From: noreply@cityofsalem.net on behalf of jcgrimwood@comcast.net

To: <u>CityRecorder</u>
Subject: Contact City Recorder

**Date:** Monday, May 26, 2025 11:27:31 PM

Attachments: ATT00001.bin

Your Name	Carol Grimwood			
Your Email	jcgrimwood@comcast.net			
Your Phone	5033632193			
Zip	97302			
Message	Please accept this written statement regarding Council meeting May 27th and voting to adopt the housing production strategy. As a board member of the Southwest Association of Neighborhoods, we provided strategy input. However, I am personally appealing to Council to carefully consider the implications of continued or enhancing Tax Incentive Programs for new urban renewal and multiunit housing production. I learned from news reports and from staff, council members and the previous mayor at our neighborhood meetings that these projects have routinely received tax deferrals or abatement, some of which extend for decades. Even when only the minimum required units (which I understood is ten percent) are dedicated to "affordable" or "low income", the entire project is generally absolved from property taxation. I was not successful at learning the amount of historically lost or potential future lost revenues to the city. Staff indicated there are no such records, but offered the amounts were not likely to significantly affect Salem's budget woes. I was provided some materials to try and extrapolate the information myself but alas, accounting is not my forte. Salem voters recently passed the tax levy to provide continued valuable services via increased property taxes. But we are clearly at a tolerance tipping point and must consider tapping every possible resource to broaden the revenue base. It's time to do the math and calculate only the affordable/low income dedicated units for tax breaks, not entire complexes. Or consider eligibility for breaks only on those projects in the bounds of dedicated transit corridors. Even if it amounts to "only" saving a few precious jobs for safety and livability, it's worth it. Thank you for your consideration and work to keep Salem a desirable place.			

This email was generated by the dynamic web forms contact us form on 5/26/2025.

From: <u>Mike Erdmann</u>

To: CityRecorder; Julie Hoy; Paul Tigan; Linda Nishioka; Shane Matthews; Deanna Gwyn; Dr. Irvin M Brown; Vanessa

Nordyke; Micki Varney

Subject: Home Builders Association written testimony on Housing Production Strategy (5/27/25 agenda item 4.a)

**Date:** Friday, May 23, 2025 9:51:02 AM

Attachments: image001.png

Housing Production Strategy - HBA written testimony.pdf

Mayor Hoy & City Councilors, the attached written testimony is submitted for Tuesday's public hearing regarding the draft Housing Production Strategy.



## Mike Erdmann

CEO

Home Builders Association of Marion & Polk Counties 2075 Madrona Ave SE, Suite 100, Salem, OR 97302 desk 503-363-6676 | cell 503-409-3187 www.homebuildersassociation.org



2075 Madrona Ave. SE Suite 100 Salem, Oregon 97302 **T** 503-399-1500 **F** 503-399-0651

May 22, 2025

Mayor Julie Hoy Salem City Council City of Salem 555 Liberty St NE Salem, OR 97301

RE: May 27 City Council Agenda Item 4.a - Housing Production Strategy adoption public hearing

Dear Mayor Hoy & City Councilors:

The Home Builders Association of Marion & Polk Counties wishes to thank staff for the many hours that have gone into the development of Salem's first Housing Production Strategy. Our sincere hope is that this Housing Production Strategy can become a catalyst in our collective efforts to make housing more affordable in Salem, and not simply an exercise in demonstrating compliance with state mandates. While we support the adoption of the draft Housing Production Strategy, it is important to note that many of the ideas before you - down-payment assistance, new urban-renewal areas, additional tax exemptions—are all well-intentioned programs, but they treat symptoms rather than the underlying disease and each of them depends on new public dollars at a time when the City is already wrestling with a budget crisis. The one clear exception is the strategy aimed at regulatory reform and revising the zoning code. We strongly support that element, because – unlike the spending driven fixes – it goes straight to the structural cost drivers that make the production of new housing in Salem so expensive and can be implemented with far less strain on the General Fund. Until we confront the structural reasons it costs so much more to produce new housing here than in other parts of the country, affordability will continue to slip out of reach for Salem families.

Consider a standard single-family lot in Salem today. A standard lot in a new subdivision in Salem this Spring is selling for about \$200,000, and this is of course before any construction on the actual house begins. Layer on permits and systems-development charges that easily add another \$25,000-plus, and a builder is \$225,000 in before buying the first two-by-four. Meanwhile, your own Housing Production Strategy notes that **52 percent of Salem households earn 80 percent of Area Median Income or less, and the top end of that group can afford roughly \$183,000 to \$219,000 for an entire home.** In other words, the dirt under the house already exceeds what half the city can afford to pay for the finished product.

Why is that? It does **not** cost more in Oregon to buy lumber, hang drywall, or install flooring. What does cost more is getting land ready for those materials:

- A lack of developable land that constrains supply and bids up raw land prices, and often forces developers onto difficult and costly-to-develop sites steep slopes, etc simply because no easier sites remain. One practical remedy is for the City to work proactively with willing property owners adjacent to the city limits, yet already inside the Urban Growth Boundary, to have the City initiate annexation of their land and thus helping to add supply to a constrained market;
- Layer upon layer of local regulation that adds time, risk, inflexibility and costs;
- A permitting process that can take two or three years to get through, much longer than elsewhere in the country.

Every one of those steps was adopted for a positive purpose, but together they act like high blood-pressure: unseen day to day, yet steadily squeezing affordability out of the market.

If our zoning code and permitting timeline add tens of thousands of dollars per unit, the most powerful affordability tool available to Salem is the one that costs the City almost nothing: modernize the code, streamline approvals, and expand the land supply so competition—not scarcity—sets prices.

We urge you, therefore, to ensure that the Housing Production Strategy places zoning code reform at its center, and to add land use permitting process improvements to the menu of action items.

If we are unwilling to take on those root causes of housing unaffordability because existing processes or protections feel too important to touch, then we have implicitly decided that affordability is not a priority and should take a back seat.

Our organization stands ready to work with you on reforms that will add housing units, lower prices, and cost the City far less than new and expanded programs.

Thank you for your service and for the opportunity to weigh in on this important issue.

Sincerely,

Mike Erdmann

Chief Executive Officer

 From:
 <u>Eunice Kim</u>

 To:
 <u>CityRecorder</u>

 Cc:
 <u>Lisa Anderson-Ogilvie</u>

Subject: Fw: Comments supporting the modifications under consideration - Building in Salem

**Date:** Monday, May 26, 2025 4:45:11 PM

Here are comments for the public hearing on the housing production strategy on May 27.

Eunice Kim, AICP, LEED GA

She/her/hers

Long Range Planning Manager

City of Salem | Community Planning Development Department | Planning
555 Liberty St SE, Suite 305

Salem, Oregon 97301

ekim@cityofsalem.net | 503-540-2308

From: Mitch Teal <arealtealdeal@aol.com>

**Sent:** Monday, May 26, 2025 3:23 PM **To:** Eunice Kim < EKim@cityofsalem.net>

**Cc:** Stevej98 < stevej98@teleport.com>; fwstovindesigner@gmail.com

<fwstovindesigner@gmail.com>; Mitch Teal <arealtealdeal@aol.com>; Marsha Spring
<marshaspring@gmail.com>

**Subject:** Comments supporting the modifications under consideration - Building in Salem

Eunice Kim, Planning Director and members of Salem's City Council:

I want to express my agreement with the efforts of the consultant group which has made recommendations specific to the private sector's present construction challenges, faced by we citizens that are willing to become involved in the building of new middle housing.

Construction regulations like S.D.C fees foundation setback / separation distances, height regulations, landscape architect's review, utility connection fees, lengthy plan approval processes, pre-application conference fees, etc. drive cost at the,conception of, and before beginning of a project.

If Salem is serious about wanting more middle housing for it citizens, it is critical that the regulations be made more rapidly complied with and much more affordable.

Thank you for you considered attention to this matter. My decision to move forward (or not) with the plan in hand, will be dictated by the council's vote.

Sincerely,

Mitch Teal
ArealTealDeal@aol.com
(503) 851-8325 cell direct

From: <u>Eunice Kim</u>
To: <u>CityRecorder</u>

**Subject:** FW: The Evergreen Project/draft of Housing Production Strategy

**Date:** Tuesday, May 27, 2025 9:34:14 AM

For the public hearing on the draft Housing Production Strategy tonight

#### **-Eunice Kim** | 503-540-2308

City of Salem | Community Planning and Development Department | Planning

**From:** Stacy Simmons <dontmakemespelleucalyptus@gmail.com>

**Sent:** Sunday, May 25, 2025 10:33 AM **To:** Eunice Kim <EKim@cityofsalem.net>

**Subject:** re: The Evergreen Project/draft of Housing Production Strategy

Dear Ms. Kim.

We have lived in the house we own on 23rd St. NE for 12 years. In that time, we have seen a great increase in the traffic on Market Street.

The proposed "Evergreen Project" is of great concern to us residents. The demolition of the 6 single occupant cottages (and surrounding green space) and the plan to build 26 to 28 new units would increase the population on that parcel to 10 TIMES what it is currently. Market Street is already overtaxed and dangerous; it has become merely an extension of the freeway. Traffic (traveling both East and West) is so thick at nearly every hour of the day that it is already difficult to pull out onto it from our street and the side streets around. We have seen the aftermath of many automobile accidents; a motorcyclist died at 23rd and Market last Summer.

The cottage residents who reside where the project is planned deserve to retain their current homes and green space, which is a much better fit for our already too dense area. Quadrupling the population - and traffic which accompanies such a change - would be disastrous for our neighborhood.

The new housing development (Gussie Bell Commons) currently under construction at D St. and 23rd St. NE, will house as many as 500 people within two years. The increased traffic on Market St. (and the surrounding residential streets) from this project alone will be hard to take.

Please reconsider.

# Thank you.

Stacy Simmons 1740 23rd St. NE Salem, OR 97301 503 851 9965 From: Mark wigg

To: Tami Carpenter; citycouncil
Subject: housing strategy comments
Date: Tuesday, May 27, 2025 8:46:06 AM

#### Draft Housing Strategy

Thank you for your service to our community and for the progress you have made in housing those most in need. With the decrease in federal funding and increases in rent, we will have more evictions and people sleeping in cars and camping.

We have thousands of people without safe places to sleep and that is a housing emergency. After natural disasters such as Hurricane Katrina, thousands of trailers were provided for the unsheltered within days. Trailers are relatively inexpensive, and they can be housing people quickly. The housing strategy needs to focus on the emergency we are facing must include strategies for providing housing for thousands of people as quickly as possible. 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. For under \$10,000, I added a shower that let me share my home with four women and at no cost to the city. Providing grants to people willing to share their home will be a low-cost way to increase the housing supply. Rent at my house including utilities averages only \$600 a month, affordable for students and women on social security. Home sharing will add housing at a 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 keeping existing parks but does not mention supporting the creation of new RV parks. If the city used the \$10million bond money to buy land or subsidize the construction of RV parks we could start moving people to these properties this year.

Don't create new Urban Renewal Areas such as North Waterfront that would be developed without being in an Urban Renewal Area. URA's cost the city millions of dollars each year and provide very little benefit. What did the city gain from the South Park Block URA. A rough estimate of the Jory URA indicates that we are giving a \$470,000 a year tax break to get less than \$50,000 a year in benefits. This is an example of why Salem is broke.

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

emergency.

Mark Wigg

Ward 2

From: Evan West

To: CityRecorder; Julie Hoy; Linda Nishioka; Vanessa Nordyke; Roz Shirack; oversunoversky@hotmail.com; John

**Prohodsky** 

Subject: SCAN Official Comment on Housing Production Strategy for Council Hearing

**Date:** Saturday, May 24, 2025 7:03:34 PM

Attachments: SCAN Comments-Housing Production Strategies (1).pdf

#### Mayor Hoy and Members of City Council,

Please see attached the comments from the South Central Association of Neighbors in advance of the Council hearing on May 27. These comments were prepared first by our Land Use Committee and then presented to the full board for vote of approval. The motion to approve and send to Council carried. Please let me know if you have any questions for us. Thank you.

Sincerely,

Evan West, SCAN Chair.

CC: Roz Shirack, Land Use Chair. Ariel Loveall, Vice Chair. John Prohodsky, Secretary

--

Evan West, M.A. He/Him/His 970-980-1445 evanwest714@gmail.com

# South Central Association of Neighbors



www.scansalem.org

@scansalemofficial

www.facebook.com/salemscan

May 19, 2025

TO: Salem City Council

FROM: South Central Association of Neighbors (SCAN)

SUBJECT: Comments for Public Hearing on Housing Production Strategy, May 27, 2025

SCAN 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 housing, 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:

# South Central Association of Neighbors



www.scansalem.org

@ <u>ascansalemofficial</u>

www.facebook.com/salemscan

#### Revise the system development charges methodology

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