not assignments), as well as supervisory/management positions in the Department shall be posted for at least three (3) weeks prior to the closing of accepting applications for the position. Whenever a promotional examination is given the notice announcing such examination shall state the passing score on all parts of the examination and the relative weight of each part of the examination.

14.2 Promotional Probationary Period. Regular employees promoted into a higher classification within the Department shall serve a promotional probationary period of six (6) continuous months. The Association also recognizes the right of the City to demote an employee on promotional probationary status to their previous position. Demotion of an employee on promotional probationary status, as well as demotion of employee who was filling the employee's position within the promotional probationary period, shall not be subject to the grievance procedure under Article XII and such demotion shall not be considered a disciplinary action.

ARTICLE XV GENERAL PROVISIONS

15.1 No Discrimination. The provisions of this Agreement shall be applied equally to all employees in the bargaining unit without discrimination as to race, creed, color, age, sex, national origin or other protected status in accordance with applicable law. The Association shall share equally with the City the responsibility for applying the provisions of this Section. All references to employees in this Agreement designate both sexes, and whenever the male gender is used, it shall be construed to include the male and female employees. Employees shall have the right to form, join, and participate in the activities of the Association or any other labor organization, or to refrain from any or all such activities, and there shall be no discrimination by either the City or the Association by reason of the exercise of such right except as specifically provided herein. Nothing in this Agreement shall be construed as precluding or limiting the right of an individual employee to represent him/herself in individual personal matters.

15.2 Professional Standards and Safety Committee. In order that the City may be informed and/or take appropriate action on professional standards of safety and protective equipment, a committee shall be formed composed of the Police Chief and/or their designated representatives not to exceed two, and representatives of the Association not to exceed three. This committee shall meet as mutually agreed upon, consider surveys and factual studies, and make recommendations for improvements to the City Manager.

15.3 Rules. It is jointly recognized that the City must retain broad authority to fulfill and implement its responsibilities and may do so by work rule, oral or written, existing or future. It is agreed, however, that no work rule will be promulgated or implemented which is inconsistent with a specific provision of this Agreement. All work rules which have been reduced to writing will be furnished to the Association and to affected employees upon request.

15.4 Other Employment. Prior to accepting outside employment, an employee shall first discuss the matter with the Police Chief. Acceptance or continuance of regular outside employment by an employee shall be subject to the following criteria:

- A. The need for mentally alert and physically able public safety employees.
- B. Insulating employees from potential conflict of interest situations.
- C. Maintaining efficiency unimpaired by other employment, recognizing the nature of the job requiring police officers to be available for emergency duty twenty four (24) hours a day.

15.5 Uniforms, Protective Clothing and Devices. If an employee is required to wear a uniform, protective clothing or use any type of protective device, such article shall be provided by the City. Replacements shall be provided by the City upon surrender of the article, at no cost to the employee, reasonable wear excepted. Lost articles or damage to articles due to negligence shall be reimbursed to the City by the employee. Failure of any employee to wear such required uniform, protective clothing, or use such protective device as prescribed by the City shall be cause for disciplinary action as set forth in Article XI.

15.5 A. Equipment/Clothing Allowance. Association members will receive a stipend of \$300 per year, to be paid on the first pay period in July for equipment and clothing significantly used while the employee is performing the employee's day-to-day duties. New hires will be provided with the stipend at the time of hire for the year in which they begin working for the City. They would be eligible for additional stipends each July during this contract.

15.6 Educational Allowance. After an employee's completion of probation, the Police Chief may authorize reimbursement to the employee for costs directly related to upgrading their professional ability through enrollment in an educational course of study or class at a state accredited educational institution. The amount of such reimbursement shall be at the sole discretion of the Police Chief, based on the availability of departmental resources for such expenditures and upon the relative benefit to be realized by the department from the employee's participation in the class or coursework. Funds may be advanced to an employee to pay initial costs; however, final reimbursement shall require the employee to provide evidence of their successful completion of the class or coursework. In no event shall the Department be responsible for reimbursing educational costs incurred by an employee outside of an advance mutual agreement with the Police Chief.

15.7 Position Descriptions. The general classifications of labor which shall be recognized throughout this Agreement shall be those set forth in Appendix A.

15.8 Personnel File.

- A. **Inspection.** Each bargaining unit member shall have the right to review and obtain at their expense, copies of the contents of their personnel file, exclusive of materials received prior to the date of their employment with the City. The official personnel files shall be maintained in the City Manager's office.
- B. **Employee Signature.** Each employee shall be offered the opportunity to read and sign any written material that is placed in their official personnel file. The employee may:
 - 1. Sign such material indicating agreement.
 - 2. Sign such material, indicating disagreement, in which case the employee may place in their file a signed response to such material.
 - 3. Refuse to sign such material in which case an employee of management shall place in that person's file a signed statement indicating that the material was offered to the employee for reading and signing and the employee refused.

15.9 Training. The City shall provide outside training opportunities to employees in the bargaining unit as follows:

- A. The City shall provide outside training opportunities to employees in the bargaining unit on an equitable basis. All training must be approved by the Chief or their designee and is subject to the Department's evaluation of operational needs and budgeting constraints.
- B. The City shall provide twenty four (24) hours of outside training per year to Survival Skills instructors, and shall provide any additional training hours DPSST requires, such instructors to have maintain DPSST teaching credentials.

15.10 Travel Time for Training and Other Off-Site Activities. The city's Travel & Expense Reimbursement Policy as written and published at the time of signing will apply to travel time for training and other off-site activities. A copy of the published Travel and Expense policy will be attached and marked as Appendix "D."

15.11 Fitness for Duty. The City reserves the right to require employees to provide verification of medical ability to perform the essential functions of their positions, as well as confirmation of any limitations on an employee's ability to perform such essential functions, so long as such verification is consistent with applicable law. Verification may be required if the City can articulate a reasonable, good faith basis for the need for verification.

The verification will be limited to the determination of whether the employee can perform their essential job duties without a direct threat to their safety or the safety of others. All medical information released pursuant to a fitness-for-duty test will be maintained in the employee's confidential medical file and released only on a need-to-know basis.

The City will place any employee who is required to submit to a fitness-for-duty test on paid administrative leave until the verification is obtained. The City will also pay for the cost of evaluation, as well as the time spent by the employee undergoing the required evaluation and traveling to/from the evaluation.

ARTICLE XVI HEALTH, WELFARE & RETIREMENT

16.1 The Employee Health Benefits Advisory Committee shall be repurposed as a Labor Management Committee and shall include (1) representative of the Ashland Police Association. The Committee shall meet at least once per year for the purpose of discussing City wide issues including health insurance benefits along with other items.

Health benefits and other insurance will be provided to the APA represented employees under the same conditions and restrictions as provided to all other city employees. Adjustments to the health benefits plan may be made by the City upon annual benefit renewal within budgetary constraints.

In the event an employee chooses not to use the City provided insurance with proof of other coverage, the City shall pay the employee \$100 per month.

16.2 Retirement. The City agrees to maintain its existing Retirement Plan, subject to the terms and provisions thereof, as it applies to regular employees in the bargaining unit. The City will report to PERS the total accumulated sick time. The City will also assume or pay the employee contributions required by ORS 238A.355 for all employees included under this agreement at a uniform rate of six (6) percent.

16.3 Deferred Compensation. The City shall contribute \$100.00 per month in matching funds per member enrolled in a City deferred compensation program. This program is at the option of the member and contingent upon a minimum \$15.00 per month contribution paid by the member.

16.4 Mercy Flights Membership. The City agrees to pay the premium for household membership in Mercy Flights for combined air and ground ambulance transportation service.

16.5 Reemployment of Retired Employees.

- A. The City may at its discretion rehire retired Association members for up to 1039 hours each year following their retirement date.
- B. At the retiring Association member's option, the City shall only use rehired retired employees to fill a vacant Association member position on a temporary basis and for not more than 90 days following the retirement date of the rehired retired employee. Re-employment of retired employees will not cause the layoff of any other bargaining unit member and the rehired retired member will remain a member of the Association while re-employed with the exception of Article 5, 6, 8, 10.1A and 16.

16.6 Paid Leave Oregon. The City will administer Paid Leave Oregon at a level that is above or equivalent to the state program.

ARTICLE XVII - WORKER'S COMPENSATION

All employees will be insured under the provisions of the Oregon State Worker's Compensation Act for injuries received while at work for the City. Compensation paid by the City for a period of sick leave also covered by Worker's Compensation shall be equal to the difference between the Workers Compensation pay for lost time and the employee's regular pay rate.

ARTICLE XVIII LIABILITY INSURANCE AND INDEMNIFICATION

18.1 The City shall purchase liability insurance in the maximum amounts set forth in O.R.S. for the protection of all employees covered by this Agreement against claims against them incurred in or arising out of the performance of their official duties. The premiums for such insurance shall be paid by the City.

18.2 The City shall indemnify and defend employees in the bargaining unit against any tort claim arising out of an alleged act or omission occurring in the performance of duty as required by ORS 30.285 and 30.287 (1977 replacement part.)

The City agrees to reimburse the bargaining unit member for all reasonable, usual and customary legal fees charged by an attorney to represent the employee as a direct result of criminal charges or a criminal investigation arising out of the employee's performance of his/her duties as an employee. The reimbursement shall not be made if:

- A. The employee undergoes diversion, is convicted by verdict or plea, or pleads no contest to criminal charges arising from the incident; or
- B. The Department gives grievable discipline to the employee based upon the employee's actions that form the basis for the possible or actual criminal liability and the Department sustains the discipline through the grievance arbitration process or the employee does not appeal the discipline.

18.3 Any reimbursement from the City shall be made only at the conclusion of all criminal and disciplinary proceedings against the Association member arising out of the incident and are subject to the following maximum requirements:

- A. Legal fees relating to a grand jury and/or appearance: \$5,000
- B. Legal fees relating to post-grand jury indictment or other charging instrument: \$10,000

Before becoming obligated under this Article, the City shall be presented with a sworn affidavit by the attorney listing an hourly breakdown of time spent and describing briefly the purpose of such time. The City may submit the bill to the Oregon State Bar Association for review for compliance with reasonable, usual and customary fees charged for such matters. The Oregon State Bar Association's determination shall be final and binding for the City's obligation under this Article.

ARTICLE XIX SAVINGS CLAUSE AND FUNDING

19.1 Savings Clause. Should any provision of this Agreement be subsequently declared by the proper legislative or judicial authority to be unlawful, unenforceable, or not in accordance with applicable statutes or ordinances, all other provisions of this Agreement shall remain in full force and effect for the duration of the Agreement. Upon such declaration, the parties agree to immediately meet and confer on a substitute, if possible, for the invalidated portion thereof.

19.2 Funding. The parties recognize that revenue needed to fund the wages and benefits provided by the Agreement must be approved annually by established budgetary procedures and in certain circumstances by vote of the citizens of the City. The City shall not reduce the wages and benefits specified in the Agreement because of budgetary limitations but cannot and does not guarantee any level of employment in the bargaining unit covered by this Agreement. The City agrees to include in its annual budget request amounts sufficient to fund the wages and benefits provided by this Agreement but makes no guarantee as to passage of such budget requests or voter approval thereof.

ARTICLE XX TERMINATION AND REOPENING

This Agreement concludes all collective bargaining between the parties during the term of this Agreement effective July 1, 2026, and shall remain in full force and effect until June 30, 2029.

This Agreement shall automatically be renewed from year to year thereafter unless either party notifies the other in writing not later than ninety (90) days prior to the expiration date of this Agreement of their intent to modify or terminate the Agreement. If such notice is not given, this Agreement may be subsequently reopened for modification upon sixty (60) days written notice; however, the Agreement shall remain in full force and effect during the period of negotiations.

ASHLAND POLICE ASSOCIATION

CITY OF ASHLAND, OREGON

By: _____

By: _____

Date: _____

Date: _____

By: _____

Date: _____

APPENDIX “A”

CLASSIFICATIONS WITHIN BARGAINING UNIT

Police Officer
Community Services Officer
Evidence Property Technician

CLASSIFICATIONS EXCLUDED FROM BARGAINING UNIT

Sergeant and above in rank
Administrative Services Manager
Confidential Employees

Irregular parttime employees who
do not work a set schedule or who
work less than an average of 20
hours per week

Seasonal and temporary employees
who are hired to work on a temporary
basis for an undefined period of time

Appendix B – Wage Schedule (Attached Separately)

APPENDIX “C” HEALTH AND WELFARE BENEFITS

Section 1. Health and Welfare The City agrees to pay ninety percent (90%) of the **total monthly health premium (medical, dental, and vision) for the base plan CIS Copay H with the employee paying the remaining ten percent (10%) on a pre-tax basis. The employee will have the option to buy-up to a lower deductible plan, CIS Copay F. Employees will be responsible for paying the difference in premiums between the base plan and the premium plan each month by payroll deduction.** Plan benefits are subject to annual adjustments. Nothing in this agreement shall be deemed a limitation on the annual plan benefit adjustments. Medical benefits, including vision and dental, will continue within the current plan equivalent for the 3 years of the contract, July 1, 2026, through June 30, 2029.

Retired employees shall be allowed to participate in the existing insurance plan at their own expense to the extent required by state of federal law. The City shall also make available to employees an optional choice to participate in a Flexible Spending Account Program (pre-tax health premium and health and dependent care expense reimbursement).

- (1) Health Insurance – employee and family coverage. **Copay F or Copay H.**
- (2) Dental Insurance – employee and family coverage. (CIS Incentive Dental Plan III with Ortho or Willamette Dental Option with Ortho).
- (3) Vision Insurance - employee and family coverage. (CIS Vision)
- (4) City paid reimbursement for **physical fitness as described** in the City of Ashland Wellness Program **with the reimbursement amount to be no less than the amount outlined in the program as of the effective date of this Agreement. Note: The dollar value of this benefit is taxable; it is reported on Form W-2.**
- (5) Other benefit levels and maximum premium payments by the City shall be as follows:

State mandated Life Insurance	\$12,500 in life coverage (duty connected only)
Standard Life Insurance	\$2,000 in coverage
Standard Dependent Life Insurance	\$1,000/dependent
Salary Continuation Plan (LTD)	66.67%, Up to \$2,000/month

- (6) The City will contribute an amount equivalent to **3.5%** of earnings into an HRA-VEBA account for the employee and eligible dependents to use for eligible healthcare expenses.

The City agrees to continue providing the additional fringe benefits:

- Life Insurance- employee (\$20,000 with AD&D) and dependent coverage (\$1,000).
- Long Term Disability Insurance- employee only

Section 4: Medical Coverage for Retirees- Any employee hired prior to July 1, 2005, and retiring during the term of this contract with twenty (20) or more years of full-time service with the City,

shall be eligible for a one-time contribution into their HRA/VEBA account in the amount of \$3,612.00 (\$60.20/month for 5 years) to assist with healthcare costs in retirement.

Ashland Police Association Salary Schedule

Effective 7/1/2026

Updated as of 6/23/2026



Pay Grade	JOB TITLE	1st step occurs at 6 months, then 12 months thereafter	1	2	3	4	5	6	7	8
304		Hourly	\$29.11	\$29.98	\$30.88	\$31.81	\$32.76	\$33.74	\$34.75	\$35.79
		Annual	\$60,548.80	\$62,358.40	\$64,230.40	\$66,164.80	\$68,140.80	\$70,179.20	\$72,280.00	\$74,443.20
304 GRAND	Community Service Officer									
303		Hourly	\$31.44	\$32.38	\$33.35	\$34.35	\$35.38	\$36.44	\$37.53	\$38.66
		Annual	\$65,395.20	\$67,350.40	\$69,368.00	\$71,448.00	\$73,590.40	\$75,795.20	\$78,062.40	\$80,412.80
303 GRAND	Evidence & Property Technician									
302		Hourly	\$36.67	\$37.77	\$38.90	\$40.07	\$41.27	\$42.51	\$43.79	\$45.10
		Annual	\$76,273.60	\$78,561.60	\$80,912.00	\$83,345.60	\$85,841.60	\$88,420.80	\$91,083.20	\$93,808.00
302 GRAND	Police Officer									
306		Hourly	\$39.60	\$40.79	\$42.01	\$43.27	\$44.57	\$45.91	\$47.29	\$48.71
		Annual	\$82,368.00	\$84,843.20	\$87,380.80	\$90,001.60	\$92,705.60	\$95,492.80	\$98,363.20	\$101,316.80
306 GRAND	Senior Police Officer									

GRAND = Grandfathered Pay Grade

DPSST	Intermediate	Advanced
(sworn personnel)	7%	12%

Longevity	10 Years	15 Years	20 Years	25+ Years
(sworn personnel)	3%	6%	9%	12%

Education	AA Degree	BA Degree	MA Degree
(all job classes)	2%	3%	5%

Officers may choose the combination of:

DPSST + Education **OR** DPSST + Longevity

In no case will an officer be eligible for more than two incentives.



Council Business Meeting

Date: September 15, 2026

Agenda Item	Consideration of Revised Timeline for Council-requested Chapter 18 Code Amendments
Department	Community Development
From	Councilor Derek Sherrell, Councilor Jeff Dahle

TIME ESTIMATE

5 minutes

CATEGORY

Staff Direction - provide direction to staff on the body's desired next steps.

SUMMARY

An update to the hearing schedule for the proposed Chapter 18 code amendments

POLICIES, PLANS & GOALS SUPPORTED

BACKGROUND AND ADDITIONAL INFORMATION

At the August 18 business meeting, City Council directed staff to prepare identified Chapter 18 code amendments following the hearing schedule outlined below. After feedback from the community, Councilor Sherrell and Councilor Dahle have proposed an updated schedule to allow for stronger engagement and review from City Advisory Committees and the public.

Original Hearing Schedule per Council Direction

Date	Milestone
September 8, 2026	Planning Commission review of the Council's August 18 packet materials
September 17, 2026	DLCD Post Acknowledgment Plan Amendment (PAPA) submittal of hearing-ready draft (subject to change through the hearing process)
October 13, 2026	Planning Commission study session on draft amendments
October 19, 2026	City Council study session on draft amendments
November 10, 2026	Planning Commission public hearing
November 17, 2026	City Council public hearing and first reading
December 15, 2026	City Council second reading and adoption of findings

Proposed Updated Hearing Schedule with Advisory Committee Review

Date	Milestone
September 8, 2026	Planning Commission review of the Council's August 18 packet materials
September 17, 2026	DLCD Post Acknowledgment Plan Amendment (PAPA) submittal of hearing-ready draft (subject to change through the hearing process)
September 24, 2026	HHSAC review and recommendation
October 7, 2026	HPAC Review and recommendation
October 15, 2026	TAC review and recommendation (potential)
November 10, 2026	Planning Commission study session on draft amendments
November 17, 2026	City Council study session on draft amendments
December 8, 2026	Planning Commission public hearing
January 5, 2026	City Council public hearing and first reading
February 2, 2026	City Council second reading and adoption of findings

FISCAL IMPACTS

None

SUGGESTED ACTIONS, MOTIONS, AND/OR OPTIONS

I move to approve the updated hearing schedule for the proposed Chapter 18 code amendments.

REFERENCES & ATTACHMENTS

None





Council Study Session

Date: September 15, 2026

Agenda Item	Direction on Asante Payment Distribution
Department	Mayor and Council
From	Jordan Rooklyn

TIME ESTIMATE

20 minutes

CATEGORY

Staff Direction - provide direction to staff on the body's desired next steps.

SUMMARY

This agenda item is for Council to direct staff on how to appropriate the \$4 million Asante payment, to be incorporated in the development of the BN27-29 budget.

POLICIES, PLANS & GOALS SUPPORTED

BACKGROUND AND ADDITIONAL INFORMATION

The City of Ashland received a \$4 million payment from Asante pursuant to the mutual termination, effective June 12, 2026, of the Affiliation Agreement regarding the Ashland Community Hospital. That \$4 million has been allocated to the Capital Fund (\$800K) and Reserve Fund (\$3.2 million), following the City's Financial Management Policies for unbudgeted revenues. There is an opportunity to re-allocate or appropriate those funds via the BN27-29 budgeting process.

At the August 3 Study Session, City Council received requests from various community groups to retain all or some of the \$4 million payment to support future local healthcare needs via a set-aside. At the August 17 Study Session, Council received additional community input and expressed interest in creating a dedicated Healthcare Investment Fund that will remain in place for a minimum of two years to allow time to examine the most effective use of the funds.

This agenda item is for Council to discuss if they would like to move forward with reserving all or part of the Asante payment for future healthcare use and, if so, at what amount.

FISCAL IMPACTS

Council's decision on how to allocate or appropriate funds will impact the future use of the unbudgeted \$4 million Asante payment.

SUGGESTED ACTIONS, AND/OR OPTIONS

The City of Ashland received a \$4 million payment from Asante pursuant to the mutual termination, effective June 12, 2026, of the Affiliation Agreement regarding the Ashland Community Hospital. That \$4 million has been allocated to the Capital Fund (\$800K) and Reserve Fund (\$3.2 million), following the City's Financial Management Policies for unbudgeted revenues. There is an opportunity to re-allocate or appropriate those funds via the BN27-29 budgeting process.

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Council Study Session

This agenda item is for Council to discuss if they would like to move forward with reserving all or part of the Asante payment for future healthcare use and, if so, what amount to set aside. Council direction will be incorporated in the preparation of the BN27-29 budget.

REFERENCES & ATTACHMENTS

1. Financial Policies_Final_051623_202405011741216231



Financial Management Policies

The Financial Management Policies apply to fiscal activities of the City of Ashland.

Objectives

The objectives of Ashland's financial policies are as follows:

- To enhance the City Council's decision-making ability by providing accurate information on program and operating costs.
- To employ revenue policies that prevent undue or unbalanced reliance on any one source, distribute the cost of municipal services fairly, and provide adequate funds to operate desired programs.
- To provide and maintain essential public programs, services, facilities, utilities, infrastructure, and capital equipment.
- To protect and enhance the City's credit rating and financial wellbeing.
- To ensure the legal use of all City funds through efficient systems of financial security and internal control.

The City of Ashland does not discriminate in providing services, purchasing goods or services, and in matters of employment.

Investments and Banking

All City funds shall be invested to provide—in order of importance—safety of principal, a sufficient level of liquidity to meet cash flow needs, and the maximum yield possible. One hundred percent of all idle cash will be continuously invested in accordance with State law and recommended government finance industry standards.

The City of Ashland has a Banking Policy of authorized signatures, including facsimile signatures for banking services on behalf of the City of Ashland that is part of this document and is labeled Attachment 1 (one).

The City of Ashland has a detailed Investment Policy and is part of this document is labeled Attachment 2 (two).

Accounting

- The City will maintain an accounting and financial reporting system that conforms to Generally Accepted Accounting Principles (GAAP) and Oregon Local Budget Law and in compliance with Government Accounting Standards Board (GASB)

Adopted by Resolution No. 2023-09 (May 16, 2023)

statements. The City will issue a Comprehensive Annual Financial Report (Audit report) each fiscal year. The Annual Comprehensive Financial Report (ACFR) shows fund expenditures and revenues on both a GAAP and budget basis for comparison purposes.

- An independent annual audit will be performed by a certified public accounting firm that will issue an official opinion on the annual financial statements and a management letter as needed or required detailing areas that need improvement.
- Full disclosure will be provided in financial statements and bond representations.
- The accounting systems will be maintained to monitor expenditures and revenues on a monthly basis with thorough analysis and adjustment of the biennium budget as appropriate.
- The accounting system will provide monthly information about cash position and investment performance.
- The City will seek to meet all standards to obtain the Certificate of Achievement for Excellence in financial reporting from the Government Finance Officers Association (GFOA) annually.

Budgetary Policies

- The budget committee will be appointed in conformance with state statutes. The budget committee's chief purpose is to review the city manager's proposed budget and approve a budget and maximum tax levy for City Council consideration. The budget committee may consider and develop recommendations on other financial issues as delegated by the City Council.
- "The Budget Committee Reference Guide" is part of this document and it is Attachment 3 (three).
- The Citizens' Budget Committee services an important service with high visibility within our Ashland community, and it contributes to the community's mood, tone of communications and behavior. It is important that all members are aware of their leadership roles and community influence. The following are the ground rules for the meetings:
 - Keep an open mind
 - Be respectful
 - Don't interrupt
 - Stay on topic
 - It is ok to disagree

- Raise your hand to speak
 - Allow others to speak before speaking again
 - Be prepared
 - Support the relationship to and with the city (fiduciary responsibility)
- The City will finance all current expenditures with current revenues. The City will avoid budgetary practices that balance current expenditures through the obligation of future resources. Appropriation of fund balance or retained earnings will be solely for the purpose of one-time expenditures such as capital projects.
 - The City budget will support City Council goals and priorities and the long-range needs of the community.
 - In contrast to the line-item budget that focuses exclusively on items to be purchased (such as supplies and equipment), the City will emphasize the use of goals and programs to:
 1. Structure budget choices and information in terms of programs or operating units and their related work activities and impact on constituents and the community,
 2. Provide information on what each program or operating unit is committed to accomplish in long-term goals and in short-term objectives, and
 3. Measure the degree of achievement of program or operating unit objectives (performance measures).
 - The City will include multi-year projections in the budget document of at least three years beyond the biennium.
 - To maintain fund integrity, the City will manage each fund as an independent entity in accordance with applicable statutes, generally accepted accounting principles, and government finance industry standards.
 - The City will allocate direct and administrative costs to each fund based upon the cost of the other fund providing these services to the recipient fund. The City will recalculate the cost of administrative services regularly to identify the impact of inflation and other cost increases.
 - If the City should receive unbudgeted revenues net of corresponding or related expenditures or proceeds from the sale of assets within any governmental fund, the City will transfer not less than 20 percent of the gain to the Reserve Fund, restrict not less than 10 percent for payment of future long-term liabilities, and designate no less

than 20 percent to fund capital projects.

- If the City should receive unbudgeted revenues net of corresponding or related expenditures or proceeds from the sale of assets within any enterprise or internal service fund, the City will commit not less than 10 percent of the gain to net earnings, restrict not less than 10 percent for payment of future long-term liabilities, and designate no less than 20 percent to fund capital projects.
- The City will seek to meet all standards for each adopted budget to obtain the Award for Distinguished Budget Presentation from the Government Finance Officers Association.

Fund Balance Policy

General Fund

The General Fund accounts for all financial resources not accounted for in other funds. Resources include working capital carryover, taxes, licenses and permits, intergovernmental revenue, fines and forfeitures, charges for services, miscellaneous revenues, and inter-fund transfers. Expenditures are for Administration, Human Resources, Legal, Finance, Public Works Support and Facilities, Parks, Innovation and Technology Information Systems, City Recorder, Social Services, Economic and Cultural Development, Police Department, Municipal Court Department, Fire and Rescue Department, City Band, Cemeteries, and the Department of Community Development and payments for services provided by other funds. This fund uses the modified accrual method of accounting.

- The General Fund will maintain an unrestricted and undesignated balance no less than 16.67% percent of the average annual expenditures of the prior three years. This is the minimum needed to maintain the City's credit worthiness and to adequately provide for economic uncertainties and cash flow needs.
- At such time as the unrestricted and undesignated balance exceeds 50 percent of the average annual expenditures of the prior three years, the City will transfer not less than 20 percent of the overage to the Reserve Fund, restrict not less than 10 percent for payment of future long-term liabilities, and designate no less than 20 percent to fund capital projects.
- If at any time the unrestricted and undesignated balance should fall below 16.67% percent of the average annual expenditures of the prior three years, the City will work to restore the balance in no less than three years with not less than 25 percent of the shortfall being restored within each year.
- The City will budget a contingency appropriation to provide for unanticipated non-recurring expenditures. The minimum contingency will be maintained at not less than 3

percent of the average annual operating expenditures over the prior three years.

Special Revenue Funds

Special Revenue funds account for the proceeds of specific sources that are legally restricted to expenditures for specified purposes. Special Revenue funds account for transactions using the modified accrual method of accounting.

Reserve Fund. This fund is used to set aside funds to protect services and to stabilize the budget, and to meet any costs that may arise in the future from unexpected events. As established by Resolution 2010-18, amended by Resolution 2020-09, and clarified by Resolution 2020-26. The resolution is a part of this document and is Attachment 4 (four).

Community Development Block Grant Fund. This fund was established in 1994-1995. The fund accounts for the Block Grant and related expenditures.

- A fund balance policy is not needed since this fund works on a reimbursement basis and proceeds are restricted by federal guidelines.

Street Fund. Revenues are from the state road tax, grants, franchise fees, charges for services and miscellaneous sources. Expenditures are for the maintenance, repair, and surfacing of streets.

- The Street Fund will maintain a committed balance of annual revenue of at least 15 percent of the average annual expenditures of the prior three years. This is the minimum needed to maintain the City's credit worthiness and to adequately provide for economic uncertainties and cash flow needs.
- If at any time the unrestricted and undesignated balance should fall below 15 percent of the average annual expenditures of the prior three years, the City will work to restore the balance in no less than three years with not less than 25 percent of the shortfall being restored within each year.
- The City will budget a contingency appropriation to provide for unanticipated expenditures of a nonrecurring nature. The minimum contingency will be maintained at not less than 3 percent of annual operating expenditures.

SDC Street Fund. The System Development Charges for Transportation are in this fund. System Development Charges are a one-time fee imposed on new development to equitably recover the cost of expanding infrastructure capacity to serve new customers.

Tourism Fund. Revenues are from the Transient Lodging Tax and expenditures are restricted by ORS 320.350.

Housing Fund. Revenue is earmarked in this fund to affordable housing by Ordinance and the

dedicated funds are to be used to support affordable housing priorities through receipt of donations and dedicated revenue streams, including but not limited to donations, grants, sale of surplus City property, or any other revenue sources approved by the Ashland City Council or the people of Ashland.

Airport Fund. Revenues are from airport leases and fuel sales. Expenditures are for airport operations.

- The Airport Fund will maintain a committed balance of annual revenue of at least 10 percent of the average annual expenditures of the prior three years. This is the minimum needed to maintain the City's credit worthiness and to adequately provide for economic uncertainties and cash flow needs.
- If at any time the unrestricted and undesignated balance should fall below 10 percent of the average annual expenditures of the prior three years, the City will work to restore the balance in no less than three years with not less than 25 percent of the shortfall being restored within each year.
- No portion of the Airport fund balance is restricted for specific uses.
- Many of the Airport assets have restrictions placed on them by the Federal Aviation Administration. None of the current revenues are pledged to outside lenders.
- The City will budget a contingency appropriation to provide for unanticipated non-recurring expenditures. The minimum contingency will be maintained at not less than 3 percent of annual operating expenditures.

Capital Projects Funds

Capital improvement funds are established to account for financial resources that are used for the acquisition or construction of major capital facilities (other than those financed by Enterprise Funds, Internal Service Funds, Special Assessment Funds and Trust Funds). Capital projects funds use the modified accrual method of accounting.

Capital Improvements Fund. This fund accounts for revenues from grants, unbonded assessment payments, and other sources, and will account for the construction of special local improvements, usually streets, with revenues from short-term borrowing and unbonded assessments. Expenditures are for construction, property and equipment acquisition and replacement, improvements and related purposes including facility maintenance, and the repayment of short-term debt principal and interest incurred in financing improvements. The purpose is to accumulate funds prior to a large construction project; therefore, there is no minimum or maximum fund balance.

- The City will budget a contingency appropriation to provide for unanticipated non-recurring expenditures. The minimum contingency will be maintained at not less than 3 percent of

annual operating expenditures.

Parks Capital Improvements Fund. The Parks Capital Projects Fund is managed by the Ashland Parks & Recreation Commission per City Charter. This fund is used to account for resources from grants and inter-fund transfers that are to be expended for major park renovations. The purpose is to accumulate funds prior to a large construction project; therefore, there is no minimum or maximum fund balance.

SDC Parks Fund. The System Development Charges for Parks are in this fund. System Development Charges are a one-time fee imposed on new development to equitably recover the cost of expanding infrastructure capacity to serve new customers.

Debt Service Funds

Debt Service Funds account for the accumulation of resources for, and the payment of, general long-term debt principal and interest. Expenditures and revenues are accounted for using the modified accrual method of accounting. All bond issues and notes are separated in the accounting system.

- All of the monies within the Debt Service fund are restricted for Debt service until the specific debt is repaid in full. ORS prohibits cities from borrowing this money for any other purpose.

Enterprise Funds

Enterprise funds account for the following operations: (a) those that are financed and operated in a manner similar to private business enterprise, where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods and services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) those where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Enterprise funds use full accrual basis of accounting for financial statement presentations. However, the enterprise activities use a modified accrual basis of accounting for budgetary purposes. This assures budgetary compliance with such expenditures as capital construction and acquisition, as well as debt principal transactions.

Water Fund. This fund accounts for water operations. Revenues are from sales of water, other charges for services, and miscellaneous sources. Expenditures are for operations, conservation programs, capital construction, and retirement of debt.

- The Water Fund will maintain an unrestricted and undesignated balance of at least 25 percent of the average annual expenditures of the prior three years, in addition to any amounts held to comply with debt covenants or legal requirements. This is the minimum

needed to maintain the City's credit worthiness and to adequately provide for economic uncertainties and cash flow needs.

- If at any time the unrestricted and undesignated balance should fall below 25 percent of the average annual expenditures of the prior three years, the City will work to restore the balance in no less than three years with not less than one quarter of the shortfall being restored within each year.
- The City will budget a contingency appropriation to provide for unanticipated non-recurring expenditures. The minimum contingency will be maintained at not less than 3 percent of annual operating expenditures.

SDC Water Fund. The System Development Charges for Water are in this fund. System Development Charges are a one-time fee imposed on new development to equitably recover the cost of expanding infrastructure capacity to serve new customers.

Wastewater Fund. This fund accounts for wastewater treatment and collection. Revenues are from charges for services and taxes. Expenditures are for operations, capital construction, and retirement of debt.

- The Wastewater Fund will maintain an unrestricted and undesignated balance of at least 25 percent of the average annual expenditures of the prior three years, in addition to any amount required to comply with debt covenants or legal requirements. This is the minimum needed to maintain the City's credit worthiness and to adequately provide for economic uncertainties and cash flow needs.
- If at any time the unrestricted and undesignated balance should fall below 25 percent of the average annual expenditures of the prior three years, the City will work to restore the balance in no less than three years with not less than one quarter of the shortfall being restored within each year.
- The City will budget a contingency appropriation to provide for unanticipated non-recurring expenditures. The minimum contingency will be maintained at not less than 3 percent of annual operating expenditures.

SDC Wastewater Fund. The System Development Charges for Wastewater are in this fund. System Development Charges are a one-time fee imposed on new development to equitably recover the cost of expanding infrastructure capacity to serve new customers.

Electric Fund. The Electric Fund accounts for the distribution of purchased electricity according to standards set forth by the Federal Energy Regulatory Commission. Revenues are from sale of electricity and other charges for services and intergovernmental revenues. Expenditures are for related operations. Utility operations include wholesale power purchases, operating expenses, energy conservation incentives, capital outlay, retirement of debt, franchise tax, and

related purposes.

- The Electric Fund will maintain an unrestricted and undesignated balance of at least 25 percent of the average annual expenditures of the prior three years, in addition to any amount required to comply with debt covenants or legal requirements. This is the minimum needed to maintain the City's credit worthiness and to adequately provide for economic uncertainties and cash flow needs.
- Debt service reserves are included in the Electric Fund balance. This portion of the Electric Fund balance is restricted and shall not be used in determining the minimum fund balance.
- If at any time the unrestricted and undesignated balance should fall below 25 percent of the average annual expenditures of the prior three years, the City will work to restore the balance in no less than three years with not less than 25 percent of the shortfall being restored within each year.
- The City will budget a contingency appropriation to provide for unanticipated non-recurring expenditures. The minimum contingency will be maintained at not less than 3 percent of annual operating expenditures.

Telecommunications Fund. The Telecommunications Fund accounts for the revenues and expenditures of the Ashland Fiber Network.

- The Telecommunications Fund will maintain a minimum balance of 20 percent of the average annual expenditures of the prior three years, in addition to any amount required to comply with debt covenants or legal requirements.
- If at any time the unrestricted and undesignated balance should fall below 20 percent of the average annual expenditures of the prior three years, the City will work to restore the balance in no less than three years with not less than one quarter of the shortfall being restored within each year.
- Debt service reserves are included in the Telecommunications Fund balance. This portion of the Telecommunications Fund balance is restricted and shall not be used in determining the minimum fund balance.
- The city will budget a contingency appropriation to provide for unanticipated non-recurring expenditure. The minimum contingency will be maintained at not less than 3 percent of annual operating expenditures.

Stormwater Fund. Revenues are from charges for services and miscellaneous sources. Expenditures are for the maintenance, repair, and construction of storm drains.

- The Stormwater Fund will maintain a committed balance of annual revenue of at least 20

percent of the average annual expenditures of the prior three years. This is the minimum needed to maintain the City's credit worthiness and to adequately provide for economic uncertainties and cash flow needs.

- If at any time the unrestricted and undesignated balance should fall below 20 percent of the average annual expenditures of the prior three years, the City will work to restore the balance in no less than three years with not less than one quarter of the shortfall being restored within each year.
- The City will budget a contingency appropriation to provide for unanticipated expenditures of a nonrecurring nature. The minimum contingency will be maintained at not less than 3 percent of annual operating expenditures.

SDC Stormwater Fund. The System Development Charges for Stormwater are in this fund. System Development Charges are a one-time fee imposed on new development to equitably recover the cost of expanding infrastructure capacity to serve new customers.

Internal Service Funds

Internal service funds account for the financing of goods or services provided by one department or agency to other departments or agencies of the governmental unit, or to other governmental units, on a cost reimbursement basis. Internal service funds use full accrual accounting methods for financial statement presentations. However, the internal service funds use a modified accrual basis of accounting for budgetary purposes. This assures budgetary compliance with such expenditures as capital construction and acquisition as well as debt principal transactions.

Insurance Services Fund. Revenues in this fund are from service charges from other departments, investment income, and insurance retrospective rating adjustments. Expenditures are for insurance premiums, self-insurance direct claims, and administration.

- The Insurance Services Fund will maintain an unrestricted and undesignated balance of 50% of the average annual expenses of the prior five years or \$500,000 whichever is more. This is the minimum needed to maintain the City's insurance programs and provide for uninsured exposures.
- If at any time the unrestricted and undesignated balance should fall below \$500,000, the City will work to restore the balance in no less than two years with not less than one third of the shortfall being restored within each year.
- No portion of the Insurance Services Fund balance is legally restricted for specific uses.
- The City will budget a contingency appropriation to provide for unanticipated non-recurring expenditures. The minimum contingency will be maintained at not less than

3 percent of annual operating expenditures.

Equipment Fund. This fund is used to account for the maintenance and replacement of the City fleet of vehicles and specified equipment. Revenues are from equipment rental and replacement charges. Expenditures are for personnel, materials and services, and capital outlay. This fund is divided into two functions: equipment maintenance and equipment replacement. The purpose of the equipment replacement function is to accumulate adequate funds to replace equipment. This replacement schedule is updated annually.

- The Equipment Fund will maintain a minimum balance calculated to sufficiently fund equipment replacement as determined by use of the replacement value schedule and not less than 20 percent of the average annual operating expenditures of the prior three years.
- If at any time the unrestricted and undesignated balance should fall below the sum of 20 percent of the average annual operating expenditures of the prior three years and 30 percent of the replacement value of in-service equipment and vehicles, the City will work to restore the balance in no less than three years with not less than one quarter of the shortfall being restored within each year.
- No portion of the Equipment fund balance is legally restricted for specific uses. The City rents equipment at rates that include the replacement cost of the specific piece of equipment.
- The City will budget a contingency appropriation to provide for unanticipated non-recurring expenditures. The minimum contingency will be maintained at not less than 3 percent of annual operating expenditures.

Trust and Agency Funds

Trust and agency funds account for assets held by a governmental unit in a trustee capacity or as an agent for individuals, private organizations, or governmental units, and/or other funds. These include (a) expendable trust funds, (b) non-expendable trust funds, (c) pension trust funds, and (d) agency funds.

Cemetery Trust Fund. The Cemetery Trust Fund is a non-expendable trust fund that uses the accrual basis of accounting. Revenues are from interest income and perpetual care service charges on cemetery operations. Expenditures are for the repurchase of plots and transfers of earnings to the cemetery fund for operations.

- No minimum fund balance policy is recommended.

Revenues

- The City will estimate its annual revenues by an objective, analytical process. Because most revenues are sensitive to conditions outside the City's control, estimates will be conservative.
- The City will make every effort to maintain a diversified and stable revenue base to protect its operation from short-term fluctuations in any one revenue source.
- The City will establish charges for enterprise funds that fully support the total cost of the enterprise. Utility rates will be reviewed annually. Rates will be adjusted as needed to account for major changes in consumption and cost increases.
- The City will identify user fees to the direct beneficiaries of City services to recover all of the full cost of providing that service and compare with existing rates. All user fees will be reviewed biannually to ensure that direct and overhead costs are recovered in the percentage approved by City Council.
- To the extent practicable, new development shall pay necessary fees to meet all identified costs associated with that development.
- The City will work aggressively to collect all delinquent accounts receivable. When necessary, collection procedures will include termination of service, submission to collection agencies, foreclosure, and other available legal remedies.

Expenditures

- The City will provide employee compensation that is competitive with comparable public jurisdictions within the relative recruitment area. Estimated wage increases and changes in employee benefits will be included in the proposed budget under Personnel Services.
- The City is committed to maintaining and improving the productivity of its staff by providing a proper working environment, adequate equipment and supplies, and appropriate training and supervision.
- A Social Service appropriation will be included in the proposed General Fund Budget. This appropriation will increase or decrease relative to the overall General Fund revenues.
- Tourism appropriation will be included in the proposed Tourism Fund Budget. This appropriation will increase or decrease relative to the overall Transient Lodging Tax Revenues.

Purchasing

- The City will purchase materials, supplies, and equipment through a competitive process that provides the best product for the least cost.
- The City will adhere to all State of Oregon and local requirements for purchasing goods and services. The City will also review policies and procedures at least annually for adherence with industry best practices.

Capital

- The City will provide for adequate maintenance of equipment and capital assets. The City will make regular contributions to the Equipment Replacement Fund and the City Facilities budget to ensure that monies will be available as needed to replace City vehicles and facilities.
- Future operating costs associated with new capital improvements will be itemized, projected, and included in the long-term budget forecast.
- The City will determine and use the most appropriate method for financing all new capital projects.
- Special accounts dedicated for capital improvements will be segregated in the accounting system and used only for the intended capital purposes.
- The Capital Improvement Plan (CIP) will encourage a level capital replacement schedule and anticipate future capital needs. The CIP will present identified needed capital projects for a minimum of six years into the future and include known major projects requiring debt obligations to support them for a minimum of fifteen years into the future.

Debts

- The City will not use long-term borrowing to finance current operations.
- Capital projects, financed through bond proceeds, will be financed for a period not to exceed the useful life of the project.
- Whenever possible, enterprise debt will be self-supporting. Regardless of the type of debt issued, the City will establish a one-year reserve for all self-supporting debt.
- The City will seek to maintain level debt service payments over the duration of an issue and consider the level of debt obligations across funding sources when recommending types and amounts of debt instruments.

- The City will keep the final maturity of general obligation bonds at or below 20 years, with the exception of water supply and land acquisition that will be limited to 30 years.
- The City will maintain a debt coverage ratio, i.e. net revenue to debt service of at least 125% for every debt issue.
- The State of Oregon limits non-self-supporting obligation debt to three percent of the real market value of all taxable property within the City boundaries.
- The City will seek to maintain and improve its bond rating to minimize borrowing costs and to ensure its access to credit markets.
- The City will maintain good communications with bond rating agencies about its financial condition.

Risk Management

- The City will provide an active risk management program that reduces human suffering and protects City assets through loss prevention, insurance, and self-insurance.
- The risk management program will be reviewed at least annually to assure levels of primary and secondary coverage are consistent with City priorities and needs.
- The risk management function will conduct regular meetings of the City Safety Committee, including representatives from each operating department, to review incidents and consider activities or initiatives to reduce the City's loss experience and to enhance safety of City human and physical resource.



Council Business Meeting

Date: September 15, 2026

Agenda Item	Update on Community Wildfire Protection Plan & Council Workgroup Report Out
Department	Fire and Safety
From	Chris Chambers, Forestry Officer

TIME ESTIMATE

30 minutes

CATEGORY

Informational - this is to inform the body on a particular topic. No motion or direction needed.

SUMMARY

Signed and executed in October of 2025, the Ashland Community Wildfire Protection Plan (CWPP) is a roadmap for living more safely with wildfire. This update to Council includes progress to date and next steps to realize the CWPP's vision of "a future where Ashland's fabric, economy, and spirit not only withstand wildfire--but grows stronger and more connected because of it." The next step will be convening a facilitated working group that will take the CWPP's vision and blueprint and turn them into a near-term actionable plan and budget as funding ramps up.

POLICIES, PLANS & GOALS SUPPORTED

Council Goals:

- **Livability**, including a focus on Community character and community amenities, reliable utility services, progressiveness in rate structures and support for attainable housing;
 - The CWPP prioritizes supporting and protecting socially vulnerable populations, low-income housing, and economic institutions that provide employment in the community. Mitigation work seeks to reduce insurance costs and/or premium increases, an element of affordability relating to livability.
- **Risk Reduction**, including wildfire risk reduction and CEAP (Climate Energy Action Plan) execution;
 - The CWPP addresses head-on the need for a new paradigm in wildfire risk reduction across sectors and settings, anticipating the increasing risk posed by our changing climate. It also addresses critical infrastructure and more broadly includes feeling less anxiety each summer over the threat of fire and evacuation.
- **Economic Development**, including development of eco-tourism related accomplishments like trails, and ensuring City processes such as planning are supportive of attracting new business and supporting those already here.
 - The CWPP addresses the insurance crisis that is undermining real estate markets and affordability, and an overall sense of security that threatens livability and desirability of our community. The CWPP also reinforces efforts to create long-term ecological sustainability of local forests, the backdrop of town and where trails draw visitors and locals alike.





Council Business Meeting

- **Efficient and Effective Government**, including equity of access, customer focus, transparent and frequent communication, strong regional partnerships, use of technology, execution of maintaining City facilities and public infrastructure.
 - The CWPP emphasizes maintenance and upgrades to City facilities and infrastructure protection using cutting edge technology and analysis.

2025 Community Wildfire Protection Plan

Ashland Natural Hazards Mitigation Plan

- Addresses Ashland's highest priority natural hazard using all mitigations listed in the NHMP.

Ashland Forest Plan

- Supports and implements the 2016 Ashland Forest Plan goals including the Climate Change Addendum adopted by Council in 2023.

2021 Electric System Wildfire Mitigation Plan

- The CWPP references initiatives in the Electric System Wildfire Mitigation Plan and supports implementation of the entire mitigation plan.

Emergency Operations Plan

- The CWPP calls out improvements to evacuation routes, communication protocols, and work to improve preparedness across sectors.

Climate and Energy Action Plan (CEAP)

- Adapting to the already present effects of a changing climate not only protects lives and property, but prevents further carbon loss from severe wildfires.

Ashland Community Smoke Response Plan

- Smoke has been our most palpable and consistent wildfire impact to health and economy. The Community Smoke Response Plan augments the CWPP with further direction specific to smoke and our ability to use prescribed fire to mitigate wildfires.

BACKGROUND AND ADDITIONAL INFORMATION

Since the CWPP was fully signed by all parties in the fall of 2025, community members, elected officials, and staff have discussed how to fund and implement the CWPP's core vision to prevent a wildfire catastrophe like the Alameda Fire from befalling our community. This issue has continued to escalate as more communities and ecosystems are negatively impacted by wildfire and the insurance crisis continues to escalate across our area, leaving people without





Council Business Meeting

viable insurance options, sudden and often costly requirements to mitigate hazards, and increased premiums.

CWPP implementation will accelerate when Wildfire Resilience Fee dollars are budgeted in the upcoming biennium, also positioning us for external funding options. This planning effort will set the stage to move the CWPP forward as envisioned.

Progress has been made on the CWPP's broad-reaching goals over the past eight months by City staff and community partners:

- Electric utility system hardening and safety measures (City of Ashland Electric)
- Wildfire Risk Assessment Data Analysis (City of Ashland)
- Home and neighborhood mitigation work (Ashland Fire & Rescue, Ashland Climate Collaborative, PNW Youth Corps, private property owners)
- Wildfire home risk assessments (CERT WRAP Volunteers)
- Community outreach, dialogue, and education (City of Ashland, Ashland Chamber of Commerce, Ashland.news, Ashland Together, Ashland Climate Collaborative)
- Business Community Outreach and Education (Ashland Chamber of Commerce)
- Forest Fuels Management (City of Ashland, Lomakatsi Restoration Project, U.S. Forest Service, Oregon Dept of Forestry, private landowners)
- Ongoing research with Oregon State University, University of Oregon, Boise State, and others
- Researching wildfire safety code options for future consideration including coordination with the Oregon State Fire Marshal's office.
- Formation of a Workgroup by City Council to review funding mechanisms

The council-formed Workgroup will present their progress to date at the Council business meeting.

Large-Scale Implementation Plan

The next significant step for implementing the CWPP is to design a large-scale implementation plan (using the Ashland CWPP "Blueprint for Action") that will detail how the City and community partners will support private properties in taking the necessary actions for improving wildfire resiliency. Once complete, this implementation plan will provide the basis for estimating needed funding levels and timeframes, as well as identifying key partnerships for taking action.

Building on locally driven successes like the Ashland Forest Resiliency Project, Ashland's Firewise Communities, the Ashland Climate Collaborative, and the Ashland Food Project, staff propose a locally led process to form a plan and structure to implement the CWPP "Blueprint for Action."





Council Business Meeting

This will start with a diverse, facilitated group of local stakeholders and experts who will create a plan focused on actions within city limits, initial project budget, and details of partnerships as envisioned in the CWPP. To ensure the work group has the right participants at the table, that the work remains focused on key outputs, and that timelines are achieved, the City will hire a professional facilitator to guide the design process.

The facilitated design process will address the following questions:

- What work is most important to complete and what would be nice to have, but not essential?
- Where do we invest quickly and strategically to reduce risk?
- How do we make it easy and desirable for private property owners to participate?
- How do we navigate participation of renters versus property owners?
- Once mitigation work is completed, how do we ensure it is maintained?
- How will codes and enforcement play into this effort and how long should people have to meet codes?
- Who will receive financial assistance to meet wildfire safety standards, how will they receive it, and how much will they receive?
- Which partners will be best suited to implement the program?
- How do we track our progress and when can we feel assured that our risk is managed to the point the plan envisioned?

Simultaneous to the design process, City staff will work with subject-matter experts to gather information that will be essential for implementation, including where large-scale funding can come from to do the extensive work needed and how to get insurance companies to recognize and respond to local mitigation efforts.

FISCAL IMPACTS

The estimated cost for contracting a facilitator is \$20,000–\$35,000. Due to savings within the Wildfire Fund budget, this amount is within budget for BN25–27.

SUGGESTED ACTIONS, MOTIONS, AND/OR OPTIONS

None required.

REFERENCES & ATTACHMENTS

1. Council Workgroup Meeting Notes_August 3 2026_Ashland Local Bank Wildfire Mitigation Bank Roundtable
2. Council Workgroup Meeting Notes_August 18 2026



Executive Summary: Wildfire Mitigation Financing Mechanisms & Local Banking Input

Siskiyou Room, Ashland City Offices - August 3, 2026

Attendees: Mayor Tonya Graham; Councilor Bob Kaplan; Columbia Bank, Evergreen Federal Bank, Rogue Credit Union; Woolsey McKernon and Arnoud de Villegas, Viridian. Invitations were extended to every bank with an Ashland branch. People's Bank and Washington Federal responded but could not attend; most national institutions did not respond.

Purpose

The City convened local lenders to test whether existing or adaptable banking products can close the financing gap for individual homeowner wildfire mitigation - typically \$3,000–\$10,000 per property, too small for a mortgage product and too large for many households' cash flow.

The Sizing Problem

Roughly 11,000 structures in Ashland require hardening; only about 800 were built under current wildfire ordinances. The CWPP contemplates ~\$6,600 per structure at 90% participation. At a more achievable \$3,000 per structure and 50% participation, the community-side cost is approximately \$17 million - one component of a full CWPP implementation estimated near \$150 million. Federal grant sources that funded ~\$34 million of prior work are contracting, and remaining state and federal grants are largely watershed-directed.

Findings - Products Available Today

Lenders identified several mechanisms already in market that require no new City program:

- 0% promotional credit cards. One bank currently offers 18 months at 0%; promotions of 18–24 months recur seasonally. At \$3,000 over 18 months this is roughly \$166/month with no interest and no application fee. Contractors and landscapers accept cards, and balances can be laddered to a second 0% product at term end. Identified by the bankers as the single most accessible option for small-ticket work.
- Auto-secured personal loans. A banker noted that a borrower with an owned or equity-positive vehicle can secure a personal loan at roughly half the unsecured rate.
- Unsecured personal loans and lines of credit. Available at every institution, fast to approve with no appraisal, but at 13–18% - high enough to price out the households most in need.
- HELOCs. One bank is writing home equity lines of \$300,000–\$500,000; many Ashland households have substantial unused headroom and could just tap their home equity.
- Bob referenced a Community Development Finance Institution (CDFI). One bank has an existing referral partner for credit it cannot underwrite directly, where they list environmental lending and warrants direct follow-up - potentially as a lender of last resort or as a capital backstop to local institutions.
- One bank's HOA lending arm. One of the banks operates an HOA lending department for capital shortfalls, collateralized by HOA-owned property and repaid through member dues. This is a viable route to neighborhood-scale mitigation and had not previously been considered.
- Reverse mortgages for house-rich, cash-poor seniors - a recurring profile in Ashland's aging owner-occupant population, but generally reverse mortgages are frowned upon as last resort financing.

Findings - Products That Could Be Built

Adapted Disaster Relief loan (most promising). Following the 2020 Alameda Fire, one of the bank's predecessor entities offered residents of *declared disaster counties* unsecured loans from \$1,000 to \$10,000: credit-score-driven only, no income verification, approval in 10–15 minutes, three-year term, at low single-digit rates (approximately 2–4%). The bank absorbed the subsidy as a community commitment; there was no federal credit support. Repayment performance was strong. One of the banks is currently deploying a version of this product in Spokane.

Two banks raised the prospect of inverting this model from recovery to preparedness. Would banks be willing to absorb the subsidy in the case of preparedness (probably not)? Because it bypasses income testing, it reaches fixed-income owners who would otherwise fail underwriting. One of the banks committed to taking the concept back to the head office product team; and noted their footprint spans virtually every state that faces this exposure - which makes an Ashland pilot scalable rather than bespoke. Both cautioned that new product development is a multi-month process. Need to navigate to decision makers in corporate.

City on-bill financing. The City has operated on-bill financing for HVAC and clean energy for a number of years - roughly \$150,000 annually across 10–15 loans, with an exceptionally low default rate attributed to residents understanding they are borrowing, in essence, from their neighbors. A USDA application (RESP) for a zero-interest, 20-year facility to scale this program has stalled amid federal administration changes. The binding constraints are the City's limited capital pool and, critically, administrative capacity to maximize uptake - the program is currently staffed by roughly one person.

Credit considerations as a backdrop If the city is offering the prospect of financing through a third party (or direct), consumers who borrow will need to see value from it. Government forcing homeowners to spend money is about the worst form of consumer credit there is. Tying the loan to base level insurability or a discount is a winner. Advised to create a test portfolio of ~\$10M and let it run for a bit to create loan repayment (and loss) history. While a 'power shut off' is a powerful mechanism, reputational harm relative to a bank's brand is significant and therefore it's unlikely anyone would pursue this form of credit support. If that mechanism is available to the city, then the city should be the lender (as the City has social license from its constituents to leverage that tool in the case of non-payment).

Open Questions

Does demand exist? One bank's central challenge: in thirty-one years of valley banking, no customer has ever requested a loan to make a home 'Firewise'. Product design is premature until the City can demonstrate homeowner demand. The Mayor's response - that participation is driven by neighborhood social dynamics more than individual conviction, and that public education sessions are filling auditoriums - was noted, but the gap between stated concern and financing applications remains unmeasured and would have to be rectified.

Would a City guarantee work? The City raised the prospect of acting as guarantor for low-income borrowers, with utility shut-off and property liens as recovery mechanisms and a preference for collecting from the resident rather than putting the onus on the lender. Bankers were receptive in principle but flagged that any institution underwriting non-qualifying borrowers would look to the City to stand behind the paper - an exposure the City has to consider carefully. This remains conceptual.

Can use of proceeds be verified? Both the City and lenders want assurance that funds finance mitigation rather than consumer purchases. Bankers were direct: construction-loan-style draw verification exists but is labor-intensive,

and at \$3,000–\$10,000 ticket sizes no institution is likely to have the bandwidth. If verification is required, a third party must perform it.

Is there a workforce to do the work? Homeowners currently face separate calls to an arborist, landscaper, contractor and gutter installer for a single assessment list - enough friction to stop participation regardless of financing. The Mayor outlined the prospect of a single 'wildfire mitigation general contractor' or full-service provider per project, with a City-vetted contractor pool. Such firms do not yet exist locally at the needed scale, suggesting a workforce development component - potentially building on Lomakatsi's youth training program, whose graduates are currently released mid-summer.

Next Steps

1. Size the gap: quantify low-income owner-occupants, fixed-income seniors, tenant-occupied and corporate-owned units from Jackson County public records and CWPP data to determine how many households existing products cannot reach.
2. Build a matrix that denotes reasonable city (funds) support in the form of a non-recoverable grant for households that can't access bank debt financing to understand capital need sizing.
3. One bank to explore an inverted disaster relief product with its product team; the other two to assess internal appetite. All three requested continued involvement.
4. Confirm a CDFI lender's current environmental lending terms and capacity and interest.
5. Develop the vetted contractor pool, certification approach and single-provider requirement in parallel with financing design.
6. Phase implementation: stand up staffing, education and engagement over ~12 months,
7. Size a revenue bond to pay for the grant program, contractor program, servicing architecture for marketing, collection and administration backed by the existing utility fee.
8. On municipal bond participation: one bank may have balance-sheet appetite; another will investigate; and one is not a consumer institution but expressed interest in loss-fund financing. All requested information on what the City is seeking.

Final Notes from Working Group (WG) Meeting 8/18

- As previously noted, due to various circumstances, we're going to pursue a structural re-alignment of the Working Group and disband it,
- Namely, the WG was founded by a private company, but the activity it was meant to pursue (designing a program and determining how best to pay for it) should be spearheaded by the City, which will seek valuable input from community experts and others,
- Before the City spearheads a deep dive on the potential CWPP funding pathways, the City and community need a deeper understanding of how a large Wildfire Mitigation program would operate,
- Fundamentally, the City isn't equipped to lead the creation of a large Wildfire Mitigation Program, robust outreach, code enforcement and third party financial mechanisms for paying vendors, making grants, etc. Therefore, the City is considering two potential routes, which will be discussed at the Sept 15th City Council meeting:
 - City Staff in concert with various experts will design an RFP to secure a partnership with an entity or entities that can orchestrate the broad programming required to scale resilience across the City
 - City Staff in concert with various experts via a work group or committee work would develop programming details.
- The goal remains the same: accelerating the implementation of the CWPP, coupled with finalized program scope and breadth, and solutions to pay for it on an accelerated basis ("front load capital") to address existential wildfire risks,
- Relative to the directive to form a WG agreed by City Council on 7/1, Woolsey will report this decision and a high level conclusion on prospective funding sources to support implementation to City Council on 9/15 alongside city staff

Ashland City Council Look Ahead 2026

*All items are placeholders subject to Council action and organizational needs. Not all items will appear on the Look Ahead due to timing or scheduling considerations.

DATE	STUDY SESSION – TOPIC/AGENDA ITEMS	BACKGROUND	Requested Council action	DEPARTMENT	LEAD STAFF
September 16	Strategic Plan Engagement and Result Overview 1–5 pm				
October 5	CBC/Council meeting mid BN Budget review/ forecasting Budget Direction and Priorities for BN 27–29: Revenue/ Funds	Council requested in July of 2025 Per Council Request December 2025 Retreat	information presented with possible staff direction	Finance/CMO	
October 19	Ambulance Service Area Discussion (tentative) Region Fire Study Discussion (tentative) Chapter 18 Land Use – Sherrel/Dahle Amendments	Per Council Request December 2025 Retreat Council Initiated	information presented with possible staff direction informational presentation regarding implementation information on draft Ordinance in advance of Nov. 17 Public Hearing	Fire/CMO/Finance Fire/CMO CD	Rasor Goldman
November 2	Budget Retreat				
November 16	Gas Powered Lawn Equipment	Per CEPAC request	informational presented with possible staff direction	Conservation	Woodward
November 30					
December 14	Standing Advisory Committee Annual Updates Audit Presentation			Finance	

	TOPICS TO BE SCHEDULED				
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	Civic Center Assessment/ versus hybrid/ versus retain all bldgs.	Direction given at 5/4 study session		PW	Scott Fleury
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DATE	BUSINESS MEETING – TOPIC/AGENDA ITEMS	BACKGROUND	Requested Council Action	DEPARTMENT	LEAD STAFF
October 6	Indigenous Peoples’ Day Proclamation Special Presentation from the National Guard Parks Fee Resolution (tentative) ORD AMC 2.04 Hearing and First Reading (tentative)			Mayor Mayor Legal	Graham Graham Pietila/Zahran
	Public Hearing and First Reading of Ordinance 3309: AN ORDINANCE AMENDING AMC 18.5.3.060 RELATING TO VARIANCES FOR FLAG DRIVE AND DRIVEWAY GRADES SERVING LEGAL LOTS OF RECORD CREATED PRIOR TO THE ADOPTION OF THE HILLSIDE DEVELOPMENT STANDARDS Adoption of Strategic Plan (tentative)	Council and Planning Commission initiated – Relates to LUBA remand on Driveway grade variance	Approval of first reading Adoption of plan	CD CMO	Severson Cotta/Rooklyn
October 20	Second Reading of Ordinance 3309: AN ORDINANCE AMENDING AMC 18.5.3.060 RELATING TO VARIANCES FOR FLAG DRIVE AND DRIVEWAY GRADES SERVING LEGAL LOTS OF RECORD CREATED PRIOR TO THE ADOPTION OF THE HILLSIDE DEVELOPMENT STANDARDS Public hearing & first reading of an Ordinance Relating to Committee Appointments, Amending AMC 2.10.015	Council and Planning Commission initiated – Relates to LUBA remand on Driveway grade variance Code clean up as approved by Council work group	Approval of Second reading	CD City Recorder	Severson Alissa Kolodinski

	Public hearing & first reading of an Ordinance Relating to Initiative and Referendum, Amending AMC 2.36	Code clean up as approved by Council work group		City Recorder	Alissa Kolodinski
	Public hearing & first reading of an Ordinance Relating to Nomination of Candidate, Amending AMC 2.40	Code clean up as approved by Council work group		City Recorder	Alissa Kolodinski
	Public hearing & first reading of an Ordinance to repeal AMC 2.41 Voluntary Contribution and Spending Limits	Code clean up as approved by Council work group		City Recorder	Alissa Kolodinski
November 3	Joint APRC/Council Meeting (Council host) Quarterly Financial Report (July - Sept 2026) Approval of Contract for Utility Billing Software	Council requested joint financial reporting meetings		Finance	Morrison
November 17	Public Hearing and First Reading Ordinance 33xx – Council initiated Dahle/Sherrel Chapter 18 Amendments	Per Council Request 8/18/2026	Approval of first reading	CD	Goldman / Dahle/ Sherrel
December 1					
December 15	Advisory Committee Reappointments Second Reading Ordinance 33xx – Council initiated Chapter 18 Dahle/Sherrel Amendments	Per Council Request 8/18/2026	Approval of first reading	CD	Goldman / Dahle/ Sherrel
Topics to be scheduled					