



# Oregon

Theodore R. Kulongoski, Governor

**Department of Land Conservation and Development**

635 Capitol Street, Suite 150

Salem, OR 97301-2540

(503) 373-0050

Fax (503) 378-5518

[www.lcd.state.or.us](http://www.lcd.state.or.us)

## NOTICE OF ADOPTED AMENDMENT

January 11, 2007

TO: Subscribers to Notice of Adopted Plan or Land Use Regulation Amendments

FROM: Mara Ulloa, Plan Amendment Program Specialist

SUBJECT: City of Ashland Plan Amendment  
DLCD File Number 003-05



The Department of Land Conservation and Development (DLCD) received the attached notice of adoption. Copies of the adopted plan amendment are available for review at DLCD offices in Salem, the applicable field office, and at the local government office.

Appeal Procedures\*

**DLCD ACKNOWLEDGMENT or DEADLINE TO APPEAL: January 24, 2007**

This amendment was submitted to DLCD for review prior to adoption with less than the required 45-day notice. Pursuant to ORS 197.830 (2)(b) only persons who participated in the local government proceedings leading to adoption of the amendment are eligible to appeal this decision to the Land Use Board of Appeals (LUBA).

If you wish to appeal, you must file a notice of intent to appeal with the Land Use Board of Appeals (LUBA) no later than 21 days from the date the decision was mailed to you by the local government. If you have questions, check with the local government to determine the appeal deadline. Copies of the notice of intent to appeal must be served upon the local government and others who received written notice of the final decision from the local government. The notice of intent to appeal must be served and filed in the form and manner prescribed by LUBA, (OAR Chapter 661, Division 10). Please call LUBA at 503-373-1265, if you have questions about appeal procedures.

**\*NOTE: THE APPEAL DEADLINE IS BASED UPON THE DATE THE DECISION WAS MAILED BY LOCAL GOVERNMENT. A DECISION MAY HAVE BEEN MAILED TO YOU ON A DIFFERENT DATE THAN IT WAS MAILED TO DLCD. AS A RESULT YOUR APPEAL DEADLINE MAY BE EARLIER THAN THE DATE SPECIFIED ABOVE.**

Cc: Gloria Gardiner, DLCD Urban Planning Specialist  
John Renz, DLCD Regional Representative  
Amy Anderson, City Of Ashland

<paa> ya/

**PROP 2**

# DLCD

## Notice of Adoption

**THIS FORM MUST BE MAILED TO DLCD**  
**WITHIN 5 WORKING DAYS AFTER THE FINAL DECISION**  
 PER ORS 197.610, OAR CHAPTER 660 - DIVISION 18

In person  electronic  mailed

DATE  
 STAMP

DEPT OF  
 JAN 05 2007  
 LAND CONSERVATION  
 AND DEVELOPMENT  
 For DLCD Use Only

Jurisdiction: City of Ashland Local file number: PA 2005 - 00964  
 Date of Adoption: February 7, 2006 Date Mailed: January 2, 2007  
 Date original Notice of Proposed Amendment was mailed to DLCD: Oct. 10, 2005

- Comprehensive Plan Text Amendment  Comprehensive Plan Map Amendment  
 Land Use Regulation Amendment  Zoning Map Amendment  
 New Land Use Regulation  Other: \_\_\_\_\_

Summarize the adopted amendment. Do not use technical terms. Do not write "See Attached".

Amendment to chapters 18.24, 18.28 & 18.88 of the Ashland Municipal  
code regarding Conservation Density Bonus Point Calculations for  
residential development.

Describe how the adopted amendment differs from the proposed amendment. If it is the same, write "SAME".  
 If you did not give Notice for the Proposed Amendment, write "N/A".

Sect. 1 "3a. changed from 85% to 100% of units proposed..."  
Sect. 2 "3a. changed from 85% to 100% of homes or units proposed..."  
Sect. 3 "3a. changed from 85% to 100% of homes or units proposed..."

Plan Map Changed from: \_\_\_\_\_ to: \_\_\_\_\_

Zone Map Changed from: \_\_\_\_\_ to: \_\_\_\_\_

Location: \_\_\_\_\_ Acres Involved: \_\_\_\_\_

Specify Density: Previous: \_\_\_\_\_ New: \_\_\_\_\_

Applicable Statewide Planning Goals: 13

Was an Exception Adopted?  YES  NO

DLCD File No.: 003-06(14734)

Did the Department of Land Conservation and Development receive a Notice of Proposed Amendment.....

Forty-five (45) days prior to first evidentiary hearing?  Yes  No

If no, do the statewide planning goals apply?  Yes  No

If no, did Emergency Circumstances require immediate adoption?  Yes  No

Affected State or Federal Agencies, Local Governments or Special Districts:

\_\_\_\_\_

Local Contact: Amy Anderson Phone: (541) 552 2044 Extension: —

Address: 20 East Main St. City: Ashland, OR 97520

Zip Code + 4: 97520 Email Address: andersona@ashland.or.us

### ADOPTION SUBMITTAL REQUIREMENTS

This form **must be mailed** to DLCD **within 5 working days after the final decision**  
per ORS 197.610, OAR Chapter 660 - Division 18.

1. Send this Form and TWO (2) Copies of the Adopted Amendment to:

**ATTENTION: PLAN AMENDMENT SPECIALIST  
DEPARTMENT OF LAND CONSERVATION AND DEVELOPMENT  
635 CAPITOL STREET NE, SUITE 150  
SALEM, OREGON 97301-2540**

2. Submit **TWO (2) copies** the adopted material, if copies are bounded please submit **TWO (2) complete copies** of documents and maps.

3. Please Note: Adopted materials must be sent to DLCD not later than **FIVE (5) working days** following the date of the final decision on the amendment.

4. Submittal of this Notice of Adoption must include the text of the amendment plus adopted findings and supplementary information.

5. The deadline to appeal will not be extended if you submit this notice of adoption within five working days of the final decision. Appeals to LUBA may be filed within **TWENTY-ONE (21) days** of the date, the Notice of Adoption is sent to DLCD.

6. In addition to sending the Notice of Adoption to DLCD, you must notify persons who participated in the local hearing and requested notice of the final decision.

7. **Need More Copies?** You can copy this form on to 8-1/2x11 green paper only; or call the DLCD Office at (503) 373-0050; or Fax your request to:(503) 378-5518; or Email your request to **mara.ulloa@state.or.us** - ATTENTION: PLAN AMENDMENT SPECIALIST.

ORDINANCE NO. 2923

**AN ORDINANCE AMENDING CHAPTERS 18.24, 18.28, and 18.88 OF THE  
ASHLAND MUNICIPAL CODE – LAND USE ORDINANCE, REGARDING  
CONSERVATION DENSITY BONUS POINT CALCULATIONS FOR  
RESIDENTIAL DEVELOPMENT.**

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

**SECTION 1.** Section 18.24.040.B.3 of the Ashland Land Use Ordinance shall be modified as follows:

"3.a. Conservation Housing—100% of the homes or residential units approved for development, after bonus point calculations, shall meet the minimum requirements for certification as an Earth Advantage home, as approved by the Ashland Conservation Division under the City's Earth Advantage program as adopted by resolution.—maximum 15% bonus."

**SECTION 2.** Section 18.28.040.B.3 of the Ashland Land Use Ordinance shall be modified as follows:

"3.a. Conservation Housing—100% of the homes or residential units approved for development, after bonus point calculations, shall meet the minimum requirements for certification as an Earth Advantage home, as approved by the Ashland Conservation Division under the City's Earth Advantage program as adopted by resolution. —maximum 15% bonus."

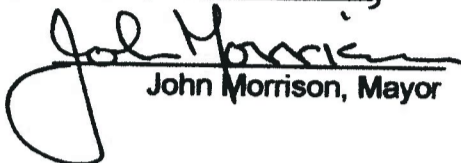
**SECTION 3.** Section 18.88.040.B.3 of the Ashland Land Use Ordinance shall be modified as follows:

"3.a. Conservation Housing—100% of the homes or residential units approved for development, after bonus point calculations, shall meet the minimum requirements for certification as a Earth Advantage home, as approved by the Ashland Conservation Division under the City's Earth Advantage program as adopted by resolution.—maximum 15% bonus."

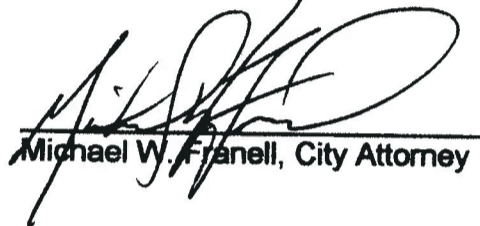
The foregoing ordinance was first READ on the 6 day of December 2005,  
and duly PASSED and ADOPTED this 7 day of February 2006.

  
Barbara Christensen, City Recorder

SIGNED and APPROVED this 8 day of February 2006.

  
John Morrison, Mayor

Reviewed as to form:

  
Michael W. Franell, City Attorney

## Council Communication

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### Conservation Density Bonus Ordinance Amendment

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Meeting Date: December 6, 2005  
Department: Electric  
Contributing Depart. Planning  
Approval: Gino Grimaldi

Primary Staff Contact: Dick Wanderscheid, 552-  
2061 [wandersd@ashland.or.us](mailto:wandersd@ashland.or.us)  
Secondary Staff Contact: Bill Molnar, 552-2042  
[molnarb@ashland.or.us](mailto:molnarb@ashland.or.us)  
Estimated Time: 30 minutes

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#### Statement:

The proposed amendment to the City Land Use Ordinance would change how the Conservation Density Bonuses is earned. It was forwarded to the Council for adoption by the Ashland Planning Commission and discussed on October 13, 2005, at a City Council Study Session. This amendment is now before the Council with a staff recommendation for adoption.

#### Background:

The City's current Land Use Ordinance has a provision which allows a 15% density bonus if conservation measures are installed in the homes. It utilizes a simple table which lists measures and points associated with the measures. A total of 15 points must be earned from the table for each home in a development that received the density bonus increase. Because of changes in current building practices and the lots size of most new developments, it is quite easy for builders to comply with the necessary 15 points from the table.

The City's Conservation staff, whose efforts relied heavily on the regional Super Good Cents Program to advance new residential construction, began searching for a new program to replace the Super Good Cents Program about 3 years ago. We evaluated a number of options and decided to purchase the license rights to the Earth Advantage Program to achieve this task. It had the advantage of focusing on more than just energy efficiency, was fuel blind and was flexible enough to allow builders many more options to meet the program's standards. Presentations were made to both the Ashland City Council and Planning Commission with the details of the Earth Advantage Program, before purchasing and implementing it.

The staff proposed an amendment to the ordinance that would allow a 15% increase in density of 85% of all homes in the development that were to Earth Advantage Standards.

This was presented to the Planning Commission on June 28, 2005 at a study session. The Planning Commission took no action on the item because some Commissioners were concerned about the complexity of the program compared to the simpler table version of the current system. There was also a concern expressed about some of the requirements of the program which seemed to some Commissioners to be outside the scope of resource efficiency.

This issue was again presented to the Planning commission on August 9, 2005 for action. Staff had prepared a memo which attempted to address some of the earlier expressed concerns and Conservation staff spent about 30 minutes answering questions and discussing this issue with the planning commission.



After this discussion, the Planning Commission voted 6-3 to recommend that the City Council amend the ordinance to allow a 15% Conservation Density Bonus if 85% of the homes are constructed to Earth Advantage Standards as recommended by both the Planning and Conservation staffs.

This issue was brought to the Mayor and Council in a study session on October 13, 2005. At this session, it was decided to change the amendment to require 100% of the homes be built to Earth Advantage Standards to earn the bonus. The attached ordinance includes this requirement.

### **Related City Policies:**

There are a number of City policies in the City's comprehensive plan that is related to this ordinance amendment.

Chapter XI-Energy, Air and Water Conservation – of Ashland's Comprehensive Plan describe the community's philosophy and principles with respect to the conservation of critical natural resources.

The goals associated with Chapter XI—Energy, Air and Water Conservation—are outlined as follows:

Goals: The City shall strive, in every appropriate way, to reduce energy consumption within the community. Water conservation and air quality enhancement should also be promoted. Programs should also be promoted. Programs should emphasize greater efficiency in end use, rather than sacrifices in living standards.

In general, policies that effect change through a combination of economic incentives and public education shall be considered more appropriate than policies involving strict legal requirements or mandates.

The City shall give due attention to energy and resource conservation and air quality enhancement in all planning actions and city activities.

Chapter XI of the Comprehensive plan identifies numerous Council policies relative to resource conservation and the establishment of programs and incentives to achieve this goal. These appear to endorse and encourage economic incentives and public education over strict legal mandates. Staff has identified one specific policy that recognizes the benefits of the bonus point code provision. The plan policy not only reflects the past success of such code provision, but also clearly requires that these incentives "be preserved and maintained in future version" of the land use ordinance.

### **Policy**

#### **XI-5 Land Use Planning and Zoning**

- A) The energy efficiency density bonuses in The City's performance standard ordinance have been very successful in encouraging new homes to be built more efficiently than Oregon building code requirements. This bonus shall be preserved and maintained in future versions of this code.

### **Implementing Ordinance**

#### **18.88 Ashland Municipal Code**

### **Council Options:**

The Council can direct staff to implement one of the following options:

- 1) Do nothing- This will leave this section of the code as written. Developers will continue to earn 15% bonuses and have to comply with the table requirement of earning 15 points for each home constructed under these bonuses.
- 2) Amend the ordinance to require that a 15% Conservation Bonus can be achieved by constructing all homes to Earth Advantage standards.
- 3) Amend the ordinance to eliminate the earning of any density bonus for conservation housing.

**CITY OF  
ASHLAND**

**Staff Recommendation:**

Both staff from the Planning and Conservation departments recommends that the Council adopt the attached ordinance amendment that implements option No. 2, which would amend the ordinance to allow for 15% Density Bonus if all of the homes in the development are constructed to the Earth Advantage Standards.

**Potential Motions:**

Move to approve the attached draft ordinance amending Chapters 18.24, 18.28, and 18.88 of the Ashland Municipal Code.

**Attachments:**


Draft Ordinance Language Amending Chapter 18.24, 18.28, and 18.88 of the Ashland Municipal Code  
Memo on Cost Effectiveness of Earth Advantage Homes





# Memo

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DATE: 12/08/05  
TO: Mayor & City Council  
FROM: Dick Wanderscheid, Electric Director   
SUBJECT: Cost Effectiveness of the Earth Advantage Program

## BACKGROUND

During the October 13, 2005 Council Study Session, the issue of cost effectiveness for the Earth Advantage Program was discussed and staff was directed to do an analysis of the issue.

We contacted the staff of the Northwest Power and Conservation Council located in Portland to get information and help with this analysis. The Council staff develops the supply curves for all conservation measures and is recognized as the US, and possibly the world's leading authority on the value of energy efficiency. They prepare the Regional Power Plan for the Northwest Region and have fully integrated conservation as a resource into the Northwest Power Planning process as a part of the 25+ years of work on behalf of the four Northwest States. In conjunction, with the Northwest Energy Efficiency Alliance (NEEA), they have thoroughly analyzed all the conservation measures included in the Earth Advantage Program and have concluded that the program is indeed a very cost effective resource which should be pursued by NW Utilities.

They estimate that an Earth Advantage equivalent home with a heat pump would incur \$1,453.00 in incremental costs for energy efficiency measures beyond the requirements of the Oregon Energy Code. These homes would save about 3,860 kWh annually in Ashland's climate zone. Assuming 70 year measure lives, the levelized cost of this energy efficient home is 3.3 cents/kWh, an extremely attractive resource compared to current market rates of 8.5 cents/kWh and new generation costs in the same range. The same home with a gas furnace, would incur incremental costs of \$1,523 and save 1,200 kWh's annually. The Electric savings is an 8 cents/kWh cost but gas savings are significant also. Keep in mind this is only the minimum savings that Earth Advantage achieves by exceeding the code of at least the 15% which is the minimum program requirement. Homes which exceed the 15% savings requirement would be even a more cost effective resource.

We also discussed the cost effectiveness from the point of view of the actual home owner. Council staff said that because retail electric rates in the Region now average about 7 cents/kWh and interest rates are now about 6%, that U-.30 windows and R-49 ceiling insulation are now cost effective measures for homeowners and that state energy codes could be set at that level based on state cost effectiveness criteria. This analysis only deals with the energy savings and cost of improving the energy efficiency of these homes and ignores the other environmental benefits of the Earth Advantage program.



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Even in our current arrangement with BPA, where all power is supplied at postage stamp rates to Ashland, Earth Advantage homes represent a very cost effective resource to both the region's electric system and to the actual homebuyers who purchase these homes.

If BPA moves to an allocated system in 2011 as projected, where a fixed amount of hydro resources will be available at a lower Tier 1 rate and all additional power will be at a higher Tier 2 rate, building Earth Advantage homes will be even more cost effective.

Ashland has been a Regional leader in conservation, renewables, and energy & water efficiency in the 25 years since the Regional Power Act was passed. Because Electric resources are planned and implemented at the regional level and we purchase our Electric from these regional power resources, pursuing conservation resources identified by the Regional Power Plan is the right thing to do and results in lower total resource costs for the entire Region of which Ashland is a part.

Doing our utmost to try and encourage all new homes to be built by Earth Advantage Standards is the appropriate and right thing to do and this Amendment to the City's Land Use Ordinance will help considerably in achieving this goal.

