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# Memorandum

**Date:** March 20, 2023  
**To:** City of Salem, City of Keizer, and Marion County staff  
**From:** Kim Sapunar and Scott Whyte  
**Re:** **Background and Summary of Technical Process**

## Background

The Land Conservation and Development Commission launched the Climate-Friendly and Equitable Communities rulemaking in response to Governor Brown’s Executive Order 20-04. It directed the Department of Land Conservation and Development “DLCD”, to amend rules governing Oregon’s planning system for communities in Oregon’s eight most populated areas. In July 2022, new rules were adopted.

The rules require cities with a population over 5,000 within the seven metropolitan areas outside of Portland Metro to adopt regulations allowing walkable mixed-use development in defined areas within urban growth boundaries. The rules provide a two phased process for local governments to first study the potential designation of CFAs, then in a second phase to adopt development standards for those areas.

The work done by the MWVCOG in this project implements OAR 660-012-0315 (4), which requires local governments to submit a study to identify potential CFAs by December 31, 2023.

## Overview of Work

The rules specify two methods of CFA implementation for jurisdictions to choose from, Salem, Keizer and Marion County chose to follow the prescriptive path for the study as specified in [OAR 660-012-0310](#). There are many parts and conditions outlined in the rules, and guidance has been provided by DLCD in the implementation of the code. The resulting technical memos step through the details of analysis, and zoning code compliance. Briefly, there are several key factors to keep in mind when reading the study material that are specified in the rules.

- The prescriptive analysis path is a zoning capacity analysis. That is, without regards to what is currently built, it looks at what is possible to build. This differs from a buildable land inventory or housing needs analysis that inventories vacant, partially vacant, or re-developable land. For this study, existing land uses are not part of the evaluation.
- Zoning by area is “built out” to capacity, from the total build-out **only 30%** is counted towards future housing, no matter what the underlying zoning category as per the rules.
- The target amount of housing to be accommodated by CFA(s) is determined by the rules with a unique formula of [(all existing housing + future need = Total) \* 30%]. The target number is 30% of **both** existing and future housing combined.
- The future housing need number is taken from work done by the city or county through a housing needs analysis (HNA). This supplies a target number of needed/future housing units over a 20-year planning horizon. The future year of the HNA planning horizon depends upon when the HNA was last updated. Salem and Keizer are required to update their HNA every 8 years.
- Existing housing unit counts come from 2020 census data to allow for the summary of housing by unique areas, for example outside of the city limits but inside of the urban growth boundary. The summaries were done using a geographic information system (GIS) census layer.
- This study does not include a market analysis. It calculates the potential that could be built based on zoning code, not necessarily if or when it will be built.
- The existing housing, currently located in a potential study area does not factor directly into the CFA determination.
- After a CFA study is complete, and CFA boundaries are adopted and implemented by jurisdictions by the end of 2024, other supporting planning plans will be updated by jurisdictions, including Transportations System Plans (TSPs), zoning code or comprehensive plans as necessary.

A summary of the Technical Memos is listed below. Several of the memos contain overlapping information, as the calculation process was often iterative, referencing another part of the work.

- Technical Memo #1 – Housing needs, Dwelling Unit Capacity
- Technical Memo #2 – candidate CFAs
- Technical Memo #3 – coordination between Marion County on CFAs adjacent to city limits
- Technical Memo #4 – Existing and Potential Development Standards Analysis
- Technical Memo #5 – Dwelling Unit Capacity Analysis (of existing and potential development standards)
- Technical Memo #6 - Anti-Displacement Spatial Analysis
- Technical Memo #7 - Final CFA calculate dwelling capacity, and necessary compliance of CFA