From:	Steve Anderson
То:	<u>CityRecorder</u>
Subject:	Testimony for Agenda Item 4.a Tonight
Date:	Tuesday, May 27, 2025 12:01:14 PM
Attachments:	WSNA HPS City Council Testimony.pdf

Attached is testimony from the West Salem Neighborhood Association on Agenda Item 4.a. Salem Housing Production Study.

Please enter into the record and include in city councilor packets for tonight's meeting. Thank you.

QUESTION: I plan to testify tonight in person and was wondering if you could place this PDF file on the screen for view? I want to refer to Figure 1, the last page in this PDF file. Can this be done easily on your part. Not wanting to make extra work. I can bring a thumb drive with this file, or with a PDF of Figure 1 only, or a jpeg file. What works best for you. I hope that this PDF can be loaded and I can speak from it as we view Figure 1.

Again, thank you for your help. Please let me know best way to use Figure 1 tonight. Email or call, your choice.

Steve Anderson, WSNA Land Use Chair 503-602-1623 Cell #



SUBJECT: HOUSING PRODUCTION STRATEGY Agenda Item No. 4.a.

ISSUE:

The Planning Commission **RECOMMENDED** the City Council **not adopt** the draft Housing Production Strategy (HPS) and send it back to staff for refinement. Staff are bringing this before the City Council for consideration, contrary to the Planning Commission recommendation.

RECOMMENDATION:

West Salem Neighborhood Association recommends that the Council <u>NOT ADOPT</u> Resolution 2025-11. Instead, adopt the recommendation of The Planning Commission returning to Staff the Housing Production Strategy for further refinement.

We suggest that Staff prepare two or three inclusive/comprehensive housing production strategies for future Council consideration based upon the Cost/Benefit Analysis presented herein. Currently, there is no focus as to which of the presented 17 strategies in the HPS are likely to best achieve increased housing production at a reasonable cost (staff time and financial resources of the city).

COST / BENEFIT ANALYSIS:

Below is a straightforward Cost/Benefit Analysis based upon the consultant's data within the HPS (Figure 1). This cost/benefit analysis shows which of the 17 housing production strategies (see Attachment 1) are the best choice for the associated cost.

- As you move along the x-axis (potential impacts on housing production) the further right you move the greater benefits.
- As you move along the y-axis from bottom left to the top of the page the greater the funding requirements (costs).

Of the 17 proposed housing production strategies to improve housing production, only 4 (A, B. C & F - marked in green) provide a hope for increased housing production at a reasonable cost. All others (marked in red) do not produce the benefits sought at a reasonable cost. The 3 strategies marked in black are marginal and may be possible for consideration, but with some reservation.

Following the Planning Commission recommendation to return the HPS to staff for further refinement, we believe by using the Cost/Benefit analysis two or three inclusive/comprehensive scenarios can be developed. This would look like a subset of the 17 strategies that offer increased housing production over the next 6 years at a reasonable cost to the city. This is especially important given current city budget limitations.



ATTACHMENT 1: Housing Production Strategies

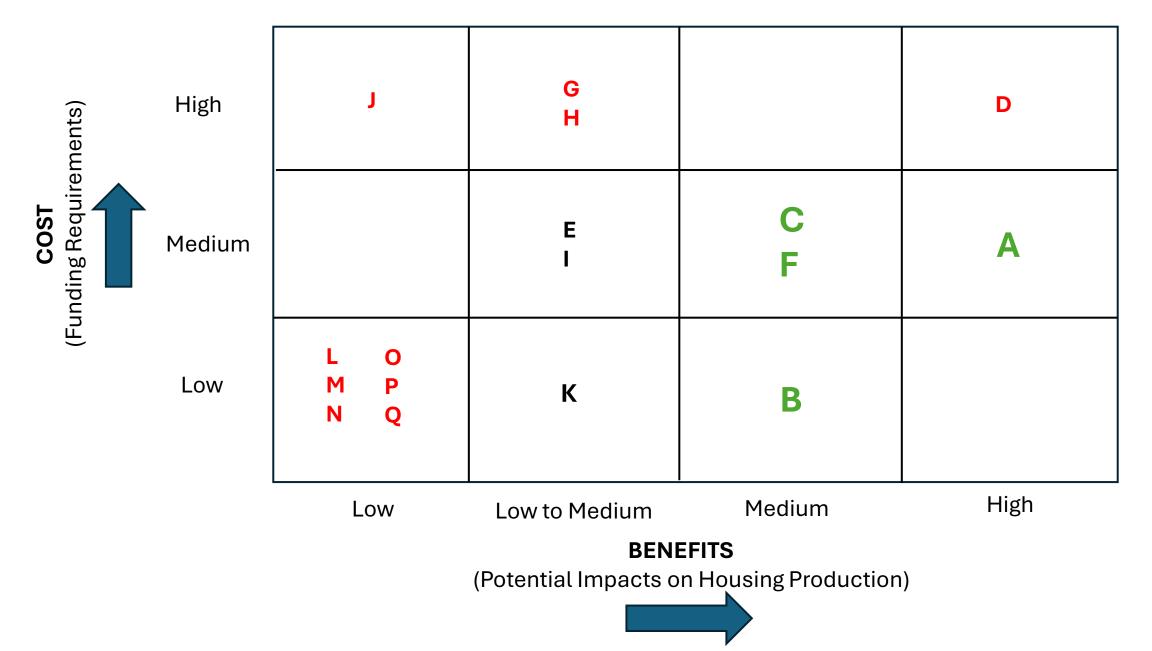
	Housing				
	Production or	Primary Housing Type	Potential Impact on	Funding	Implementation
Action	Preservation	Supported	Housing	Required	timeframe
A. Develop a New Urban Renewal Area	Production	Variety - including affordable housing	High	Medium (contract in place)	Near term
B. Develop a Single Property Urban		Multifamily housing, including affordable.			
Renewal Program	Production	housing	Medium	Low	Near term
C. Develop a New Middle Housing Urban,Renewal Area Program	Production	Middle housing	Medium	Medium	Long term
D. Fund Infrastructure Improvements to Support Housing Development	Production	All housing types	High	High	Medium term
E. Revise System Development Charges Methodology for Smaller Housing Types	Production	Middle housing and smaller homes	Low to Medium	Medium	Medium term
F. Identify a New Multi Unit Housing Tax Incentive Program area	Production	Multifamily housing, including affordable housing	Medium	Medium	Medium term
G. Support Housing Development in Areas of Opportunity	Production	Affordable or mixed-income housing	Low to Medium	High	Medium term
H. Support Development of Permanent Supportive Housing	Production	Affordable housing	Low to Medium	High	Near term
I. Support Development by Community Land Trusts	Production	Affordable homeownershi p	Low to Medium	Medium	Medium term
J. Provide Homebuyer Assistance	NA	Affordable homeownershi p	Low	High	Medium term
K. Revise the Zoning Code to Support more Development of Needed Housing	Production	All housing types	Low to Medium	Low	Medium term
L. Revise the Zoning Code to Preserve Nonconforming Housing	Preservation	Existing	Low	Low	Near term
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ATTACHMENT 1 (Cont)

		Housing	Required	Implementation timeframe
	All housing			
Production	types	Low	Low	Near term
Preservation	Manufactured homes	Low	Low	Near term
	All housing types, including affordable			
	Middle housing and accessory			Near term Near term
	All housing types (protected			Near term
		PreservationManufactured homesPreservationAll housing types, including affordable housingProductionhousingProductionMiddle housing and accessory dwelling unitsProductionAll housing	Preservation Manufactured homes Low All housing types, including affordable Low Production housing Low Middle housing and accessory Low Production Middle Low All housing and accessory Low All housing and accessory Low All housing types (protected Low	Preservation Manufactured homes Low All housing types, including affordable Production Low Production Low Middle housing and accessory Production Low All housing affordable housing and accessory Production Low All housing types (protected Low

FIGURE 1: PROPOSED 17 HOUSING PRODUCITON STRATEGIES COST / BENEFIT MATRIX



From:	noreply@cityofsalem.net on behalf of sarah@communitydevpartners.com
To:	<u>CityRecorder</u>
Subject:	Submission
Date:	Tuesday, May 27, 2025 4:28:06 PM
Attachments:	Written Testimony to Salem City Council.docx

Your Name	Sarah Schubert
Your Email	sarah@communitydevpartners.com
Your Phone	917-952-0468
Message	See attached testimony in support of the Salem Housing Production Strategy.

This email was generated by the dynamic web forms contact us form on 5/27/2025.

Written Testimony to Salem City Council on the Salem Housing Production Strategy

To the Honorable Members of the Salem City Council:

Community Development Partners ("CDP") is a mission driven for-profit affordable housing developer. We have developed and own and operate over 4,200 affordable housing units in Oregon, California, Nevada, Colorado and Arizona. The need for affordable and middle income housing is great in all communities across the United States and is especially pressing in Oregon. CDP's mission is to enhance quality of life through community development centered around affordable housing. Our vision is to reimagine community development from the ground up and to create communities that will catalyze the surrounding neighborhood while providing safe, high-quality housing coupled with supportive services.

We appreciate the hard work of the City of Salem and ECONorthwest to develop the Salem Housing Production Strategy. We also acknowledge the hard work of the community members that participated in engagement sessions to help guide the strategy. As outlined in the report, cities have a critical role to play in encouraging and assisting the development of affordable and middle-income housing. Cities may wish to encourage housing for certain groups such as homeless individuals and families and larger families. For example, the Community Engagement done by the city identified Latino and Micronesian groups as desiring larger apartments which are more expensive to build and operate.

CDP recently completed Mahonia Crossing in the South Gateway neighborhood of Salem. Developed in conjunction with Scott Edwards Architecture and Gerding Builders, we are very proud of this 313-unit Community for All Ages project. Mahonia Crossing offers intergenerational living for residents earning between 30% to 80% of Area Median Income. The project provides homes for families displaced from the wildfires, agricultural workers and seniors and families. There is a standalone community building which was built using Cross Laminated Timber. The entire community is a testament to what can be developed when deep community engagement, partnership and public support occur.

Projects like Mahonia Crossing are complex undertakings and can often take many years to conceptualize and to put together the partnerships and funding that make the project a reality. Affordable housing and mixed-use development continue to face strong headwinds as interest rates are relatively high, there is uncertainty around tariffs, and the availability of federal funding is shrinking.

The biggest barriers to affordable housing development beside market and regulatory conditions are availability and cost of land in high opportunity areas, availability of gap funding, ease of permitting and availability of other incentive programs to reduce the cost of

development such as SDC waivers. We are supportive of all the programs outlined in the report. The most impactful changes will be financial, either by providing development incentives or free land coupled with additional subsidy. The need for deeply affordable housing is critical, yet it can be difficult to develop housing for individuals experiencing homelessness or for families earning around 30% Area Median Income. It is also difficult to develop mixed use housing as commercial space triggers prevailing wages and makes the entire project more expensive. Therefore, the City incentives will encourage development and could be the difference between a feasible and infeasible project.

Also, because OHCS is the primary funder of affordable housing in the state, it is important for the City of Salem to align their programs to support the programs offered by the State. With the retrenchment of the federal government, it is critical that there is coordination between the local and state governments.

Thank you to your commitment to creating more housing opportunities for the residents of Salem and thank you for your time.