

**DATE:** May 29, 2024  
**TO:** Eunice Kim, City of Salem  
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**SUBJECT:** May Focus Groups Summary of Input, Salem Housing Production Strategy

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## Focus Group Objectives

Focus groups were held as a way to garner input and engage key stakeholders to learn more about housing challenges and opportunities to help inform the City of Salem Housing Production Strategy (HPS) project. Two rounds of focus groups will be held. The first round was already held on May 22, 2024, and another round will be held in fall 2024. These discussions focus on learning about the existing housing needs and will be used as a way to gain input on actions under consideration for the HPS. This outreach will build on previously completed research regarding housing needs over the last several years.

The goals of the first round of focus groups (May 2024) were to find new voices who traditionally do not participate in housing strategy development and to focus on communities impacted by the lack of housing. In particular, we gained an improved understanding of unmet housing needs for the following three groups:

1. Low-income service providers, Focus Group 1 (such as Catholic Community Services, Family Promise, and Church at the Park)
2. People with Disabilities and service providers, Focus Group 2 (such as Shangri-La, Salem-Keizer Community Transition Program, Sunny Oaks, and Project Able)
3. Communities of Color and Tribes, Focus Group 3 (such as Farmworkers Housing Development Corporation, Salem for Refugees, Equity Splash, and Mano-a-Mano)

## Project Purpose and Background

Salem is developing a Housing Production Strategy, based on Oregon requirements, with the purpose of identifying specific actions to address Salem's unmet housing needs. This plan will focus on actions that the City of Salem can implement or that partners could implement. The plan will include actions to address unmet housing needs for low to middle-income households and homeowners and renters and it will help increase housing stability, and address needs for people with disabilities, people experiencing homelessness, and historically marginalized communities.

# Summary of Findings from All the May 2024 Focus Groups

## HOUSING NEEDS

- Diverse housing types to accommodate families (including options for very large families), multigenerational households, housing needed for those with disabilities, and seniors (such as housing supporting communal living).
- Affordable housing with supportive community and social services built in along with apartments and group homes are needed. Affordable housing (moderate income to low income) located near transit service with accessibility features (single story) in non-hilly locations would help serve more populations with disabilities.
- Cohousing, cottage clusters, and single-story homes where there is more of a connected community providing support for those isolated with disabilities. Complete neighborhoods and community spaces are needed to build community.
- Funding mechanisms that align with service provider needs, including operations, the costs associated with cleaning and transitioning units to the next tenant, and group property conversions into apartment style housing.
- More acute crises response options such as transitional housing and one-time assistance for housing needs.

## BARRIERS

- Key barriers are related to unclear or a burdensome rules and application requirements for renters and obstacles to navigate for tenants, developers, and landlords of affordable housing and related services. Examples include:
  - Tenants: Accepting financial help for moving expenses from family members can affect their benefits.
  - Developers: Affordable housing development can be delayed due to barriers in the pre-development city permitting phase and with grant requirements.
  - Landlords: As service providers become landlords of properties, they are concerned about how equipped they are to handle the new responsibilities associated with running affordable housing properties.
- Accessing housing: ADA barriers, topography barriers, materials in other languages, ineffective waiting list systems. Housing located on hills end up being challenging for those with mobility issues. The transit service (bus) tends to be challenging due to transit stops not in walkable areas.



## RENT

- Housing costs do not match income levels. Affordable housing and resources for those who are low to moderate income earners and experience high-cost burden; resources for residents at the poverty level are not sufficient to cover the level of need for those in the low to mid income range.
- Tenanting criteria such as requiring a monthly income that is three times higher than monthly payments, application fees, first and last month's rent, rental history, credit history, or criminal history. Need more options to accommodate unique situations.

## HOMEOWNERSHIP

- Need more outreach about available programs and resources, such as Habitat for Humanity's programs.
- Navigators/support staff should provide support in the homebuying process.

## LOCATION OF HOUSING

- Affordable housing near transit to access services.
- Affordable housing in safe, complete neighborhoods with proximity to amenities and services. West and South Salem were mentioned as areas of the city that lacked affordable housing supply.

## HOUSING STABILITY

- Housing displacement can lead to the discontinuation or disruption of social and community services, which are geographically tied to Salem through the school district or other jurisdictionally tied service providers.
- The increasing cost of basic goods and services was cited as disproportionately affecting low-income earners.

## CITY'S ROLE

- Pursue options to increase non-profit and partner involvement in housing development such as with development fee waivers, increased partnership and communication with City of Salem, etc. Upgrade the housing waiting list system to transition to a real time process that has options to elevate urgent cases.
- Land banking to add affordable housing near transit and resources.



## Focus Group 1, Low Income Service Providers

- **Needs**

- More affordable housing with larger bedroom counts are needed for families. Doubling up kids with trauma is not ideal.
- Salem needs options for immediate one-time assistance for families in acute crisis.
- Senior housing is needed since people over 55 years has become the fastest growing homeless population. Senior housing with communal spaces is specifically a need.
- Need more housing that accommodates people with disabilities.
- Increase behavioral health resources for hoarding behaviors, which lead to non-profit fines.
- The waiting lists do not function well. The system needs to be upgrade to a real time process that has options to elevate urgent cases.

- **Barriers**

- Reduced or waived permit fees would help non-profit developers.
- Credit, down payments, and monthly mortgage are all barriers to homeownership.
- Pre-development costs and fees are common sources of financial barriers for non-profit developers.
- Employment status can be a barrier for landlords that want to see evidence of ability to meet monthly payments.

- **Strategies**

- Incentivize affordable homeownership opportunities. Pilot programs for fee waivers, exemptions, etc. for non-profits. Consider ways to expand housing upgrade support programs.
- Land banking: hard to find properties near public transportation.
- Insurance program to cover exorbitant unit turn costs, which can be upwards of \$20,000 in extreme cases.
- An Affordable Housing Bond was suggested as a potential strategy for increasing affordable housing supply (however, it was recognized there already is this type of bond in the City of Salem).
- Tax exemption is crucial for non-profit developers to break even. They do not want to see that policy disappear.



## Focus Group 2, Disabilities and Service Providers

- **Needs**

- Nonprofits are not flush with cash, and need more time and capacity to pursue opportunities that for-profit developers will inherently have a resource advantage for meeting.
- Intellectual Development Disability (IDD) Services housing supply is limited, and it is challenging to navigate the system (deposits for new housing can be challenging to provide). Housing Authority rules requires quick movement which is challenging for those with development disabilities. The IDD population has changed where around two-thirds live with their parents and only a small share of the population are living independently.
- Nonprofits are not kept in the loop and miss opportunities as a result. Communication and partnership between the city and non-profits need to increase.
- Affordable housing with support services built in is essential.
- As service providers also become landlords, they need support on how to protect assets (properties) and handle new operating risks and challenges.
- Housing that accommodates culture preferences and families with disabilities that can warrant intergenerational living.
- Funding for specialized, tangential, or supportive services; while main federal funding pathways are fairly padded with funds, many of the smaller programs have been ended such as Tiger Grants for transportation for people with disabilities.
- Many resources and programs are restricted to the Salem-Keizer geography, so if families are displaced, they lose access to services altogether or have a lapse in services.
- Affordable housing near schools and transit was identified as a need.
- Apartments and group homes are needed. In addition, cohousing and cottage clusters and single-story homes where there is more of a connected community providing support for those isolated with disabilities. Complete neighborhoods and community spaces are needed to mitigate isolation and build community.
- More variety of units to address the different needs such as intergenerational living, independent living,
- Salem needs more disability accessible units that are beyond ADA standards, which are very minimal and not the goal.
- Existing affordable housing is beginning to age and will need repairs.



- Non-profits and service providers need grants for operation and maintenance. There are grant options up-front investments, but the long-term maintenance of properties is a big issue for ongoing costs.
- Non-profits and service providers need grants for transitioning group properties into apartment style living. It is not a funding priority at the state level.
- Location: Housing located on hills end up being challenging for those with mobility issues and the transit service (bus) tends to be poor. They have found it is challenging to get to transit stops since the neighborhoods are not as walkable and there are fewer hubs to access. People want to live in communities where they can connect with others at community hubs and services especially if you have a disability since this can cause isolation.

- **Barriers**

- The section 8 waitlist is long and often unmoving.
- Poverty levels to qualify for housing and benefits aren't meeting all of the need, especially for those close to the threshold, who either don't qualify or are hesitant to earn more income due to loss of benefits.
- Unclear or a burdensome number of rules and obstacles to navigate for tenants, developers, and landlords.
- Rental history requirements discriminate against formerly homeless and immigrants (requiring 1 year of rental history).
- Application fees can be a financial barrier to accessing housing.
- Rental rates are unaffordable, especially with current wages.
- Requirement for three times the monthly rent rate in the beginning (first and last month's rent and a deposit) prevents people from securing housing.
- People with felony records are extremely difficult to house because of liability insurance limitations. Service providers can't help these tenants, yet they still need options for where they can live.
- It is difficult to get ahold of the Housing Authority. Non-profits are running their budgets at a loss to keep rents affordable and not displace folks.
- Special programs and pathways to homeownership (such as through Habitat for Humanity) can be confusing, arduous, and intimidating.
- Access to housing is an issue, whether it be long waitlists, inaccessible materials, or physical access (such as a hilly topography).



- Because services are scattered throughout the city, transit access and level of service can be a barrier.
- The expense of larger units for families and intergenerational living can be expensive.
- **Strategies**
  - Look at contextualized cost of living changes for low-income population while; while the cost-of-living ceiling is not seeing changes nationally, the cost-of-living floor is increasing.

## Focus Group 3, Communities of Color and Tribes

- **Needs**
  - Workforce housing, senior housing, veteran housing and affordable housing with supportive services were all identified as needs.
  - Housing solutions for those who are not captured by affordability requirements, but still can't afford prices.
  - Housing with spaces for home businesses.
  - Housing affordable to minimum wage earners.
  - Family sized units, especially units large enough to house:
    - the growing intergenerational housing structures: younger adults are living with parents because of costs, and older adults are returning to live with adult children.
    - a growing number of families with 8 – 10 people and 1 – 2 earners in the immigrant community.
  - Transitional housing, especially for those who are in an acute crisis or need to build a rental history.
  - Providing affordable housing is not enough, need to address barriers to access. Getting housed should be an easier process without hoops to jump through.
  - A strategic and implementable approach to locating housing: near transit, near amenities, in school districts with capacity, and throughout Salem (not just the east and northeast areas).
  - More outreach about homeownership pathways and resources.
  - A homeownership navigator who can do more that give information up front, but rather be there for each step of the way.
- **Barriers**



- Rental history requirements: New refugees either do not have rental history or have untraditional rental history (hotels, friends, - payments but not signed contracts). Need a larger array of indicators that can determine if a tenet is deemed fit. Rental history from a different country does not transfer with immigrants.
  - Credit history: lack of US credit history will come with a higher deposit.
  - Extra fees or deposits for limited or lack of credit and rental history create financial barriers.
  - Incomes do not match housing prices and cost of living.
  - SDCs and infrastructure costs are barriers to development – but will be addressed in another focus group.
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- **Strategies**
    - Attendees were supportive of a housing forum to allow developers and providers to discuss challenges and opportunities.





## Consolidated Questions for May Focus Groups

1. **Introduction:** *Introduce yourself and please tell us about your organization and who you serve. Does your organization have programs/services directly related to housing needs?*
2. **Needs:** *We've heard from the community that there is a significant need for more affordable housing across Salem and a greater variety of housing types (including housing with supportive services, housing for multigenerational families, and housing for people with disabilities)?*
  - *What housing needs are the most significant in the community? What types of housing are most needed in Salem?*
  - *What other housing needs are you seeing now – or do you think are emerging in Salem? How has the availability of needed housing changed over the last decade?*
3. **Rent:** *We've heard that increasing rents have made it challenging for lower-income residents to rent a home. We've also heard that the need for security deposits and rental histories have made it challenging for some to rent a home.*
  - *Are these still barriers people face when trying to rent a home?*
  - *What other barriers are people facing?*
4. **Ownership:** *We've heard that homeownership is out of reach for many lower-income residents in Salem. Does this match your understanding? What are the biggest barriers people face when trying to buy a home in Salem? (e.g., education on home buying, credit score requirements, background check, down payment requirements.)*
5. **Stability:** *We've heard that there are concerns about displacement in the community as housing prices increase.*
  - *Is this a concern amongst people you serve? What specific challenges do people face when trying to stay in their homes?*
  - *If so, what types of expenses – in addition to increasing rents – are pushing people out of their homes?*
  - *What other barriers to people face when trying to stay in their existing housing?*
6. **Location:** *We've heard that the community would like to see more mixed-income neighborhoods in Salem; higher-density housing near transit service; and more mixed-use areas where people can live closer to shops, services, and amenities. Do these priorities still ring true for you and the people you serve?*
  - *What housing location features are most important to your clients? (Example housing location considerations: located in an area with easy access to a job, schools, grocery stores, healthcare services, childcare, transit, walking and biking trails, etc.)*
7. **City's role:** *What are the most important actions the City could take to help meet the community's housing needs?*
8. *Is there anything else you would like to share?*

