



100 HIGH STREET S.E., Suite 200 | SALEM, OREGON 97301 | www.mwvcog.org
T: 503.588.6177 | F: 503-588-6094 | E: mwvcog@mwvcog.org
An equal opportunity lender, provider, and employer

Memorandum

Date: February 28, 2023
To: City of Salem staff
From: Kim Sapunar, Associate Planner, MWVCOG
Re: **Technical Memo #1 Identify Housing CFA Need, City of Salem**

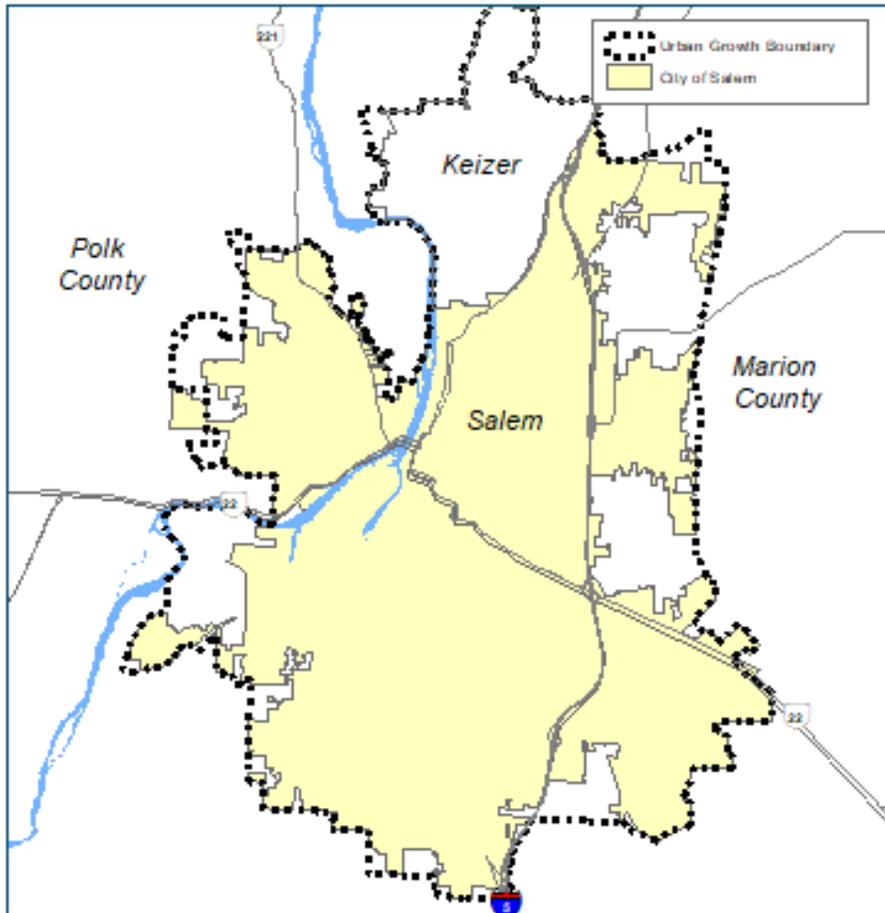
The city of Salem's target number of housing units to be accommodated with the designation of Climate Friendly Areas (CFAs), referred to in Salem as Walkable, Mixed-Use Areas (WaMUAs) is **25,956** units. This technical memo will show the steps behind the documentation of that number. This memo is part of Task 2 of the scope of work of the DLCD-MWVCOG intergovernmental agreement.¹ To determine the dwelling unit requirement for CFAs as described in OAR 660-012-0315(1), both the existing and future number of housing units are needed for the city of Salem.

Several jurisdictional areas are referred to in this memo, and housing numbers are summarized by city limits, the urban growth boundary and divided between Polk and Marion counties. **Map 1** illustrates the Salem city limits in relation to its urban growth boundary, and the Willamette River serves as the division between Polk and Marion counties. The Salem-Keizer area is unique as it has a shared urban growth boundary between two cities. References in this memo will be for Salem's portion only of the shared UGB, not including calculations for the city of Keizer.

In addition, Marion County unincorporated area within the UGB is in an urban area required to establish CFAs of its own. This is a consideration when determining future needed housing for Salem and is addressed in Step 3 of the memo.

¹ **From the Scope of Work:** *Identify Housing Needs within CFAs:*
The technical memo will describe the data and process to calculate the amount of required housing in CFAs to meet the 30 percent requirement in OAR 660-012-0315(1) for the City.

Map 1 City Limits and Urban Growth Boundary



Step 1: Calculate Existing Housing for the City

Existing housing numbers are available from the 2020 decennial census redistricting data, which provides housing counts by the small geography of census blocks². This data is the result of the census enumeration and is considered very accurate. The data is available in a Geographic Information System and summarized to city limits and UGB boundaries.

From the 2020 census, **Table 1** shows housing units for the city of Salem and divided between Polk and Marion Counties (correlating to West Salem, and the rest of the city). The city of Salem 2020 housing unit count is 67,213. This is inside the whole of Salem’s city limits.

² OAR 660-012-0315(1)(b) indicates that the most recent housing capacity analysis provide existing and future housing numbers, however in order to determine the number of housing units split between Salem city limits and unincorporated Marion County within the UGB, 2020 decennial census data in GIS was used as the only available source. Salem’s Housing Needs Analysis (HNA) did not provide this split of the UGB. The HNA (table B-2) used Census 2010, SF1 Table QT-H2 from the previous decennial census for a total of 57,290 housing units for the city only, a difference of 9,923 units compared to 2020 Decennial census data. As the difference was substantial, the 2020 data was used as it is far more current. This approach was confirmed with DLCD staff 2/14/2023.

Table 1 Existing Housing Units in City Limits

Salem City Limits	Existing Housing units from 2020 Census Redistricting
Housing units in Polk County (West Salem)	11,818
Housing units in Marion County (East Salem)	55,395
Housing units inside city limits of Salem	67,213

Step 2: Calculate Existing Housing for the UGB between Marion County and Polk County and between the City and Unincorporated Land:

Salem’s Housing Needs Analysis has determined future housing need for the whole UGB. To determine the correct allocation of future housing for Salem, and subsequently Marion County’s unincorporated area within the Salem UGB, the division between both Polk and Marion County, and then city and county housing is needed for allocating in the next steps.

Table 2 shows the division of existing housing units for the UGB, with units in Marion County totaling **69,623**.

Table 2 Existing Housing Units by UGB

Salem UGB	Existing Housing units from 2020 Census Redistricting
Housing units in Polk County (West Salem)	12,489
Housing units in Marion County (East Salem)	69,623
Housing units Salem UGB	82,112

Table 3 shows the division of those **69,623** units between the city limits and the unincorporated area of Marion County only.

Table 3 Split of Housing between City Limits and County Land

Housing split between city and county within UGB (Marion County only)	Existing Housing units from 2020 Census Redistricting
Inside city limits	55,395
Outside city limits	14,228
Total units inside UGB, Marion County only	69,623

Step 3: Identify Future Housing Need

To identify future housing needs, the rules state OAR 660-012-0315(1):

“The total number of housing units necessary to meet all current and future housing needs shall be determined from the local government’s most recent adopted and acknowledged housing capacity analysis, by adding the total number of existing dwelling units identified in the buildable land inventory to the anticipated number of future needed housing units over the planning period”

Salem conducted a Housing Needs Analysis³ as a precursor to their recent comprehensive plan update, *Our Salem*. The *Our Salem* update process was conducted over the last 4 years and adopted by the Salem city council in July 2022, at which time the Housing Needs Analysis was included in the adoption process. **Table 4**, which is a figure from the final report, shows a housing need of 23,355 units. This number was determined for the whole Salem UGB.

Table 4 Figure from Salem HNA Needed Units

Table 4. Needed mix for housing built in the Salem portion of the UGB, 2015 to 2035 period

Variable	Mix of New Housing Units (2015-2035)
Total new dwelling units (2015-2035)	23,355
Dwelling units by structure type	
Single-family detached	
Percent single-family detached DU	60%
equals Total new single-family detached DU	14,013
Single-family attached	
Percent single-family attached DU	5%
equals Total new single-family attached DU	1,168
Multifamily	
Percent multifamily detached DU	35%
Total new multifamily DU	8,174
equals Total new dwelling units (2015-2035)	23,355

Source: ECONorthwest

Note: DU is dwelling unit.

³ Salem Housing Needs Analysis 2015 to 2035, December 2014, by ECONorthwest

Step 4: Calculate Future Housing Split between the City and Marion County

The future housing need for the UGB was divided between the city of Salem and unincorporated Marion County, based on the percentage of existing housing units in each area.

The number of Marion County housing units that falls outside of the city limits of Salem and is still inside the Salem UGB equals 14,228 units. The balance of the Salem UGB, without Marion County’s housing equals 67,884 units, this area includes the entire city limits, and a small amount of housing in Polk County that is also outside of city limits and inside of Salem’s UGB. Therefore, Salem has 83 percent of the housing in the UGB, and Marion County has 17 percent.

Table 5 shows this split of housing numbers. Applying 83 percent to the HNA future housing total 23,355 results in **19,308** units as Salem’s future housing need (83% * 23,355 = 19,308 housing units).

Table 5 Future Housing Need

Housing split between city and Marion County, whole UGB	Existing Housing units from 2020 Census Redistricting	Percentage of existing housing	Future Housing Units, split
Salem's (inside city limits and Polk County)	67,884	83%	19,308
Marion County unincorporated (outside city limits)	14,228	17%	4,047
Housing units Salem UGB	82,112		
Future Need from Salem HNA for UGB			23,355

Step 5: Calculate the Target Number of Housing Units for Salem CFAs

The target number of housing to be accommodated with the designation of CFA(s) is specified in OAR 660-012-0315(1): “... designate climate friendly areas sufficient to accommodate at least 30 percent of the total identified number of housing units necessary to meet all current and future housing needs”.

Table 6 has existing housing from Step 1, and future housing numbers from Step 4 to equal 86,521 units. Applying the 30 percent per the rule results in a CFA target for the city of Salem of **25,956** units (86,521 units * 30% = 25,956 target units)⁴.

⁴ As noted in the IGA, there were preliminary estimates (for the purposes of scoping) of future housing and housing unit requirements in CFA, shown in table 1. “Noted that these numbers may be subject to revision as part of this task.” The final numbers derived in this process differ slightly from the original table, based on the correct calculation of existing housing units in the UGB.

Table 6 Target Housing Number for Salem CFAs

	Existing Housing Units from 2020 Census Redistricting	Future Housing Units (Salem only)	Total Existing and Future units	Target Number of Housing Units in the CFA(s) 30%
City of Salem (city limits only)	67,213	19,308	86,521	25,956