



Staff Report

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Date: 6/17/2024

Item #: 2.a.

TO: Mayor, City Council, and Planning Commission

THROUGH: Keith Stahley, City Manager

FROM: Kristin Retherford, Community Planning and Development Department Director

SUBJECT:

Work session to provide an update on Salem's Housing Production Strategy project

Ward(s): All Wards

Councilor(s): All Councilors

Neighborhood(s): All Neighborhoods

Result Area(s): Welcoming and Livable Community.

SUMMARY:

The City is working to develop Salem's first Housing Production Strategy, which will outline how the City plans to encourage housing development. The City has been engaging the community and analyzing data to better understand Salem's housing needs and has started discussing potential strategies to meet those needs.

ISSUE:

Information regarding the development of Salem's first Housing Production Strategy

RECOMMENDATION:

Information only

FACTS AND FINDINGS:

The City is working to develop Salem's first Housing Production Strategy (HPS), which will outline the tools, policies, and actions that the City plans to take to promote housing development. The development of the HPS includes three major components:

- Confirming Salem's housing needs

- Conducting a market study to determine the feasibility of developing housing in mixed-use areas
- Developing housing production strategies

Since February, the City has been working with the consultant ECONorthwest to better understand Salem's housing needs by analyzing data and engaging the community. This has included meeting with neighborhood association land use chairs, attending community meetings, and holding several focus groups with organizations that serve marginalized or underserved communities. The City also participated in events that were co-hosted by the Micronesian Islander Community and Enlace Cross-Cultural Community Development Project. In addition, the City conducted a webinar and a citywide survey, which was translated into three languages in addition to English.

The results of that community engagement as well as an analysis of housing and demographic data will be presented at the joint Planning Commission and City Council work session. The work session will also include a high-level overview of residential development feasibility.

In addition, the Planning Commission and City Council will be asked to begin discussing new potential tools or strategies that the City could use to encourage more housing development. This could include new or updated financial incentives, regulatory changes, partnerships, land acquisition, and other actions. This input will help inform the next steps in the HPS project.

Housing Production Strategy Overview

A HPS outlines how a city plans to address the housing needs identified in its analysis of housing capacity. Salem adopted its Housing Needs Analysis (HNA) in 2022 with the adoption of the Our Salem project. That multi-year project redesignated and rezoned enough land to accommodate Salem's projected housing needs, including land for multifamily housing.

Developing a HPS is the next step, as it focuses on strategies to promote the production of housing. In an HPS, each strategy includes a timeline for implementation and an estimated magnitude of impact.

A HPS will further the City's overall efforts to encourage housing choices, access, and affordability, while promoting equity and mitigating displacement. It will also help the City coordinate and advance housing priorities that have been established in Salem's updated Comprehensive Plan, the State's Climate-Friendly and Equitable Communities rules, the Salem Climate Action Plan, and other housing-related work.

BACKGROUND:

The City received a Housing Planning Assistance Grant from the Oregon Department of Land Conservation and Development (DLCD) to help develop its HPS. The State therefore is paying for a consultant to assist the City. The City is required by State rules to adopt a HPS by December 31, 2025.

Eunice Kim
Long Range Planning Manager

Attachments: