

Equity Roundtable Meeting

Date: July 16, 2024

Time: 11 a.m. – 12:30 p.m.

Location: Hybrid (In-person and Zoom)

ATTENDEES (In person and online)

Equity Roundtable Participants

Amador Aguilar, Enlace Cross-Cultural Community Development Project

Kaiden Armstead, McKay High School

Linder Asher, Oregon Marshallese Community Association

Alex Buron, Latinos Unidos Siempre

Irvin Brown, City Councilor elect

Jennifer Colachico, Salem-Keizer School District

Jimmy Jones, Mid-Willamette Valley Community Action Agency

Linda Nishioka, City Councilor Liaison

Rhonda Wolf, United Way of the Mid-Willamette Valley

City of Salem Staff

Julie Hanson, Public Works Department

Eunice Kim, Community Planning and Development Department

Tiffany Ottis, Community Planning and Development Department

Consultants

Beth Goodman, ECONorthwest

Elizabeth McNannay, Resource Consultants

MEETING OVERVIEW

This meeting focused on two housing-related projects: the Housing Production Strategy (HPS), which is an action plan that outlines how Salem plans to encourage housing development, and the Consolidated Plan, which describes how the City plans to distribute federal funding. The goals of the meeting were to:

- Introduce the Housing Production Strategy project and discuss housing needs in Salem
- Discuss potential strategies to promote housing development and their equity impacts
- Provide an overview of the Consolidated Plan process and public participation

Two consultants attended the meeting to present information on how the HPS and Consolidated Plan are being developed. Beth Goodman from ECONorthwest discussed the HPS project, and Elizabeth McNannay from Resource Consultants discussed the Consolidated Plan process.

Housing Production Strategy

Beth Goodman gave a presentation about the City's project to develop Salem's first Housing Production Strategy. The presentation is **attached**. Beth talked about housing needs in Salem, including demographic and housing data and input received from the community. She also provided examples of potential actions that the City could take to encourage the development of housing that is needed in Salem. During and after the presentation, Equity Roundtable

participants asked questions and provided comments, concerns, and ideas. The discussions are summarized below.

Elizabeth McNannay gave a presentation that described what a Consolidated Plan is and how it is developed.

Group Questions and Discussion

Housing Production Strategy and Housing Needs

- Will the HPS be projecting growth in the homeless population, and will it address the need for supportive services?
 - The HPS is not including a projection, but it will talk about strategies to help address the critical issue of homelessness in Salem.
- Data from 10 years ago does not provide a complete picture of the housing issues of today. For example, the rental control policies enacted by the State have resulted in landlords increasing rents to the maximum level allowed. That has compounded the problem of homelessness.
 - Roughly 13,000 households in Salem are hanging on by a thread, as they are considered extremely low income (e.g., earning less than 30 percent of the area median income and making less than \$30,000 a year).
 - Data on the homeless population is not included in the income distribution chart in the HPS presentation to the Equity Roundtable.
- What is the definition of basic discrimination?
 - During the HPS project, the consultant team and staff will be talking to community members about the housing discrimination that they have faced. The consultant team does not assume that it understands the experiences of people in the community, including underserved populations.
- Housing advocates has pushed for a statewide landlord registry. The Oregon Department of Administrative Services or Oregon Housing and Community Services could have made this happen.
 - The City could take this on at the local level to get an understanding of who the landlords are in Salem and make sure there is alignment with fair housing laws.
 - The City could say when a landlord is not following the rules. The City would have to track landlords and complaints.
- The State is not holding developers accountable to their commitments to low-income residents and communities of color. Landlords need to be held accountable.
 - The City does not have an ombudsman.
- The Oregon Housing Stability Council meets monthly and hears issues and complaints related to housing and landlords. The meetings are public and are broadcast. (Here is a link to the Council's meeting schedule and information: <https://www.oregon.gov/ohcs/hsc/Pages/meetings.aspx>)
- Neighborhood associations have been involved in the planning of apartments, and developers say they are going to work with low-income communities. After the apartments have been built, other organizations take over, and the engagement with the community stops.
 - People in the community want to create connections and relationships, and they want to know who they can contact when issues arise. They need to know how to advocate for themselves.
 - There are language barriers and discrimination in housing.

- Language barriers themselves are a form of discrimination because the platform itself is unequal.
- The HPS will result in a list of strategies, and part of this project involves evaluating if the strategies will result in equitable housing outcomes.
 - The City will provide a progress report or check in four years after the HPS is adopted.
- The City could expand its urban growth boundary *UGB).
 - The City, based on previous analysis, has enough land to accommodate Salem’s future housing needs and does not need to expand its UGB.
- The City could support community land trusts in different ways.
 - The City provided federal funds to support Salem’s first community land trust, which is being developed by DevNW.
 - Community land trusts do not allow people to build generational wealth.
- The City has more authority than it thinks it does. It could build in requirements related to livability. The City could be an advocate for housing justice.
- The City knows through research and data where there is a need for transportation or other resources/services. The City knows it is hard to reach people in the community, but it also knows the community wants livability for all.

Community Engagement

- Who participated in the HPS housing needs survey that receive more than 535 responses?
 - The survey was largely conducted online, and the majority of the respondents identified as white and long-term Salem residents. The survey respondents varied across age groups and income level. (The full survey results can be found on the [HPS project website](#) under the “Project Documents” dropdown.)
 - To ensure the perspectives of underserved communities were included, City staff and the consultant team conducted focus groups, interviews, and meetings with organizations and groups that serve or represent underserved communities in Salem, including youth, communities of color, people with disabilities, and low-income and homeless residents.

Consolidated Plan

- In 2024, the City received roughly \$1.4 million in Community Development Block Grant (CDBG) funds and \$642,147 in HOME funds. The amount of funding that will be received in 2025 is unknown.
- Federal funds have supported projects in the community such as the Arches Day Center and Wallace Early Learning Center.
- What is the criteria for the federal government to allocate funds?
 - The government generally uses data related to poverty, age of housing stock, and population. It is an antiquated system.
 - There is a disconnect between east and west coast communities.
 - There could be changes to the Community Development Block Grant (CDBG) funding system.

NEXT MEETING

The next Equity Roundtable meeting will be **Tuesday, September 17 from 11 a.m. to 12:30 p.m.** at the Salem Public Library, 585 Liberty Street SE, Anderson Room A.



Salem Housing Production Strategy

Equity Roundtable

July 16, 2024



- Provide an overview of Housing Production Strategy (HPS) project
- Discuss Salem's unmet housing needs
 - ◆ Data analysis and community input
- Discuss early ideas for potential actions
- Ask for your input:
 - ◆ What potential actions are missing?
 - ◆ What potential actions can best advance equity?



Examples

- **Surplus land** for cottages serving low-income seniors
- **System development charge waivers** for affordable housing & accessory dwelling units (ADUs)
- **Our Salem project** rezoned land to allow more multifamily and mixed-use development
- **Safety and Livability Bond** provides funding for affordable housing
- **Tax exemptions** for multi-unit projects
- **Salem Housing Authority** projects
- And much more...



Housing Project Examples: Redwood Crossings, Salem Housing Authority; Cottage Clusters, United Way of Mid-Willamette Valley



What is a Housing Production Strategy?

8-Year Action Plan: How will the City promote housing development?

- What are Salem's unmet housing needs?
- What are the barriers to developing housing that is affordable to Salem's residents?
- What policies are needed to encourage housing that meets Salem's needs?
 - ◆ Financial incentives and funding strategies
 - ◆ Regulatory changes
 - ◆ Partnerships and land acquisitions/surplus
 - ◆ Other creative strategies

Salem's Housing Production Strategy Schedule

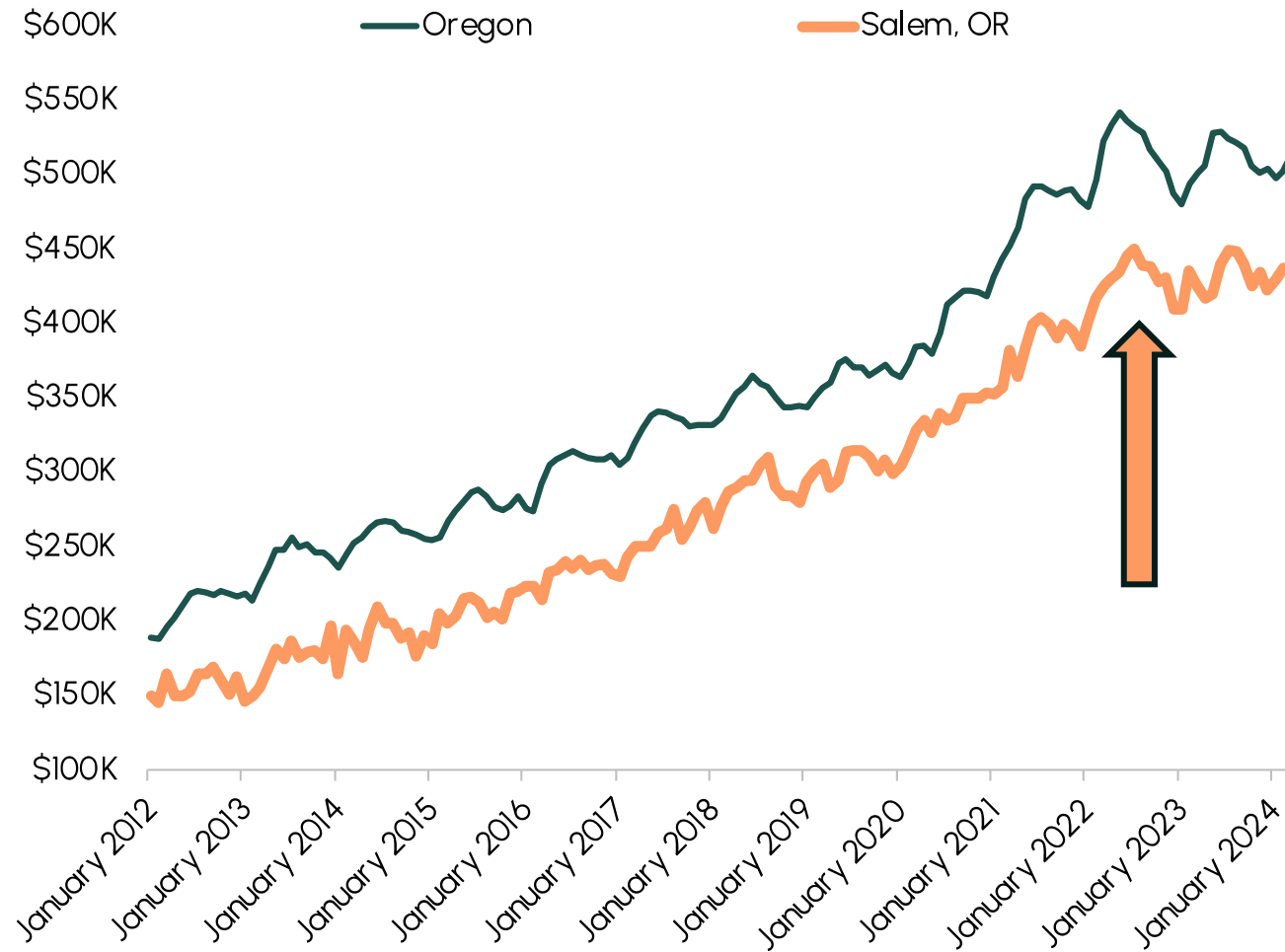




Salem's Unmet Housing Needs

Housing Prices are Increasing Faster than Incomes

Median Sale Price of Single-Family Homes



Between 2012 and 2022

- Household income increased by 51%
- Rent increased by 68%
- Home sales prices increased by 173%

Financially Attainable Housing in Salem

If your household earns...

\$30,000
30% of AMI

\$53,400
60% of AMI

\$66,950
80% of AMI

\$89,000
100% of AMI

\$106,800
120% of AMI

Then you can afford...

\$750
monthly rent
OR
\$75,000–\$90,000
home sales price

\$1,340
monthly rent
OR
\$134,000–\$160,000
home sales price

\$1,670
monthly rent
OR
\$167,000–\$201,000
home sales price

\$2,230
monthly rent
OR
\$223,000–\$267,000
home sales price

\$2,670
monthly rent
OR
\$320,000–\$374,000
home sales price



Truck and Tractor Drivers
\$46,450



Fast Food Worker
\$32,620



Dental Assistant
\$54,780



Counselor
\$68,530



Elementary Teacher
\$80,950



Architect
\$92,990



Registered Nurse
\$107,100



Lawyer
\$145,370

Median Home Sale Price:
\$429,000

Requires \$223,000 income or 160% of AMI

Increasing mortgage loan rates will require higher income levels

Average Monthly Rent:
\$1,680

(Rent & utilities)

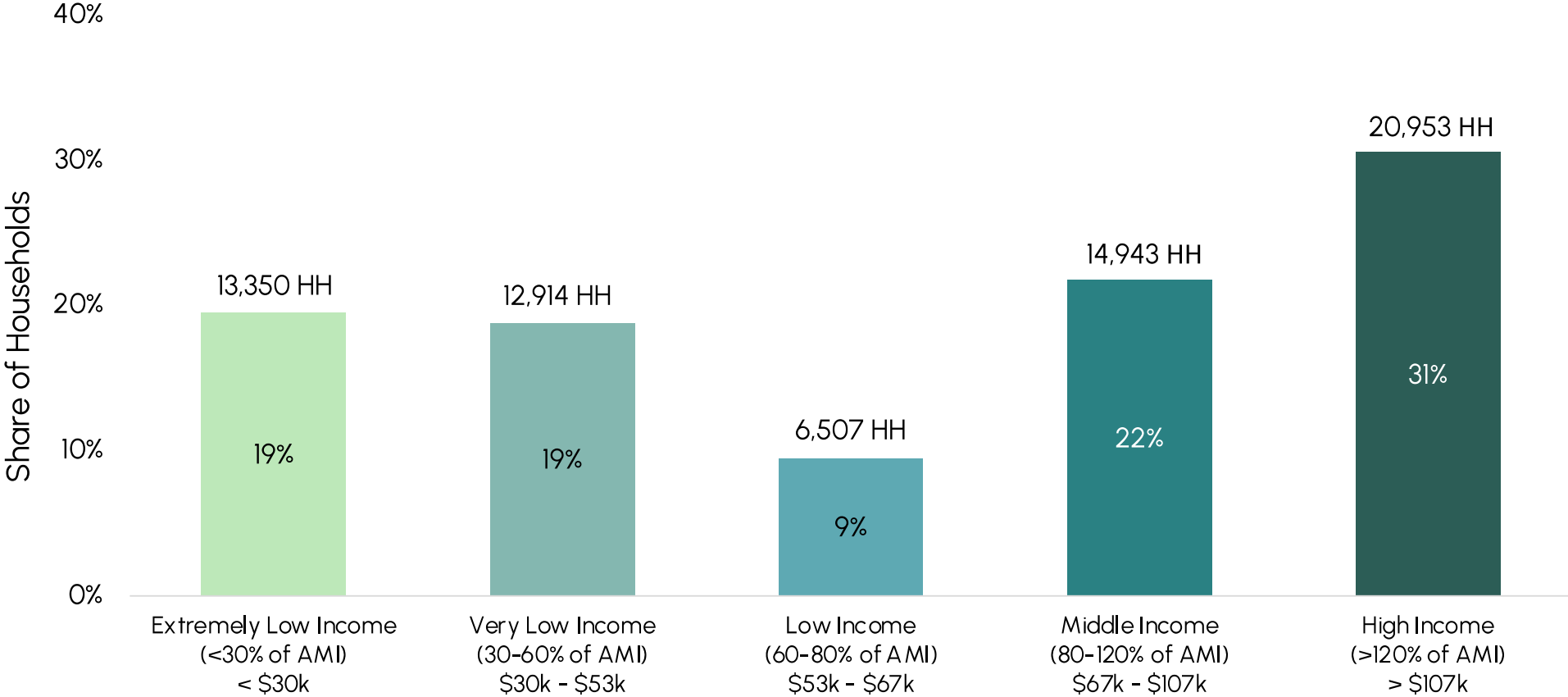
Average rental housing costs requires about 80% of AMI to afford

Average monthly rent is for 2-bedroom units.
Data Sources: Redfin, CoStar

Wide Range of Incomes in Salem

Income Distribution

Income Level by Household in Salem



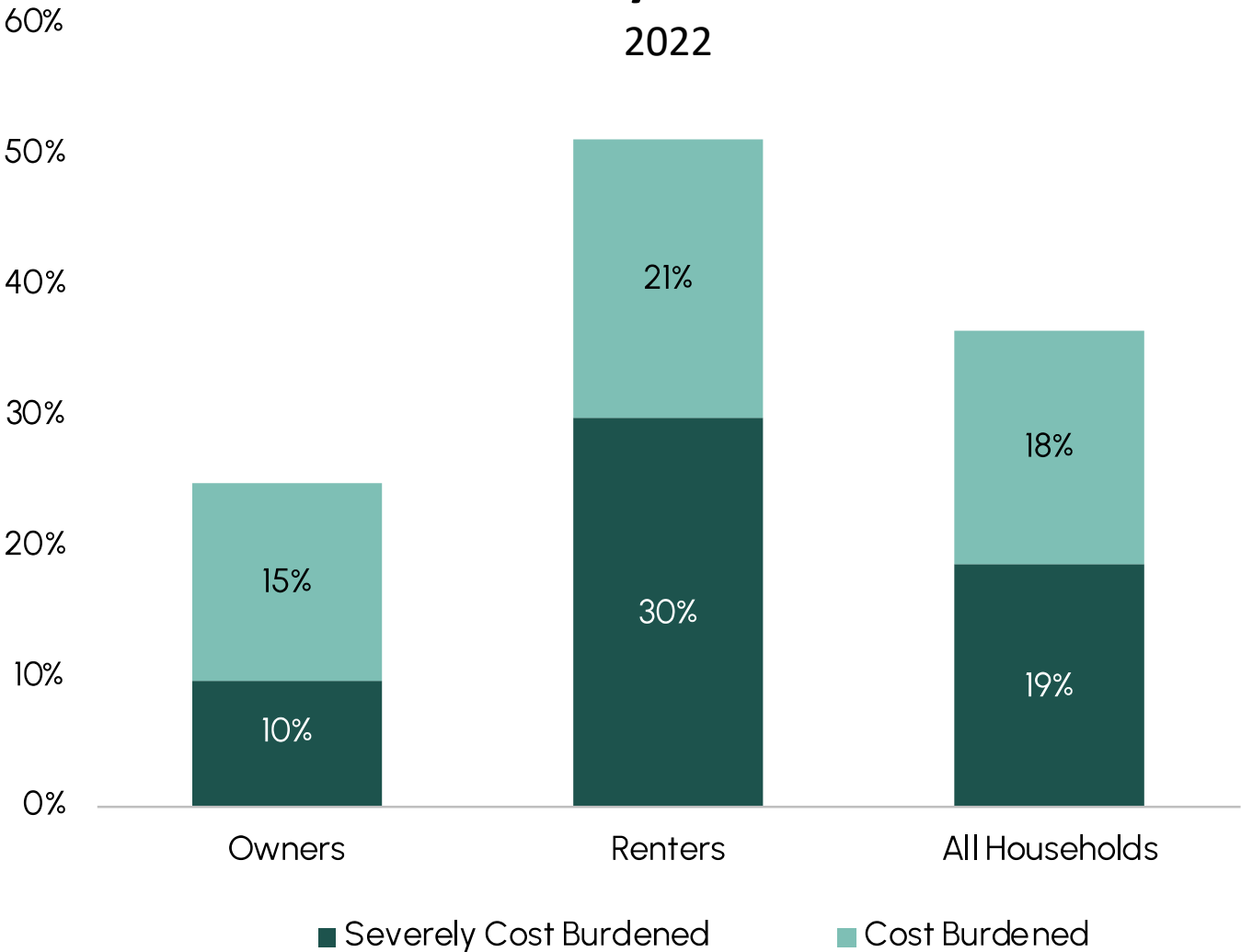
This chart is based on the HUD AMI for Salem and the ACS household income distribution for Salem.

Source: US Department of Housing and Urban Development, Marion County, 2024 and U.S. Census Bureau ACS 1-year estimate 2022, Table B19001

More Renters are Cost Burdened

Cost Burden by Tenure in Salem

2022



About **51%** of Salem's renters were cost burdened or severely cost burdened (15,370 households), compared to 25% of homeowners (9,297 households)

Source: US Census Bureau, 2022 ACS tables B25091 and B25070.

Groups typically with Unmet Housing Needs

- People experiencing homelessness:
 - ◆ Temporarily or chronically
 - ◆ Alone or with children
- Racial or ethnic groups
- People over 65 years old
- People with disabilities



Micro shelter example, City of Salem



Public Engagement about Unmet Housing Needs

Prior Engagement

- Housing code amendments (multifamily design, accessory dwelling units, etc.)
- Our Salem project

Recent Engagement

- Focus groups with organizations
- Community group meetings/events
- Surveys (>535 responses)
- Public webinar
- Market study developer interviews



Prior Engagement

- Housing code amendments (multifamily design, accessory dwelling units, etc.)
- Our Salem project

Recent Engagement

- Focus groups with organizations
- Community group meetings/events
- Surveys (>535 responses)
- Public webinar
- Market study developer interviews

Future Engagement

- Summer 2024: Meetings with community groups and Equity Roundtable
- Fall 2024: Focus groups with market-rate and affordable housing developers
- Fall 2024: Planning Commissioner and City Councilor meetings
- Spring 2025: Public Webinar

Top factors rated mostly “very important” when choosing housing (with more than two-thirds of the respondents):

1. Affordability – 78%
2. Physical condition of the building – 72%
3. Type of housing (single family home, apartment, etc.) – 66%

Challenges finding housing: There were four challenges that more than 20% of respondents had experienced.

1. Finding a home I can afford to buy – 46%
2. Finding a home I can afford to rent – 35%
3. Finding a home in good condition – 33%
4. Staying in my home when rents are increasing – 22%

What else have we heard from engagement this spring?

Other needs identified in the community

- Bridging gaps between landlords and tenants
- Ensure quality and support maintenance of existing housing
- Broader variety of housing types to meet diverse needs
 - ◆ Multigenerational housing
 - ◆ Single-level (and ground floor)
 - ◆ More accessible units (beyond ADA)



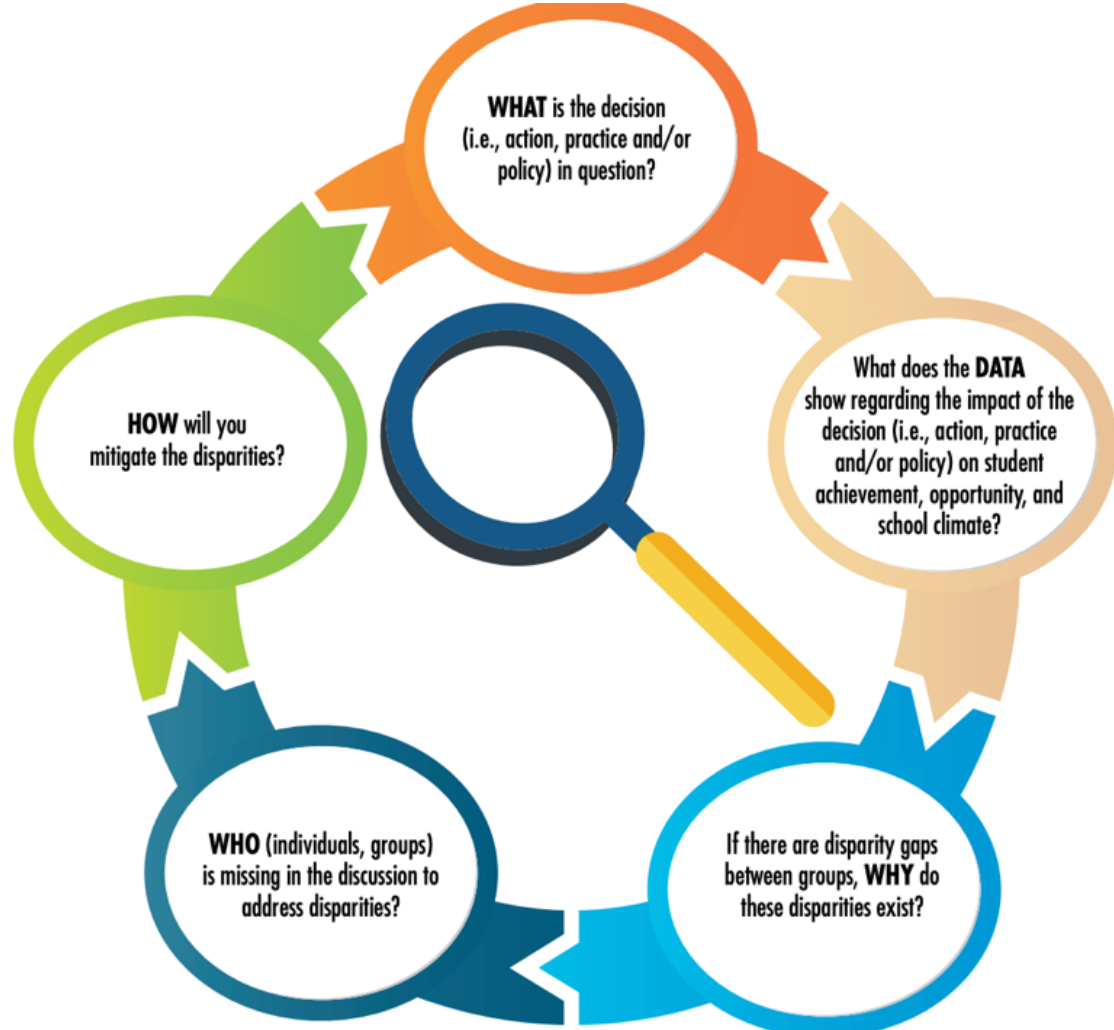


Identifying Actions for the Housing Production Strategy

Do the strategies achieve fair and equitable housing outcomes?

- Affordable homeownership and affordable rental housing
- Gentrification, displacement, and housing stability
- Housing options for residents experiencing homelessness
- Location of housing, within compact, mixed-use areas
- Housing Choice, in safe neighborhoods with high-quality amenities
- Fair Housing, especially for federal and state protected classes

Equity Impact Review Process



Source: Portland Public Schools

Potential Actions for Inclusion in the HPS

Regulatory

- Expand ready-build program
- Revise regulations to promote middle housing
- Incentivize housing to include more accessible units
- Help preserve manufactured home parks
- Evaluate design requirements for multifamily housing

Financial Incentives

- Create new urban renewal areas (North Waterfront and middle housing-focused URAs)
- Explore vertical housing tax abatement
- Explore construction excise tax
- Revise system development charges to promote middle housing or other housing types
- Support rental assistance programs

Potential Actions for Inclusion in the HPS

Land-based

- Encourage mixed-income areas through land banking
- Support Community Land Trusts

Other

- Raise awareness of programs that support affordable housing development

- Do you have input on the potential actions?
- What other potential actions should be considered?
- What potential actions can best advance equity?

- Continue analysis of potential development and redevelopment in mixed use areas
- Develop list of actions for inclusion in the Housing Production Strategy
 - ◆ Develop and evaluate actions for potential inclusion in the HPS
 - ◆ Work with stakeholders to vet and refine potential actions
 - ◆ Engage with Planning Commission and City Council to provide feedback on actions (Fall 2024 and Winter 2025)
 - ◆ Evaluate potential strategies to see if they achieve fair and equitable housing outcomes
 - ◆ Adopt Housing Production Strategy (June 2025)





Salem Housing Production Strategy

Equity Roundtable

July 16, 2024

