

May 5, 2025

TO: Salem Planning Commission FROM: Bob Cortright, 350 Salem

SUBJECT: Align Housing Production Strategy with City Climate Plans and Goals

The proposed Housing Production Strategy (HPS) is a key opportunity for Salem to attain city and state climate goals by planning for most new housing in Climate Friendly Areas (CFAs) and other highly walkable, mixed use neighborhoods.

Focusing housing in CFAs and walkable mixed use neighborhoods is critical for at least four reasons:

- It's foundational to reducing GHG emissions. Housing in CFAs and other highly
  walkable mixed use neighborhoods is foundational to meeting city and state goals
  to reduce greenhouse gas emissions. Such development dramatically reduces the
  need for vehicle travel by shortening travel distances and by making other modes
  (walking, transit and cycling etc.) more convenient.
- It's required to meet city and state climate goals. State rules and city plans call for the city to accommodate 30% of <u>all</u> city housing in CFAs and other walkable mixed use neighborhoods by 2050. Much more effort is needed because current plans call for only about 5-10% of housing in such areas.
- By reducing transportation costs it makes housing more affordable. Housing
  in CFAs and other highly walkable areas makes walking, cycling and transit
  convenient options for residents of these areas and makes housing more affordable
  by reducing the need for households to own a car or more than one car. This is a
  significant factor in housing affordability considering that household transportation
  costs are typically 20-25% of household budgets.
- It will significantly reduce public spending on facilities needed to support new housing. It's well established that new housing in outlying undeveloped areas requires millions in public spending for new roads, parks and extending sewer and water services to these areas.¹ Added housing in CFAs and other highly walkable areas is more affordable for the city because CFAs and other close-in areas generally have adequate capacity in key public facilities to accommodate additional

<sup>&</sup>lt;sup>1</sup> For example a recent study from Vancouver BC found that "higher density development forms are associated with lower per capita municipal expenditures for streets and highways, sewer, water, and solid waste." The report found that public infrastructure costs for apartments were five to nine times cheaper than for houses, measured on a per capita or per unit basis.

https://www.sightline.org/2025/01/15/worried-about-infrastructure-costs-then-end-the-apartment-ban/

housing. In addition, because Systems Development Charges (SDCs) and property taxes are based on average costs, they unfairly shift the burden of paying for expanded public facilities to already developed areas.

## Accordingly, 350 Salem recommends that the HPS be amended to:

- 1. Adopt a goal to accommodate 30% of city housing in climate friendly areas (CFAs) and other walkable, mixed use neighborhoods. To meet this goal the city likely needs to be planning for 20,000-25,000 new housing units to be located in CFAs.
- 2. Commit to designate additional Climate Friendly Areas or Walkable Mixed Use Areas with sufficient housing capacity to meet the 30% goal. The city should identify additional CFAs along commercial corridors where areas with extensive parking lots and lower value uses can be redeveloped into walkable, mixed use neighborhoods. Consistent with state housing rules, the calculation of capacity should be based on recently built "achieved" densities and that no more than 20% of needed housing is accomplished through redevelopment.<sup>2</sup>
- 3. Target and prioritize proposed HPS actions to supporting housing in CFAs and other WMUAs including:

<u>Action D:</u> Funding infrastructure improvements to support housing development;

<u>Action E: Revising SDC</u> methodology by reducing SDCs for development in CFAs and other close-in walkable neighborhoods to reflect actual cost of SDC funded improvements in CFAs and other close-in areas.

<u>Action G:</u> Support Housing Development in Opportunity Areas. The city should work with property owners in these areas to develop plans and projects to support housing and other supporting uses and improvements to support walking and access to transit.

We appreciate the opportunity to comment.

Attachment: March 21, 2023 Memo to the Salem Planning Commission

<sup>&</sup>lt;sup>2</sup> Additional housing capacity is needed because the city's three proposed CFAs - downtown, North Downtown, and close-in West Salem - are expected to have a total of only about 3,000 to 4,000 housing units over the planning period, a fraction of what's needed to meet our climate friendly housing goal. See 350 Comments from March and September 2023.

TO: Salem Planning Commission

FROM: Bob Cortright, West Salem

SUBJECT: REVIEWING SALEM'S CLIMATE FRIENDLY AREA STUDY

Last week, staff posted <u>technical memos</u> on the city's website that calculate the housing capacity of four possible Climate Friendly Areas (CFAs). A quick review - provided below - shows that the analysis dramatically over-estimates the potential for housing in these areas: with estimates <u>that are more than 15 times the amount of housing that adopted city plans</u> forecast will occur. The Planning Commission should review the draft CFA study and encourage the city to revise the study to (1) develop a more reasonable, realistic estimate of housing capacity in these areas (2) expand the study to consider additional areas as CFAs.

## **Background**

The goal of CFA planning is to identify and designate Climate Friendly Areas - mixed use areas that are highly walkable, bikeable and transit friendly - to accommodate 30% of the city's housing units. That's a total of about 26,000 housing units by 2035.

CFA capacity assessments are guided by DLCDs CFEC rules. While the CFEC rules include the "prescriptive method" used in the current analysis, they also allow cities to use alternative methods that better reflect local plans and conditions. In January, 1000 Friends and I wrote to Salem staff and other metropolitan cities alerting them to likely problems with DLCDs "prescriptive method" and <a href="recommending use of the alternative option">recommending use of the alternative option</a> allowed by the CFEC rules.

## Review of the Preliminary CFA Capacity Estimates

As outlined in the table below, the current technical memos dramatically over-estimate the capacity of the four potential CFAs:

- Estimated densities are unreasonably high: they assume that CFAs will develop and redevelop at an average of <u>more than 60 units per acre</u>.
- The estimated housing capacity of the four CFAs is <u>more than 15 times higher</u> than what is currently expected in adopted plans. Staff estimate capacity for more than 55,000 housing units in these areas while existing plans estimate there will be only about 3,100 housing units.
- Accommodating 26,000 housing units in these four areas would require that the city plan for roughly 23,000 more housing units in these areas than are called for in existing plans. For comparison, that's essentially 100% of all new housing units that the city expects by 2035.<sup>3</sup>

<sup>&</sup>lt;sup>3</sup> Salem Housing Needs Analysis, cited on page 4 of CFA Tech Memo #1

Preliminary CFA Capacity Study versus Current Adopted Plans					
CFA Study Area	Acre s	Estimated Capacity (Potential Units)	Average CFA Density	Current Plans Forecast	CFA Study v. Current Plans
Downtown	252	19,638	78 units/acre	~1500	~18,000
West Salem	142	9821	70 units/acre	~500	~9300
Comm/Liberty	191	8846	46 units/acre	~300	~8500
Lancaster	301	16,957	56 units/acre	~800	~16,000
Total	886	55,262	62 units/acre	3100	51,000

In addition, <u>Salem Breakfast on Bikes review</u> of the CFA study illustrates the extraordinary scale and pace of development that would be needed to achieve the capacity called for in the staff estimates.

### Recommendation

The purpose of the CFA study and subsequent planning is to guide changes to city plans to accommodate at least 30% of all housing in the city in Climate Friendly Areas. Getting this amount of housing, as well as lots of other development in these highly walkable, mixed use areas is critical - and foundational - to achieving the 20-30% reduction in vehicle miles traveled (VMT) per capita that is needed to meet GHG reduction goals.

The city needs to make realistic estimates of the capacity of CFAs and include enough land in CFAs to meet these goals. DLCDs CFEC rules allow the city to choose an alternative method that more accurately reflects local plans and conditions. The city should take advantage of this option and also expand the scope of the CFA study to consider other areas as potential CFAs in order to realistically meet the 30% goal.

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<sup>&</sup>lt;sup>4</sup> This is a rough calculation that I prepared based on a review of the housing allocations to "transportation analysis zones" (TAZs) included in SKATS draft Metropolitan Transportation Plan. These estimates reflect local planners estimates of the expected results of adopted housing plans. The MWVCOG tech memos do not include information on either the number of existing housing units in the potential CFAs or the number expected under existing plans.

From: Christine Ruffolo <ruffolous@yahoo.com>

**Sent:** Monday, May 5, 2025 12:19 PM

To: Eunice Kim

**Subject:** 5/6 Planning Commission Comment

Hello, my name is Christine Ruffolo and I have been a Salem resident for 24 years, and have owned a home on Madison and 24th St NE for 12 of those years. My comments are regarding Stakeholder Engagement and Fair and Equitable Outcomes.

In March of this year, the city approved a plan for the "Evergreen Project" that, if brought to fruition, would drop 26 - 28 units into a space that currently houses 6 single occupant cottages. Since quite a few units in that proposal would be for families, the population density would be nearly **ten times** what it currently holds. This property is in the already saturated with North/ NE section of Salem that has been documented in your report *repeatedly* as owning more than their fare share of the city's burden of low income/ low functioning housing. The space granted for this project is right on the other side of my fence.

Regarding, stakeholder engagement, all of this was done without ANY communication to the neighborhood constituents or association. Many of us are angry, and rightfully so, for being left completely in the dark about what was happening. No communication, no community. Should this project go through, you will be doing exactly the opposite of what was said you would do -- develop these kinds of properties in West and South Salem to create mixed income neighborhoods. Again, instead, you further place N/NE Salem in the crosshairs of solving the city's problems, and leave its residents to bear a disproportionate amount of problems. This is neither fair nor equitable.

Lastly, someone must advocate for the people currently living in the cottages -- persons who are disabled and traumatized and with considerable mental health issues. One might describe them as some of "the most vulnerable." And yet, in this setting where they have gardens to attend and space to safely sit outside, they are absolutely thriving (as thriving as anyone who has been through what they have been through and still get tormented can be). The city seems to be overwhelmingly in favor of housing production over preservation. I believe that these structures (and greenspace) serve as the epitome of a diverse housing option created to specifically accommodate those with disabilities, and that the people currently occupying them should not be displaced. They were told that it was their "forever home", and have taken responsibility for it. (This is what comes from the feeling of ownership and having a true stake in something.) Over the years, the residents themselves have protected it from repeated attempts of camping, vagrancy, and lewd behavior by bypassers also looking to lay claim to it as their own.

My plea is simply this -- keep this space as it is. If the cottages MUST be torn down for some reason, replace them with more of this same style housing. Let them keep their greenspace. It works for everyone.

Thank you for your time, and to a community that can talk with one another, Christine Ruffolo

**TO:** Salem Planning Commission

FROM: Land Use Committee of South Central Association of Neighbors (SCAN)
SUBJECT: Comments for Public Hearing on Housing Production Strategy, May 6, 2025

The SCAN Land Use Committee supports the proposed actions listed below. We believe all adopted actions should be tightly focused on increasing housing that is affordable to Salem's below median income households. Households at and above median income have more options to choose housing affordable to them, whether for rental or ownership. We also believe adopted actions should be monitored and enforced to ensure that housing units receiving preferential treatment are not converted to market rate housing over time.

Our comments below follow the format of the Description of Proposed Housing Production Actions in Attachment 1 of the Staff Report dated March 17, 2025.

## **Regulatory Actions**

Revise the zoning code to support housing development

We believe the City has already done much to allow and support a range of housing types as a result of its 2022 large scale rezoning. But we support continued efforts to support house, balanced with the need to avoid uncertainty in the housing market with annual rezoning projects.

- Revise the zoning code to promote accessible housing
  - Any zoning incentives or requirements should be monitored and enforced to ensure accessible housing units do not become un-accessible over time.
- Update the zoning code to preserve nonconforming housing
- Improve the permitting process

Permitting fees should fully cover staff costs to provide more assistance and project coordination.

Expand the Ready-Build program

Use University of Oregon or other planning interns to develop more housing designs consistent with Salem's development codes.

### **Financial Actions**

We do not support use of Urban Renewal Areas, tax exemptions, or other financial commitments that take revenues away from the General Fund. Any action that diverts dollars from the General Fund will likely kill any future attempts to request a new special levy. Instead the City should lobby the State Legislature to provide grants (in lieu of property taxes) for targeted incentives to build below market rate housing.

We support other types of financial incentives that do not affect the General Fund:

Revise the system development charges methodology
 Any reduction in SDCs should be limited to below market r

Any reduction in SDCs should be limited to below market rate housing to ensure it helps make housing more affordable to below median income households. SDC incentives should not be based on housing type or size alone, because middle housing could include upscale, expensive housing. SDCs could be set according to

density so greater unit density would have lower SDCs per unit. The City should also increase SDCs for large lot single family areas to offset loss of SDC fees needed to support infrastructure for growth.

• Provide homebuyer assistance

We support this, but ideally this should be a state program, not local.

## **Land/Partnership Actions**

- Support permanent supportive housing with on-site wrap around services
- Expand access to areas of high opportunity

This should be done through regulation, not purchase of land or other action that takes land out of the tax base. This may be better achieved through the Fair Housing Council of Oregon.

- Continue affirmatively furthering fair housing
- Support community land trusts

Target city or state surplus land, rather than purchasing land for or paying incentives to nonprofits to develop the housing.

#### Other Actions

- State-funded infrastructure for housing
- Advocate for manufactured home park residents and changes in state law Including more local efforts to encourage development of more manufactured home parks.
- Raise awareness of existing state and local programs

## **Preliminary comments on Salem HPS Actions in red**

## **Exhibit 7. Summary of Actions in the HPS**

	Name	Action Description	Housing Type Primarily Supported by Action	Additional Information
A.	Develop a New Urban Renewal Area	Create a new traditional urban renewal area (URA) to support the development of housing and related infrastructure in the north waterfront area.  Given the housing needs identified consider revising URA regulations to focus on housing development, e, g, via financing mechanisms, directed infrastructure investments to support housing such as sidewalks, pedestrian crossings, bus shelters, etc. and URA zone flexibility to further encourage housing.	Variety of housing types such as affordable rent- restricted housing (specifics to be determined at adoption of URA plan)	The Salem Urban Renewal Agency initiated the creation of a potential new North Waterfront URA in March 2024.



Name	Action Description	Housing Type Primarily Supported by Action	Additional Information
Develop a Single Property Urban Renewal Program	Expand the use of the City's existing single property URA program (similar to the Jory Tax Increment Financing District) to provide property tax rebates to multifamily developments that include affordable housing. This could be applied in areas near frequent transit service.  Link expansion more directly with supportive transportation investments to minimize transportation costs, which can have large cost imposition on total budgets, to encourage transit and pedestrian and bicycle	Multifamily housing, including affordable housing	This is an existing program that could be expanded to other areas in Salem.
B. Develop a New Middle Housing Urban Renewal Area Program	enhancing investments.  Create a new program supported by URA funding that incentivizes the development of middle housing. This could be applied throughout Salem.  More detail on how incentives could be applied should be provided as well as opportunities to target investments where needs are more heightened as well as where there are higher returns for investments.	Middle housing	This could target areas where middle housing development has been financially challenging.
C. Fund Infrastructure Improvements to Support Housing Development	Support improved infrastructure for housing development through the following ways.  • Plan for infrastructure improvements that support housing development.  • Lobby the legislature for funding for infrastructure to support housing development.  While State support is desirable this neglects actions that could be considered by the City now; for example, significant gaps exist in sidewalks in West Salem thus networks remain incomplete for years and pedestrian trips cannot be safely made. Instead of waiting for sidewalls to be constructed when properties are developed the City could strategically complete network	All housing types	The City could identify priority areas where infrastructure investment is needed to support housing development and seek State or other funding for large-scale infrastructure improvements.



	gaps and then charge property developers when the parcels are developed, ostensibly with gains in land values a positive net return on investment could be achieved and residents could have the benefits of pedestrian networks years in advance of typcial.		
D. Revise System Development Charges (SDCs) Methodology for Smaller Housing Types	Revise the SDCs to promote the development of different housing types, focusing on developing SDC rates specific for middle housing types and potentially scaling SDCs to account for different housing unit sizes.  The examination of SDC rates is commendable but should be expanded beyond housing to account for the broader infrastructure costs associated with not just housing but hosing agglomeration and transportation infrastructure. Offering enhanced opportunities for transportation options has trip reduction impacts that offer improvements in levels of congestion and positive environmental benefits and also offer overall reduced transportation costs and thus improved financial positions for housing affordability.	Middle housing, smaller homes, and/or other housing types	The current SDC methodology was developed prior to the allowance of middle housing in single-family areas. SDCs could be tied to the scale of development. Reducing SDCs may require another source of funding to backfill this cost.

	Name	Action Description	Housing Type Primarily Supported by Action	Additional Information
E.	Identify a New Multi Unit Housing Tax Incentive Program (MUHTIP) area	Create a new MUHTIP area to support housing development near frequent transit service outside of the downtown core.  Consider expanding in light of previous comments about overall transportation burden and consider expansion to include pedestrian and bicycle accessibility.	Multifamily housing, including affordable housing (income-restricted or unregulated)	The City's existing MUHTIP area focuses on the "core area" in and around downtown Salem. It provides a tax abatement for up to 10 years. A new MUHTIP area could promote affordable units in large multifamily projects.
F.	Support Housing Development in Areas of Opportunity	Purchase land or provide financial incentives for development of affordable or mixed-income housing in areas of high opportunity (e.g., employment opportunities, parks, transportation options, and services). This would promote mixed-income areas. The City could use funding sources such as MUHTIP, urban renewal, the Safety and Livability Bond, or federal funding. The City might identify a development partner (through an RFP or RFQ process) to develop affordable housing on land in West or South Salem.  Provide more clarity on criteria to consider minimizing overall fiscal burden (i.e. explicitly considering transportation costs). Important limitations such as opportunity cost and cost of code requirements should also be included.	Affordable or mixed-income housing	This would help diversify areas of Salem where the City would support development of affordable or mixed-income housing, avoiding further concentration in North Salem.

G.	Support Development of Permanent Supportive Housing	Provide financial support to developers, organizations, or partners to develop permanent supportive housing with on-site wrap-around services. This could include infrastructure improvements or development costs. The City could use funding from the <u>Safety and Livability Bond</u> and state or federal funding.  See previous comment related to development cost and transportation burden reduction.	Affordable housing (income-restricted) and people experiencing homelessness, most likely multifamily housing	The City could act as convener or facilitator, bringing together non-profits, developers, and service providers to coordinate resources and expertise. This action focuses on long-term solutions for homelessness.
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	Name	Action Description	Housing Type Primarily Supported by Action	Additional Information
н.	Support Development by Community Land Trusts	Facilitate and provide funding, land, or other forms of support to establish and/or expand community land trusts (CLTs). This could include partnering with nonprofit organizations that develop CLTs on City-owned land or supporting the conversion of existing Salem Housing Authority-owned properties into CLTs. This could also include working with CLTs that provide services specifically to Communities of Color, speakers of a language other than English, or other underserved communities.  This appears to have promise but also would benefit from more study to know if this strategy is as effective as others.	Affordable homeownership	The City has provided funding to DevNW, which is developing a <u>CLT on Macleay Road SE.</u>
I.	Provide Homebuyer Assistance	Provide homebuyer assistance such as downpayment assistance or closing costs using federal funds. Includes contracting with qualified nonprofit organizations to facilitate assistance.  The provision of assistance may have merit but also needs to be considered in terms of potential increases in home costs as this policy may be counterproductive.	Affordable homeownership (homebuyers)	This would help lower-income residents purchase homes. Downpayment assistance can target specific household income levels, such as 60%-80% MFI, and can include homebuyer education workshops to ensure participants understand long-term borrowing conditions.

	Name	Action Description	Housing Type Primarily Supported by Action	Additional Information
J.		Revise the zoning code to:  Incentivize or require the creation of housing units designed to meet Universal Design, visitability, accessibility, or other similar standards. This could include decreasing setbacks, increasing maximum lot coverage, providing a density bonus, or other regulatory changes.  Update the zoning code to remove potential barriers to the development of all types of housing, including multifamily, middle housing, and/or mixed-use projects. This could include revising standards to promote the development of small infill projects and housing for multigenerational families.  This offers the potential for significant benefits and has merit as an implementable solution under control by the City. The lack of detail is concerning as the impediments should be easily determined and solutions presented now. Expediting permitting should be a central tenant of this effort – not just for certain housing types but more broadly so that overall supply can be markedly increased. In addition to revised standards the proposal should also include performance metrics related to time to issue permit(s), number of permits issued, etc. The broader use of performance zoning, development based on impacts, should be considered. In examining the cost of housing there should be more direct recognition of and regulatory appreciation of transportation impacts and associated development requirements. Efforts should be made to simplify requirements for transit-oriented developments and facilitate efforts to consider trip reduction and	All housing types, including multifamily housing and mixed-use development, low-and moderate-income affordable housing, accessible housing	More permissive zoning would encourage the development of more housing options. This action would include an analysis of barriers to development in Salem's code, research about model codes and other cities' approaches to lowering development barriers, and outreach to housing developers in Salem.
		permit(s), number of permits issued, etc. The broader use of performance zoning, development based on impacts, should be considered. In examining the cost of housing there should be more direct recognition of and regulatory appreciation of transportation impacts and associated development requirements. Efforts should be made to		

K. Revise the Zoning Code to Preserve Nonconforming Housing	Revise the zoning code to update nonconforming and/or continued use and development regulations to support the rebuilding of housing and improvements to existing housing.  As noted above, this offers considerable promise;	Existing housing (preservation or rebuilding), affordable housing, affordable homeownership	Preserving existing housing is a less costly way to ensure Salem has enough housing for residents.  Incentivizing the rehabilitation and
	incorporating performance standards that examine cost and benefits of permits and zoning would be helpful.		maintenance of existing housing helps preserve naturally occurring affordable housing and prevents displacement.

Name	Action Description	Housing Type Primarily Supported by Action	Additional Information
L. Improve the Permitting Process	<ul> <li>Revise the permitting process to:         <ul> <li>Develop online dashboards with permit timeline data and process clarity</li> </ul> </li> <li>Expand project coordinator role to include assistance for housing developments. This role will help usher projects through the permitting process and serve as a primary point of contact.</li> <li>Upgrade the City's website and Permit Application</li></ul>	All housing types	The City has been working to improve its permitting process. This action will build on the Bloomberg-Harvard project.
M. Advocate for Manufactured Home Park Residents	production.  Advocate for changes in State law that provide greater protections for residents at risk of displacement from manufactured home parks. This could include advocating for stronger rent controls or a new requirement whereby tenants get first right of refusal when a manufactured home park is put up for sale.  While welcomed this transfers too much to the uncertain promise of State action; the City should examine (in light of previous proposals) opportunities to	Manufactured homes (preservation), preserve existing supply of low- and moderate-income affordable housing	There are roughly 30 manufactured home parks in Salem, serving roughly 3,000 people. They provide an opportunity for affordable homeownership, which cannot easily be replaced by other types of housing.

employ more flexible zoning and requirements to allow	
nonconforming uses and examine community land trust	
and home condition improvement funding.	
Manufactured parks are an underappreciated source of	
affordable housing and a community-within-a-	
community asset. While the strategy appears to focus	
on existing parks, the opportunity for new	
manufactured homes and home parks seems	
underexplored.	

Name	Action Description	Housing Type Primarily Supported by Action	Additional Information
N. Increase Develope Understanding and awareness of existing programs	Raise awareness of and encourage development of housing- including affordable housing- in the following ways:  Provide information about vacant or public land to housing developers when these development opportunities arise.  Provide information about changes in State law and Salem regulations that support development of housing, including middle and affordable housing.  Provide information about Salem's expedited process for reviewing affordable housing projects.  Share City resources for housing development and affordable housing opportunities (such as financial incentives and online mapping resources).  Increased information exchange is indeed helpful but a greater sense of urgency should underscore outreach efforts including examining and sharing practices from	All housing types, including affordable housing	As the State continues to implement new State rules and laws related to housing development, it is important to help ensure the information is readily available to the development community. This is especially important to smaller developers or developers of lower-cost housing, where a lack of information can discourage building in Salem.
	around the nation.		
O. Expand Ready- Build Plans	Expand ready-build plans to include middle housing and/or other accessory dwelling unit designs.  As noted above and throughout while increased information exchange is helpful, the scale and scope of the housing issue supports the development of a more expansive plan set development and dissemination drawing from practices around the US.	Middle housing and accessory dwelling units	Ready-build plans help expedite the permitting process and reduce development costs. The City has one set of building plans for a detached accessory dwelling unit that can be downloaded for free.



Name	Action Description	Housing Type Primarily Supported by Action	Additional Information
P. Affirmatively Furthering Fair Housing	Continue and increase efforts to affirmatively further Fair Housing in the following ways:  • Continue to partner with the Fair Housing Council of Oregon (FHCO) to conduct landlord training about Fair Housing and Investigate Fair Housing complaints  Require participation – or proof of participation – in FHCO training or other equivalent fair housing training as a condition of receiving and retaining federal funding, City grants, and City tax abatements for housing, as well as receiving or renewing a City multifamily license. Invite landlords, management companies, tenants, and others interested in discussing ways to lower barriers to accessing rental housing.  Support for outreach is desirable but, again, the size and scope of the housing affordability issue is such that more extensive outreach efforts are needed for fair housing. While understanding the particulars of Fair Housing the importance of grounding equity approaches in the housing production strategies should be supported in polices such as focusing repairs and upgrades to existing housing stock to seniors and disabled households. Ideally there would be a periodic tracking of housing needs and provisions by area of the City and by income of housing quartiles. An equity grounding also extends to assuring that the City assess infrastructure service delivery and supply to ensure equitable service levels throughout the City.	All housing types, including income-restricted rental affordable housing units, unregulated low- and moderate-income affordable rental housing (protected classes)	

From: JIM WIGINGTON <jwwig@msn.com>
Sent: Wednesday, April 30, 2025 10:30 AM

**To:** Eunice Kim **Subject:** Housing draft

Salem is allowing contractors to build apartments and private dwellings at the speed of light. These actions have not allowed the city to maintain the infrastructure that we now have. These actions have left the police grossly understaffed, schools, hospitals, and all other service programs are not able to maintain current levels of efficiency, and yet, the building continues. I urge you to take an objective perspective on this rampant building and either slow the building process down or get very busy to allow all of the aforementioned services the opportunity to catch up.

Schools are overwhelmed by new students, the police can't even respond to needed calls, and all the other public services are highly limited or overwhelmed with needed services. The homeless situation has turned our city into a giant mess with no solution in sight.

Let our city catch up to this insane amount of rapid growth. There has to be a balancing point. Jim Wigington Sent from my iPhone

From: Sent: To: Cc: Subject:	Jon <scanh2025@gmail.com> Tuesday, April 29, 2025 1:15 PM Jennifer Halley Eunice Kim; Beth Freelander Comment on the City's proposed Housing Production Strategy</scanh2025@gmail.com>
Thank you Ms. Halley.	
I support the work and the f Shirack.	orthcoming Comments from the SCAN Land Use Committee, chaired by Roz
professionally experienced	ry's leading citizen land use policy analysts. Trained in economics, at the Policy level at the Oregon Land Conservation & Development ner work to be impeccable, and often, in advance of the commonplace and
Jon Christenson MURP	
On Tue, Apr 29, 2025 at 8:38 Hello,	BAM Jennifer Halley < <u>jhalley@cityofsalem.net</u> > wrote:
the mail today for those of y	using Production Strategy is attached for your information. Hard copies go out in you who are to receive one. This case will be heard before the Planning 5, at 5:30 p.m. A copy of the agenda is also attached for your reference.
Please direct questions or co	omments to the CASE MANAGER:
Eunice Kim	
EKim@cityofsalem.net	
503-540-2343	
L	
Thank you,	

## **Jennifer Halley**

Administrative Analyst I

City of Salem | Community Planning and Development | Planning

555 Liberty St SE, Room 305, Salem OR 97301

Jhalley@cityofsalem.net |503-540-2315

Facebook | Twitter | YouTube | CityofSalem.net

**From:** Mark wigg <mark\_wigg@hotmail.com>

**Sent:** Tuesday, May 6, 2025 3:15 PM

**To:** Eunice Kim

**Subject:** comments on draft housing strategy

Eunice,
Please route these comments.
I plan to give testimony also.

## **Draft Housing Strategy**

Thank you for your service to our community and for the progress you have made in housing those most in need. A large portion of the funding for those projects was federal and those programs are not likely to provide that level of funding for the next few years. If these were normal times, the draft housing strategy would be sufficient, but we face a funding crisis and housing emergency.

We have thousands of people without safe homes. The housing strategy needs to focus on the emergency we are facing in providing housing for thousands of people as quickly as possible. Identify the fastest and most affordable way to house people in need. The fastest growing segment of the unsheltered are older women.

One action the city can take that could have immediate results is to work with Home Share Oregon to connect people and maybe provide grants to make a shared home successful. Home Share Oregon says 70% of their clients are women. Some small home improvements such as adding a ramp could allow people to stay in or share their home. I share my home with four women and at no cost to the city. Rent including utilities is only \$600 a month, affordable for students and women on social security. Home sharing will adds housing at very low cost to the city.

Stop allowing homes in residential areas to be treated as commercial operations by allowing short-term rentals of homes not occupied by the owners. A code amendment could add hundreds of homes to the housing market within a year.

The quickest and least expensive way to provide new houses for people is to construct RV parks. Thousands of people live in RVs and trailers in Salem. This is the starter and final home for many people because it is the most affordable housing. The draft strategy supports preventing the keeping existing parks safe but does not mention supporting the creation of new RV parks. If the city used the \$10million bond money to buy land to construct RV parks we could start moving people to these properties this year.

Please increase the focus of the housing strategy to include solutions to our housing emergency.

Mark Wigg

From: Lisa Anderson-Ogilvie

**Sent:** Tuesday, May 6, 2025 4:16 PM

To: Eunice Kim
Subject: FW: HPS draft

### Lisa Anderson-Ogilvie | 503-540-2381

City of Salem | Community Planning and Development Department | Planning

From: Nick Williams < nick.williams@svn.com>

Sent: Tuesday, May 6, 2025 1:59 PM

To: citycouncil < citycouncil@cityofsalem.net>

Subject: HPS draft

Dear Mayor Hoy and Councilors,

I am writing to express my concerns and formal opposition to the proposed Homekey Permanent Supportive Housing (HPS) plan as it is currently drafted. While I commend the goal of expanding permanent supportive housing, I am worried that several provisions, particularly those related to environmental and sustainability mandates, will create significant cost obstacles. In my opinion, these barriers will actually impede, rather than facilitate, the development of the much-needed housing.

### \*\*Key Concerns:\*\*

- 1. \*\*Environmental Requirements as Cost Drivers:\*\* The plan mandates strict adherence to green building practices, including alignment with federal Executive Orders on sustainability, decarbonization goals, and potentially expensive certifications like LEED and Energy Star. While environmentally responsible construction is important, these requirements will substantially increase the per-unit development costs, extend permitting timelines, and create challenges for the adaptive reuse of existing properties. All of these outcomes directly contradict the urgent need for cost-effective housing.
- 2. \*\*Overreach Relative to Market Realities:\*\* The plan appears to prioritize alignment with climate objectives over the practicalities of housing development. In a market already struggling with high construction costs, labor shortages, and limited financing options, these additional mandates will further strain development capacity. Instead of encouraging innovation or affordability, the plan introduces regulatory complexities that may discourage developers and nonprofit partners from participating.
- 3. \*\*Misalignment with Local Needs:\*\* Salem's housing challenges are primarily driven by a shortage of supply, cost inefficiencies, and regulatory delays. The HPS plan does not adequately address these fundamental issues. Policies that increase compliance and reporting requirements without easing the basic constraints on housing production will only delay outcomes and worsen homelessness.
- 4. \*\*Opportunity Cost of Ineffective Implementation:\*\* By pursuing this plan in its current form, the City risks misallocating limited funding and staff resources toward a framework that may underdeliver on the number of housing units produced, prioritizing form over practical function. The consequences of this

could be fewer beds, higher costs for taxpayers, and continued hardship for unhoused members of our community.

### \*\*Recommendation:\*\*

I strongly urge the City Council to reconsider the adoption of the HPS plan in its current form. I believe a more pragmatic approach would focus on:

- \* Reducing regulatory and permitting barriers for conversion projects.
- \* Prioritizing cost efficiency over ambitious building standards.
- \* Streamlining compliance requirements to encourage broader participation from developers.
- \* Collaborating directly with private and nonprofit sectors to co-develop scalable and financially sustainable housing models.

Addressing Salem's housing crisis demands focused action grounded in economic realities. Adopting a plan that, while well-intentioned, is impractical may ultimately slow progress and increase long-term costs. I encourage the City to carefully consider how best to support housing solutions that will effectively serve our community.

I understand there is a public hearing before the planning commission tonight, and I wanted to share these concerns to encourage a thorough investigation into these important areas.

Sincerely,

Nick Williams, CCIM Polk County Resident & Salem Commercial Realtor M: 503-569-4449 To: Salem Planning Commission via: <u>EKim@CityofSalem.com</u> Date: May 6, 2025

From: E. M. Easterly & Martin

RE: Salem Housing Production Strategy

I commend the staff report and the scope of information provided in the Salem Housing Production Strategy (HPS) report, but question why only a single priority is offered.

According to the Salem (HPS) report Salem needed to produce approximately 24,000 new dwelling units between 2015 & 2035. p. 13 In simple terms that means just 1,200 units per year.

Questions: Is 1,200 housing units a realistic annual goal? Has Salem met that goal over the last 10 years?

As often is the case, the problem is in the details. A quick comparison of Exhibit 6 p. 19 and Exhibit 7 p. 26 generated a more detailed set of questions.

- 1, Which target populations shall be the primary focus of the Salem HPS?
- 2. Which of the Exhibit 7 list shall be the short and mid term priorities? Why?
- 3. How will focusing on these priorities facilitate efforts to increase the number of target population housing units?
- 4. Why does the Exhibit 7 list not parallel the Exhibit 9 and Exhibit 10 lists?
- 5. What is the minimum number of adopted housing priorities will the State of Oregon accept from the City of Salem?
- 6. Which Salem HPS generates the least long term infrastructure liability?
- 7. Which Salem HPS expenditures generate the highest investment return?
  - Exhibit 6. Populations with Unmet Housing Needs p. 19
  - Exhibit 7. Summary of Actions in the HPS p. 26
  - Exhibit 9. Salem Housing Production Strategy Actions, Action Focus Evaluation p. 38-39
  - Exhibit 10. Salem Housing Production Strategy Actions, Implementation Evaluation p. 42-43

## Additional Questions:

- 8. Has the City of Salem prioritized each of the 17 A-Q strategies?
- 9. Will the Planning Commission recommend both a strategic HPS goal and an initial short term strategy list?
- 10. Has the City of Salem identified the champion/leader for each of the top HPS action items?

The Salem HPS report proposes 17 actions. Given the questions above, the current HPS action item list will require some refinement to provide focus. If 1200 units per year is the goal as implied in the current report, what subset of these 17 action items will meet Salem's housing goals? Which of the action items support affordable housing and the requisite unit production goals? What is the fiscal impact of these action items (singularly and collectively)? How likely will these action items result in increased housing production (by how many units per year)?

I invite the Planning Commission to provide answers to these questions as well as strategic goal recommendations.

# Input for Consideration from the Southwest Association of Neighbors (SWAN)

For Salem's Housing Production Strategy

The City Council and Planning Commission are to be commended for seeking public input as they jointly work to shape Salem's Housing Production Strategy. The Southwest Association of Neighbors appreciates the opportunity to add its voice to this process

The City of Salem Housing Production Strategy tools currently available to influence housing development include public policy, land, and capital. We believe the city can successfully adapt policies and actions that promote the production of a variety of housing types with an emphasis on affordable and workforce options.

Per information provided from the Strategic Housing Production Webinar, approximately one half of Salem renters cannot afford the average \$1,690 cost of a two bedroom apartment and utilities. Thus SWAN supports the city's goal to encourage multifamily developments with affordable rents.

It's understood the city is exploring incentives for developers to build higher density projects in five areas along major transportation corridors, namely State Street, Lancaster Drive, Commercial Street, inner West Salem, and downtown. These locations currently feature proximity to transit and amenities, and ideally walkable, complete neighborhoods will result from thoughtful development.

We have reviewed information about the proposed Housing Production Strategy and the incentives the city is considering, including multi-unit tax incentives, opportunity zones, urban renewal grant programs and vertical housing development zoning.

Based on the information, we have reviewed, we believe the housing production strategy will work best if it follows these guidelines:

- Focus development on the five identified transportation corridors.
- Direct development away from residential areas on local streets and on any other streets that are not up to city standards for curbs, gutters, sidewalks and safe spaces for bicycling.

- Allow multi-story and large-scale single-family residential developments only after the provision of public transportation, not before.
- Avoid the use of local financial incentives for housing production until the city can reliably finance crucial public services using its general fund.
- Update systems development charges for large projects that were permitted in previous decades when charges were lower but are just now coming on line.
- Work with small landlords, not just big developers, in implementing the strategy.

Details about our guidelines are below.

The city should use well thought out incentives to encourage multi-unit projects on the identified transportation corridors along improved arterial streets and within one-quarter mile of bus service. SWAN supports multi-story residential buildings, three and four family cottage cluster developments and room and board residences in these corridor areas.

We realize the city is looking at options of scrapping small rentals in high density areas to allow easier development of higher density housing.

Care should be taken to respect the integrity of existing residential neighborhoods and the investment of their homeowners. Structural conflicts such as multi-story complexes looming overhead should be avoided when cottage clusters would be more aesthetically suitable. Similarly, care should be taken not to sacrifice smaller rental complexes for replacement by mega developments to reduce the risk of inadvertently eliminating functioning walkable neighborhoods. Case by case evaluations with specific criteria should occur in these situations.

SWAN, like other areas, has and is seeing significant multi-story and large scale SFR development without available transportation options. Perpetuating these areas with walkable and bicycling scores of one and transit scores of zero results in increased and continued reliance on personal automobiles which is contrary to Salem's climate action plan goals. This, combined with the adoption of Section 806.015 of the city development code regarding parking maximums, creates its own set of detrimental concerns.

Section 806.015 of the city development code addresses the maximum allowable number of spaces for new developments (https://library.municode.com/or/salem/codes/code\_of\_ordinances?nodeld=TITXUNDECO\_UDC\_CH806OREPALODR\_S806.015AMOREPA0) For multiple family developments, the maximums range is from 1.2 to 1.75 per unit. These maximums have caused concern among SWAN members before because they clearly do not match the number of cars most families use – and the spillover winds up on already crowded residential streets.

Clearly development needs to follow or occur in tandem with public transportation availability.

The \$13.8 million deficit Salem faces is a glaring reminder that fiscal responsibility is critical to maintaining necessary and desirable programs.

The City needs to ensure that the Housing Production Strategy is indeed fiscally responsible. We note that the multi-unit and vertical housing development incentive programs both involve property-tax abatements. In addition, urban renewal areas sequester taxes on increased property value so those revenues cannot be used on general fund programs, including law enforcement, emergency services, library operations and parks maintenance.

SWAN strongly encourages the city avoid the use of local financial incentives such as property tax abatements (except as previously mentioned for transit corridor developments) and perform scrupulous evaluation of urban renewal applications for its effect on general fund programs.

The city cannot afford to maintain the streets and sidewalks it has let alone build new to support more housing. Therefore, we encourage the city to avoid the use of local financial incentives for housing production negatively impacting the general fund until it can reliably finance the crucial public services dependent on the general fund.

Housing development needs to be made affordable while maintaining code adherence, enforcing the use of quality construction materials and building with architectural features, creating livable, walkable communities. Attention must be paid to green space and developing a sense of community as we move forward with our Housing Production Strategy..

How can this be achieved with policy tools that currently exist or need to be developed?

Perhaps System Development Charges could be reviewed and reassessed on developments that were permitted more than a decade ago. Review of System Development Charges that were previously paid could be updated to reflect today's true cost of infrastructure.

As large projects break ground after being permitted in previous decades this policy change could possibly create an additional revenue stream for infrastructure and parks development. We also urge the city to continue working with Cherriots to develop new, improved transit routes better serving our neighborhoods.

We encourage the city to continue researching these new ideas to assist the housing development process as well as exploring ideas put forward during focus group sessions such as:

Applying parking maximums on a site-by-site basis. Some sites need more parking because the topography and condition of streets/sidewalks affect biking and walking. We have numerous such locations throughout the boundaries of our association.

Possibly executing an urban growth boundary (UGB) land swap on a case by case basis to exchange hilly land in South and West Salem for flat land in East Salem. (Although this may not be legislatively approved at this time)

Work with small landlords, not just big developers, as the Housing Strategy progresses. Create communications and community outreach strategies to find small rental holdings. Create tax incentives for small unit property owners to encouraging these property owners to make contact with the Salem Housing Authority. This could open access to overlooked rental properties.

Explore alternative fund payment schedules, using market feasibility studies to increase system development charges for prime riverfront/view locations.

It is clearly time to reevaluate the "business as usual" options, whether it regards System Development Charges, incentive guidelines or other resources. Salem has wisely hosted focus groups that have produced a range of ideas regarding housing, planning and finance that deserve second looks or creative application.

As the Housing Production Strategy comes into play, Salem must be thoughtful, develop new policies, and not rush headlong into a development strategy that creates a roof overhead but negatively impacts an existing neighborhood. We need to provide housing but also keep or create a sense of community.

Thank you for considering these recommendations.

# Sincerely,

Ted Burney,

Chair, Southwest Association of Neighbors

John Lattimer

Co-Chair Land Use

Carol Grimwood

Co-Chair Land Use

Bill Dixon

Land Use Committee

From: Alan and Claudia Underwood <underwoods80@gmail.com>

**Sent:** Monday, May 5, 2025 4:30 PM

**To:** Eunice Kim

**Subject:** City of Salem Evergreen Housing Project

Hello, we are Alan and Claudia Underwood. We have lived on 24th St. N.E. since 1992. We endorse our nextdoor neighbor, Christine Ruffolo's email to you. Her idea is a fair solution to ALL involved, on BOTH sides of our back fences.

Thank you for your interest in helping our community!

Alan and Claudia Underwood