ASHLAND CITY COUNCIL
STUDY SESSION MINUTES
Monday, July 15, 2024

Mayor Graham called the meeting to order at 5:30 p.m.

Mayor Graham and Councilors Hyatt, Dahle, Bloom, Hansen, DuQuenne, and Kaplan were present.

1. **Public Input (15 minutes – Public input or comment on City business not included on the agenda)**

None

2. **Climate Friendly Area(s) Update**

Brandon Goldman and Derek Severson presented the zoning amendment process for Climate Friendly Areas (CFA's) under the Climate Friendly and Equitable Communities Act (CFECA). Goldman spoke that through the Department of Land Conservation and Development (DLCD) the City has entered a contract with Echo Northwest to do a market analysis for how housing might impact CFA's. The primary consultant on this is Three J Consulting who worked on the public engagement and outreach for the CFECA work done last year.

Severson provided a presentation on CFA's and the Oregon rules aimed to reduce greenhouse gas emissions to meet goals set by the State of Oregon in 2007 (see attached presentation). The CFA study was completed in partnership with the Rogue Valley Council of Governments (RVCOG) and parking mandates have been eliminated. An audit of the current land use code that relates to CFA rules and the market analysis previously mentioned are both underway. CFA zoning and code adoption will include public engagement. Severson reviewed the four potential CFA's as identified in the CFA study which was submitted to the state: the Crowman Mill Site, Transit Triangle, Railroad Property, and Existing Downtown.

Goldman and Severson summarized the CFA potential of each of these areas. Graham asked for clarification on restrictions with the Railroad Property. Goldman spoke that the site was approved for cleanup to urban residential standards with restrictions that allow for garden-style apartments with mixed use development, but not single-family units with their own yards. Hyatt asked about the benefit of applying an overlay versus a concrete zoning type for an area. Goldman explained that all areas have an underlying zone and an overlay imposes additional requirements that may be necessary for specific areas. Hyatt asked about developer experience with multiple overlays and Goldman responded the consultant will be gathering such stakeholder input. Kaplan and Hyatt inquired further about applying an overlay versus changing underlying zoning. Goldman and Severson clarified that creating a new underlying CFA zone would need to incorporate all existing eligible land uses which are currently different throughout the city, whereas applying an overlay that adds CFA requirements allows for current land uses of a zone to remain. Goldman added there could be areas where an underlying CFA zone is appropriate.

Kaplan asked about CFA requirements beyond eliminating parking, maximum height and density. Severson spoke of Floor Area Ratio (FAR), requirements for ground-floor commercial in commercial zones except for affordable housing, and walkable design standards that apply beyond CFA's. Goldman spoke that Severson is on the statewide task force in developing the walkable design standards and it seems the City already largely complies, but any modifications would be city-wide. Dahle asked for any suggestions as learned from the unique zoning of the North Mountain zone. Severson encouraged uniformity with other residential zones for standards like setbacks and street widths.

Goldman continued his presentation with the Transit Triangle overlay that could incorporate the CFA standards. The Existing Downtown zone has been identified as a potential Secondary CFA to gain the benefits of prioritizing transportation improvements to connect it to other CFA's while not encouraging tear-down type developments with increased maximum height and densities as it is a National Register-Listed Historic District.

Hansen asked if the downtown CFA designation would mandate climate friendly development if a property were to change hands and be redeveloped. Goldman reflected the FAR requirement could compel a higher density development but not require it. Kaplan spoke of development as market-driven with allowances for higher density and asked about the market analysis. Goldman affirmed the market analysis will explore if residential development potential is of sufficient force to compel development of town homes at the exclusion of mixed-use or commercial development. Kaplan asked if this analysis would be done by the end of September and if Council would receive interim information to which Goldman affirmed. Kaplan spoke of the Crowman Mill site minimum density of 15 units per acre that the developer was willing to meet and asked if they could exceed it if required. Goldman clarified that seemed aspirational in the renderings he has seen.

Dahle asked how engaged local developers will be in the market analysis. Goldman spoke of various local developers that have already and will be contacted. Dahle asked if there was anything that dis-incentivized the development in the Transit Triangle. Goldman responded it was entirely incentives and looked at existing code for opportunities for increased height and density, reduced parking and lot coverage requirements and yet only had one pre-application. Goldman spoke of this as a long-range process such as the North Mountain development that took two decades to build out.

DuQuenne asked if the pandemic had an impact on slowing development in the Transit Triangle. Goldman spoke of reduced labor availability and problematic supply chains. Commercial development had a slower recovery than residential development and the area being discussed only has commercial development potential. Severson added the CFA framework could provide development opportunities. Hansen asked if those property owners have been contacted for input and what the City could do to incentive development there.

Goldman spoke about a vertical housing tax credit and tax-increment financing as potential incentives identified in the housing production strategy. Goldman stated all property owners will be contacted prior to any zoning changes for public engagement.

Cotta added that the City has not had cleanup of the Railroad and Crowman properties before, and that allocating resources focused on economic development may offer opportunities for business and development to come.

Goldman spoke that the prescription for CFA's of Ashland's population are minimums and the City could elect to exceed those. Bloom asked if an automatic change in requirements if the City experienced a population growth exceeding the threshold of 25K. Severson responded the City would have a year to update the standards. Graham polled Councilors for interest in using the threshold for populations over 25K in anticipation of population growth. Bloom expressed interest in increasing maximum height while maintaining minimum density to allow for more flexibility for developers. DuQuenne and Kaplan agreed and wanted to see the market analysis with a desire for higher density but not wanting to stifle development. Hyatt agreed with considering the increased threshold as part of the public engagement and consultant feedback process. Dahle agreed in wanting to incentivize increased density but maintaining flexibility for development to happen. DuQuenne asked if this would return to the Council in September. Goldman responded it would go to advisory committees and a public meeting in September and then could return to Council with that feedback. Graham anticipated faster population growth than previously considered. Goldman added that maximum densities were already eliminated in the Transit Triangle overlay.

Goldman continued his presentation outlining the Community Engagement Objectives and Timelines as seen in attachment. Goldman spoke of the likely need to request an extension to the deadline to ensure proper public engagement and to align with the consultant's timeline. Hyatt spoke in support of requesting this deadline, so it is done well. Bloom agreed so the public could understand the benefits. DuQuenne and Hansen agreed.

Goldman asked for direction regarding height allowances and density regulations in E-1/C-1 Zones. Bloom expressed support for universal changes to these zones rather than just in CFA's. Hansen asked about typical ranges of density. Goldman gave local comparisons of 20-40 units per acre. Hyatt expressed concern with allowing increased heights adjacent to one story historic homes. Goldman responded there would be allowance for exceptions of historic districts that are not in a CFA. Dahle spoke of wanting more information regarding increasing heights but was open to removing density maximums. Kaplan expressed support for increasing density through increased height allowances that are reasonable and site-specific. Hansen spoke of interest in the Southern Oregon University's plans regarding higher buildings and was similarly interested in site-specific considerations. DuQuenne agreed. Bloom asked if protection in the historic district was built in. Goldman responded that increased maximum height had the potential for such development long-term. Bloom asked if a secondary CFA designation would eliminate the downtown historic district protections. Goldman spoke that the City might not need to designate it as a CFA because it could satisfy the State requirement through other parts of the City. DuQuenne asked if the Transit Triangle had allowance for three stories. Goldman clarified it was three stories prior to adoption, and now it has allowance for four. Dahle asked if a developer could apply for a variance in existing heights to go higher, and Goldman responded it would need to demonstrate an unusual circumstance. Goldman offered an example in the University district where the heights can exceed 50 feet with Planning Commission and Council approval. Increasing needed housing as a public benefit could be an argument for consideration by the Planning Commission and Council.

Graham summarized the Council appears interested in making increased heights applicable throughout E1/C1 zones and eliminating density maximums but wants to be careful about impacts to the historic nature of certain areas.

Goldman asked about adjusting CFA designation lines in the Transit Triangle to exclude some of those multi-family residential zones that are already regulated through the SOU master plan. Dahle asked for clarification. Goldman and Severson spoke to potential impact increased height could have in existing neighborhoods. DuQuenne clarified with Goldman that he would return with concrete examples so the Council could make an informed decision. Hansen asked if the line adjustment would affect the parking lot on Mountain Street near Henry, and Goldman responded that the SOU Master Plan will guide its future development. Hyatt and Kaplan expressed concern over impact on existing properties for changes in the Transit Triangle and asked if making exceptions within that area was reasonable. Goldman affirmed those properties have been identified and would be a point of consideration for the consultants. Bloom agreed and asked for more information through examples. Graham summarized that Council is interested in allowing for the adjustment of the CFA lines but to ensure impacts to neighbors are considered.

Graham asked if future annexations could incorporate the CFA overlay and if there was a size constraint. Goldman confirmed there is a minimum area for a CFA designation that can be applied to a property through the planning process.

3. Adjournment of Study Session

The meeting was adjourned at 7:01 p.m.

Respectfully submitted by:

City Recorder Alissa Kolodzinski

Attest:

Mayor Tonya Graham

Climate Friendly Areas

Council Update
July 15, 2024

Rules Apply in Oregon's Metropolitan Areas

These contain over 60% of Oregon's population and 70% of jobs

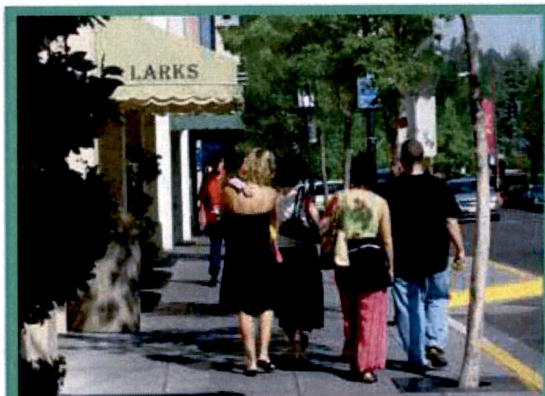
DLCD


Source: Metro

What is a Climate Friendly Area?

- Imagine downtowns and neighborhood centers
- Walkable area with a mix of residential, office, retail, services, and public uses
- High-quality pedestrian, bicycle, and transit services
- Parking is well-managed

DLCD



Additional rule provisions

Climate-Friendly Areas

- Sized so zoned building capacity in combined Climate-Friendly Area(s) can accommodate 30+% of community housing needs
  (or 25 acres for cities 5,000-10,000 population)
- May include abutting high density residential or employment areas
- Local governments may choose prescriptive or outcome-based standards (next slide)

DLCD

Climate-Friendly & Equitable Communities Timeline

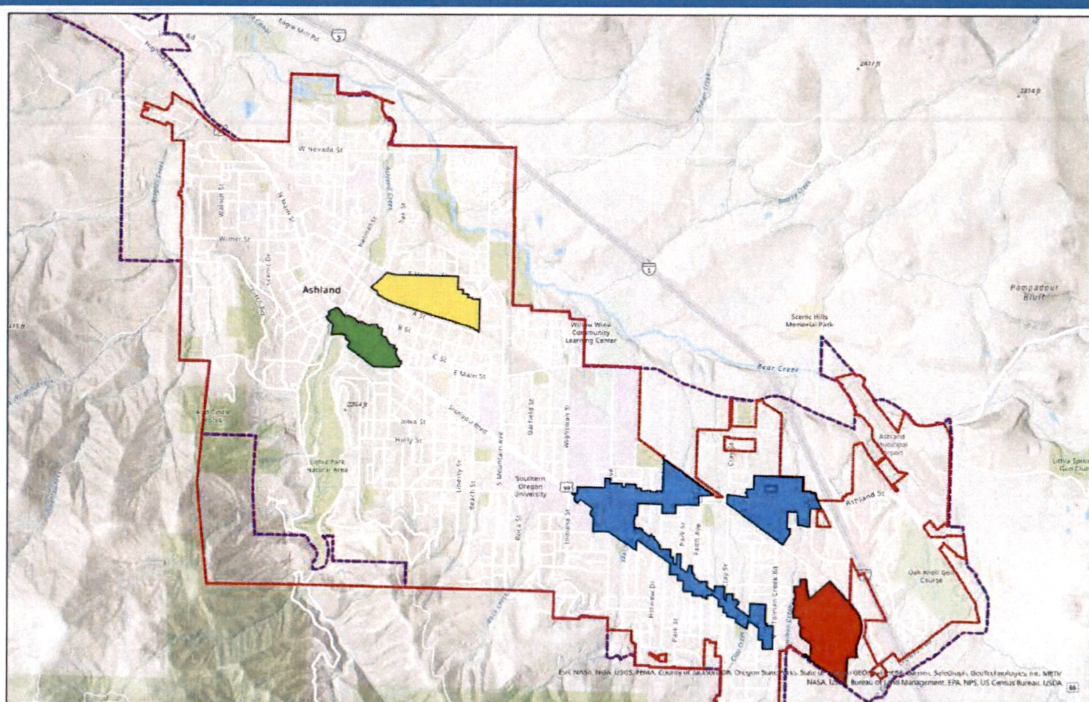
CFA Study	Parking *Eliminate Mandates*	CFA Code *Audit & Market Analysis*	CFA Zoning/Code Adoption
Completed	***Completed***	***Underway***	***Pending***

Phase 1, CFA studies will identify potential CFAs and evaluate development standards that may be applied within them.

Phase 2, CFA locations and development standards. Amend zoning in these areas to comply with applicable CFA standards. Adopt a climate-friendly element to their comprehensive plans.

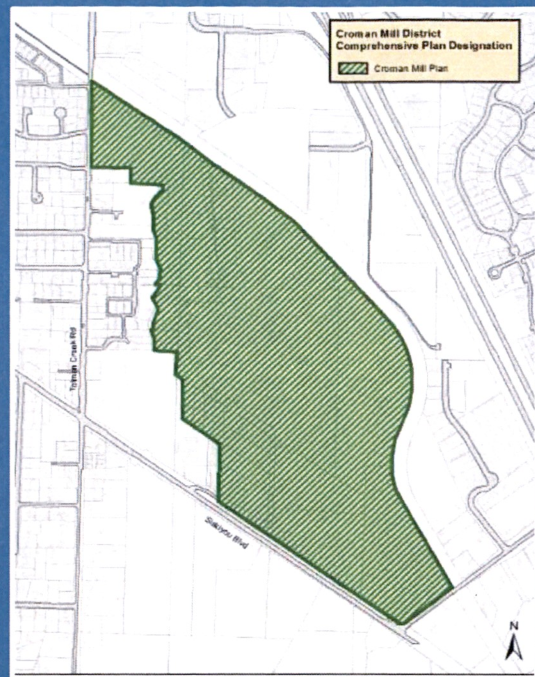
The second phase must be completed by December 31, 2024, unless a time-extension request is approved.

Better Together



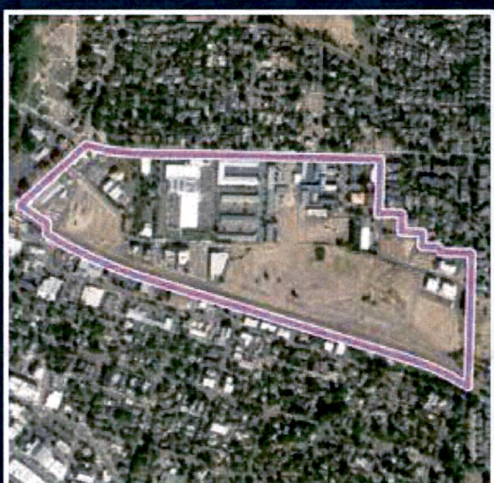
Better Together

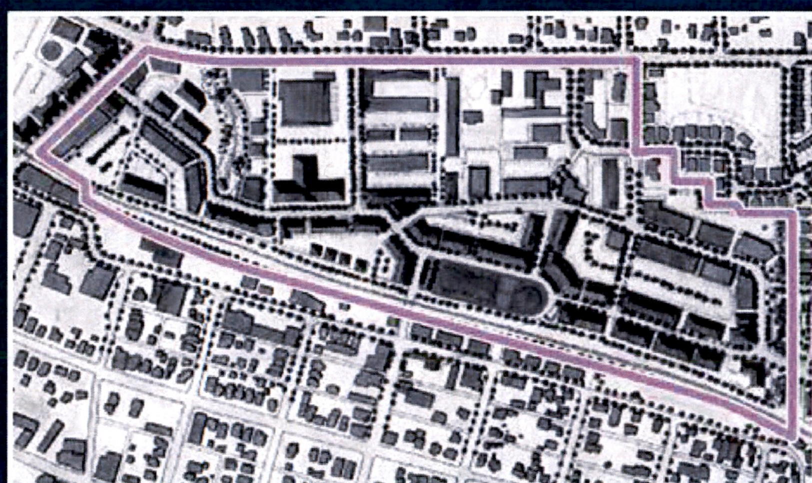
CFA Potential Areas Identified in Report



Better Together

Croman Mill District



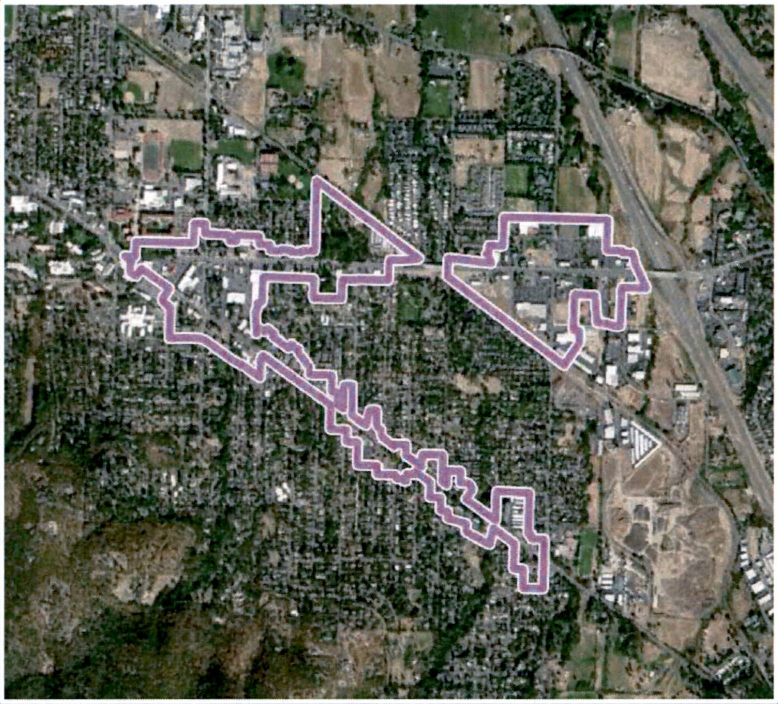


- Approx. 57 acres.
- Southern portion largely undeveloped.
- Clean-up Plan under development.
- 2001 Masterplan not adopted,. Street plan adopted.

Better Together

Railroad Property

Transit Triangle



Transit Triangle

- Approximately 167 acres
- Undeveloped or underdeveloped
- Largely auto-dependent uses in "strip development" pattern
- Likely a center of future growth
- Adjacent to SOU on west end

Transit Triangle Overlay

Downtown

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

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

Downtown

Population	Climate Friendly Area Size	Prescriptive Option: Minimum Density (for single-use residential)	Prescriptive Option: Maximum Allowed Building Height No Less Than (for at least one CFA per community if multiple CFAs)	Outcomes Option: Target Development Level
5,001 – 9,999	25+ acres	15 dwelling units/net acre	50 feet	20 homes and jobs/net acre
10,000 – 24,999	Could fit 30% of housing	15 dwelling units/net acre	50 feet	20 homes and jobs/net acre
25,000 – 49,999	Could fit 30% of housing	20 dwelling units/net acre	60 feet	30 homes and jobs/net acre
50,000+	Could fit 30% of housing	25 dwelling units/net acre	85 feet	40 homes and jobs/net acre

Overarching Community Engagement Objectives

The public involvement process aims to meet the following objectives:

- Inform the community with timely, transparent, and accurate information.
- Educate community members about planning and decision-making processes.
- Consult and involve the community in the identification, refinement and prioritization of policy updates needed to guide growth and development in Ashland.
- Ensure community members understand how decisions are made, their concerns are heard, and they know how their feedback influenced decisions.
- Partner with city and agency representatives to ensure officials are engaged in the planning process and key decisions.
- Reach a diversity of stakeholders who reflect Ashland's greater community.

Better Together

Public Engagement

Advisory Committees

September –October 2024

- Climate and Environment Policy Advisory Committee
- Social Equity and Racial Justice Advisory Committee
- Transportation Advisory Committee
- Historic Preservation Advisory Committee
- Housing and Human Services Advisory Committee

Public Meeting/Open house

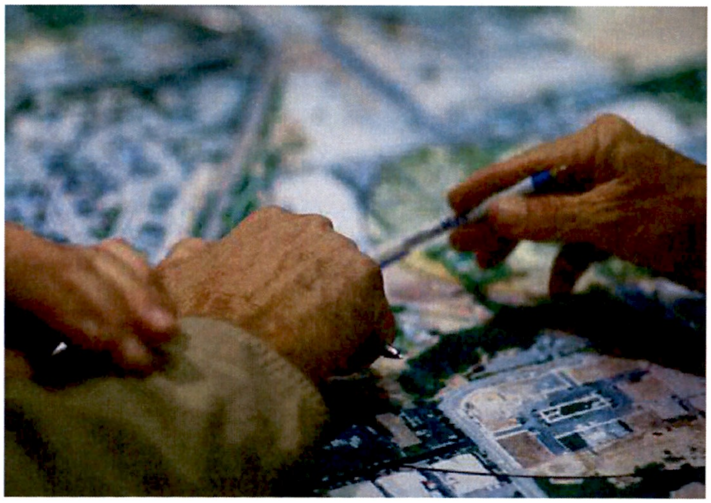
September 17, 2024 (tentative)

- Present project scope, goals, recommendations
  - code audit findings
  - market study findings
  - code concepts

Online Survey

Better Together

Public Engagement



Council and Planning Commissions

- Study Sessions

- Adoption: Public Hearings
  - Zone Change
  - Overlay adoption
  - Design Standard amendments
  - Multimodal Transportation Gap Summary

Better Together

Public Engagement

Deadline Extension Request:

Should the City formally request an extension to the December 31, 2024 deadline from DLCD to align with the consultant's timeline?

Factors to be emphasized in this request would be our efforts to ensure comprehensive public engagement and code analysis.

- DLCD/Consultant contract
  - Delayedinitiation of work
  - Contract extends through May 2025.
- City of Ashland extensive public engagement efforts
- Progress expected by Dec.31, 2024.

Better Together

General Discussion Questions

Height Allowances in C-1 or E-1 Zones:

Should height allowances proposed for CFAs (maximum 50', 60',?) be applicable across all C-1 or E-1 zones, modifying the land use zoning code universally, or should these allowances be restricted to the designated CFA areas?

Density Regulations in E-1/C-1 Zones:

Is it advisable to eliminate maximum density regulations in all E-1 and C-1 zones, or should this deregulation be limited to areas designated under the CFA overlay?

The existing zones have maximum densities of 15 dwellings per acre in E-1, and 30 units per acre in C-1. The Transit triangle overlay area presently removes density maximums within that overlay.

Better Together

General Discussion Questions

Boundary Adjustments to Exclude Multifamily Residential Zones:

Should proposed CFA boundaries be adjusted to include or exclude adjacent developed multifamily residential zones?

The CFEC rules allow inclusion of adjacent multifamily areas provided they have at least a 15-dwelling units per acre density. R-2 districts currently have a 13.5-dwelling units per acre base density, and a maximum height of 35' or 2.5 stories.

If such areas were to be included within the CFA boundaries Planning Staff and the consultants would need to evaluate whether any other regulatory changes for CFA designation would impact the existing character of these zones. (OAR 660-012-0320)

Better Together

General Discussion Questions

New CFA zone, CFA overlay, and or general code amendments:

Does the Council have a preference between creating a new CFA zone and re-zoning the proposed areas as the "CFA" zone, or creating a new "overlay zone" which could be applied over the existing zones of each area?

A new CFA Zone could simplify the application of the new rules in the designated areas specifically, whereas a new overlay could be created and applied with less disruption to the existing regulations and processes.

Adopting specific code amendments (ie density/height allowances) in all E-1 or C-1 zones could apply CFA supportive changes throughout these zones, outside of designated CFAs. This hybrid approach provides greater consistency in the application of the land use framework citywide.

Better Together

General Discussion Questions

Additional Discussion?