

DATE: December 1, 2014
TO: Lisa Anderson-Ogilvie and Eunice Kim
CC: Salem HNA and EOA Advisory Committee
FROM: Bob Parker and Beth Goodman
SUBJECT: DRAFT HOUSING NEED IMPLEMENTATION STRATEGY

Summary

The City of Salem contracted with ECONorthwest (ECO) to conduct a housing needs analysis, which included a buildable land inventory. A major element of the project is the preparation of housing implementation strategies and draft comprehensive plan policies for consideration by city decision makers. ECO worked with staff and the Advisory Committee to develop the recommended policies and implementation measures. Following is a summary of the key policies the Advisory Committee recommends for consideration by the Salem Planning Commission and City Council.

The Housing Needs Analysis (HNA) concluded that Salem has a deficit of approximately 207 acres of land designated for multifamily housing, such as duplexes, townhouses, or multi-story multifamily buildings. Salem has a surplus of land for single-family detached housing of about 1,975 acres. Given Salem's surplus of land for single-family detached housing and deficit of land for single-family attached and multifamily housing, this memorandum focuses on strategies to increase capacity for attached and multifamily housing. The recommendations in this memorandum establish a framework that the City can build from to address the identified land deficiencies. Taking action on addressing the land deficiencies after adopting the housing needs analysis does not appear to be an option under the McMinnville decision (Friends Of Yamhill County, Community Development Law Center And 1000 Friends Of Oregon, vs. City Of McMinnville, LUBA No. 2001-093). The revisions to the Comprehensive Plan policies and the implementation strategies proposed in this memorandum will require additional work that is outside the scope of ECO's effort on the housing needs analysis. The Advisory Committee recommends that the City Council direct staff to place the following groups of tasks in the work program and establish committees to oversee the implementation of these recommendations

Table A-1 summarizes Advisory Committee recommendations regarding implementation strategies to address Goal 10 requirements to provide adequate land for all needed housing types and to plan for a range of housing that is affordable to current and future households of all income levels.

Table A-1. Summary of Recommended Implementation Strategies

Strategy/Recommendation	Outcomes
Revise the Housing Goal in the Salem Comprehensive Plan to include statements about housing affordability and need mix	Creates a clear policy statement that Salem is compliant with Goal 10 and supports housing that is affordable to households of all income levels
Revise Housing Policies 3, 8, 9, and 10	Creates a clearer policy framework for supporting housing needs
<p>1.1: Explore allowing duplexes outright in single-family zones (SF and RA zones) on any lot of 7,000 square feet or more.</p> <p>1.2: Explore allowing townhouses as permitted uses in single-family zones (SF, RA and RD zones) or explore revising special use standards and minimum lot sizes to make it easier to develop townhouses.</p> <p>1.3: Explore allowing tri- and four-plexes outright in single-family zones (SF, RA, and RD zones) on corner lots of 7,000 square feet or more.</p> <p>1.4: Identify opportunities to redesignate land from the Single-Family Residential Designation (SF) to the Multi-family Residential Designation (MF).</p>	Increases land available for multifamily development
<p>2.1: Develop a menu of options of pre-approved design standards for multifamily housing that allow developers to select preferred design elements.</p> <p>2.1a: Develop a menu of options of pre-approved design standards for tri-plex and four-plex units that allow developers to select preferred design elements.</p> <p>2.1b: Develop a menu of options of pre-approved design standards for smaller multifamily buildings with five to 10 units that allow developers to select preferred design elements.</p> <p>2.3: Revise the Planned Unit Development regulations to allow for more flexibility about development standards (such as setbacks) to allow for development of more affordable housing. The revisions to Planned Unit Development regulations should allow more flexibility in the process, decrease the complexity of the process, and increase the speed of the process.</p> <p>2.4: Evaluate opportunities to decrease parking requirements for tri-plex and four-plex units and for small multifamily structures with five to 10 units.</p>	Lower barriers to multifamily housing development
3.1: Identify and evaluate tools to increase redevelopment activity. Potential tools include offering reduced systems development charges for redevelopment projects. Use of these tools may focus on Urban Renewal Districts.	Increase redevelopment activity
<p>4.1: Develop, adopt, and implement affordable housing policies.</p> <p>4.2: Develop an Accessory Dwelling Unit (ADU) Ordinance that allows ADUs in appropriate zoning designations.</p> <p>4.3: Develop different development standards for existing homes in older, established neighborhoods in order to decrease the need for adjustments and variances.</p>	Increase opportunities for development of new affordable housing

Background

The City of Salem contracted with ECONorthwest (ECO) to conduct a housing needs analysis, which included a buildable land inventory. A major element of the project is the preparation of housing implementation strategies and draft comprehensive plan policies for consideration by city decision makers. ECO reviewed potential policies and programs with the Advisory Committee (Advisory Committee).

The Housing Needs Analysis (HNA) concluded that Salem has a deficit of approximately 207 acres of land designated for multifamily housing. Salem has a surplus of land for single-family detached housing of about 1,975 acres. Given Salem's surplus of land for single-family detached housing and deficit of land for single-family attached and multifamily housing, this memorandum focuses on strategies to increase capacity for attached and multifamily housing. Statewide planning policies are clear that the City needs to address any identified land need deficiencies. A key requirement of the statewide planning rules is that the City provides enough land in appropriate plan designations to meet identified housing needs. Specifically, OAR 660-008-0010 states:

Sufficient buildable land shall be designated on the comprehensive plan map to satisfy housing needs by type and density range as determined in the housing needs projection.

Part of the HNA process is considering policy changes (including changes to the Plan Map) that will allow the City to accommodate the identified need for multifamily (and other needed) housing within the UGB. These policy changes are referred to as land-use efficiency measures or land-use efficiency strategies.

The recommendations in this memorandum establish a framework that the City can build from to address the identified land deficiencies. Taking action on addressing the land deficiencies after adopting the housing needs analysis does not appear to be an option under the McMinnville decision (*Friends Of Yamhill County, Community Development Law Center And 1000 Friends Of Oregon, vs. City Of McMinnville*, LUBA No. 2001-093).¹ In that case, LUBA concluded that the City of McMinnville erred by adopting a housing needs analysis as a post-acknowledgement plan amendment independent of addressing land need deficiencies identified in the HNA.

One possible strategy for addressing Salem's multifamily capacity deficit will be redevelopment of existing land to accommodate more housing units. For the purposes of this study, redevelopment is new development on a parcel of land that has existing development, where the existing development is demolished and the new development results in a net increase in residential units. Redevelopment primarily occurs with demolition on lower density housing

¹ <http://www.oregon.gov/LUBA/docs/opinions/2001/12-01/01093.pdf>

(e.g., single-family detached) and development of moderate- and high-density multifamily housing.

This memorandum has two parts: (1) an evaluation of policies in the residential element of the Salem Comprehensive Plan, and (2) an evaluation land use efficiency strategies for Salem, including an evaluation of whether these strategies may be appropriate for and whether they are implemented in Salem’s residential development policies.

Draft Policies for the Revised Housing Element

One of the outcomes of this project will be a revised set of policies and implementation strategies that will be adopted as part of the revised Housing Element. The current housing goals, statements of intent and policies are included in Appendix A of this memorandum.

A few general observations about the Housing Element:

1. The policy and intent statements in the element address locational factors and land use compatibility. With the exception of the goal statement, none address the “need” intent of Goal 10.
2. In the “Definitions and Intent Statement” of the Comprehensive Plan, the Plan says:

To ensure that the anticipated urban land use needs are met, the Plan Map demonstrates a commitment that land for a wide variety of uses will be available at appropriate locations as needed. There are two approaches to achieving this commitment. **One approach is the rezoning of land in quantities sufficient to accommodate land use demands identified for the planning period. Another approach is through the phased provision of land over time, through annexation and rezoning in response to demand for specific land uses.** (emphasis added)

The City has long struggled with the need for additional multifamily land. One of the main reasons that sufficient land has not been identified to address multifamily land need is the difficulty in identifying areas to convert to multifamily uses. The approach that we recommend in this memorandum is to direct staff to conduct technical analysis based on the locational criteria in the comprehensive plan, establish a Council appointed advisory committee, and work with stakeholder groups to identify appropriate areas for multifamily growth.

3. The combination of the policies about the location of residential land (Policy 1), location of multifamily housing (Policy 6), residential development patterns (Policy 9), and requests for rezoning (Policy 10) make identifying land to address the multifamily deficit complicated. We recommend that, through the process of revising the Housing Element, staff and stakeholders identify ways to streamline and simplify the process of identifying land for multifamily uses.

The policies and implementation strategies that follow are presented in a manner that highlights revisions to the existing policies.

Comprehensive Plan Goals:

Existing Goal: To promote a variety of housing opportunities for all income levels and an adequate supply of developable land to support such housing.

In meeting this goal, residential development shall:

- a. Encourage the efficient use of developable residential land;
- b. Provide housing opportunities for Salem’s diverse population; and
- c. Encourage residential development that maximizes investment in public services.

ECONorthwest comment: This goal could be expanded to address Goal 10 requirements more directly. We suggest adding the following statements:

- Provide opportunities for housing affordable for all income levels in Salem
- Provide opportunities for needed housing types including: attached and detached single-family housing, and multifamily housing for both owner and renter occupancy, government assisted housing, and manufactured dwelling parks.

Advisory Committee Recommendation: Modify the goal to include statements about housing affordability and need mix consistent with the consultant recommendation.

Revised Goal: To promote a variety of housing opportunities for all income levels and an adequate supply of developable land to support such housing.

In meeting this goal, residential development shall:

- a. Encourage the efficient use of developable residential land;
- b. Provide housing opportunities for Salem’s diverse population;
- c. Encourage residential development that maximizes investment in public services;
- d. Provide opportunities for housing affordable for all income levels in Salem; and
- e. Provide opportunities for needed housing types including: attached and detached single-family housing, and multifamily housing for both owner and renter occupancy, government assisted housing, and manufactured dwelling parks.

Policies:

Existing Policy 1: Establishing Residential Uses -- The location and density of residential uses shall be determined after consideration of the following factors;

- a. The type and distribution of housing units required to meet expected population growth within the Salem urban growth boundary.
- b. The capacity of land resources given slope, elevation, wetlands, flood plains, geologic hazards and soil characteristics.
- c. The capacity of public facilities, utilities and services. Public facilities, utilities and services include, but are not limited to municipal services such as water, sanitary and storm sewer, fire, police protection and transportation facilities.
- d. Proximity to services. Such services include, but are not limited to, shopping, employment and entertainment opportunities, parks, religious institutions, schools and municipal services. Relative proximity shall be determined by distance, access, and ability to provide services to the site.
- e. The character of existing neighborhoods based on height, bulk and scale of existing and proposed development in the neighborhood.
- f. Policies contained in facility plans, urban renewal plans, residential infill studies and neighborhood and specific development plans.
- g. The density goal of General Development Policy

ECONorthwest comment: Our interpretation of this policy is to ensure that appropriate housing types get matched to appropriate locations. It relates directly to other policies, specifically Policy 6 which establishes locational and siting criteria for multifamily housing. To address the deficit of land for multifamily use, the City will need consider all of these factors, which is relatively complicated.

Advisory Committee Recommendation: The Committee recommends no changes to this policy.

Existing Policy 2: Facilities and Services Location -- Residential uses and neighborhood facilities and services shall be located to:

- a. Accommodate pedestrian, bicycle and vehicle access;
- b. Accommodate population growth;
- c. Avoid unnecessary duplication of utilities, facilities and services; and
- d. Avoid existing nuisances and hazards to residents.

ECONorthwest comment: This policy relates directly to Policy 1 and addresses transportation, infrastructure efficiency, and land use compatibility – all appropriate considerations. We have no suggestions for changes to this policy.

Advisory Committee Recommendation: The Committee recommends no changes to this policy.

Existing Policy 3: Infill Development – City codes and ordinances shall encourage the development of passed-over or underutilized land to promote the efficient use of residential land and encourage the stability of neighborhoods.

ECONorthwest comment: The policy intent is clear: make efficient use of land and protect neighborhood stability. One interpretation could be that infill or redevelopment is not appropriate in every location. The policy could more clearly define what constitutes “passed-over or underutilized” land.

The City has existing policies to allow infill, such as through allowing for development of flag lots (on lots larger than 5,500 square feet) and the Compact Development overlay that allows two family and multifamily housing on some lands zoned RS, such as in West Salem and on Market Street.

We recommend that the City identify additional ways to encourage more infill development, especially multifamily development. The City may provide additional opportunities to accommodate multifamily need on land currently zoned or designated for multifamily uses by conducting a land use analysis. One way to encourage more infill development is to allow a wider range of lower-density multifamily housing types in single-family zones, such as duplexes, tri-plexes, or townhouses.

Advisory Committee Recommendation: Modify the existing policy to better define “passed-over and underutilized” land.

Revised Policy 3: Infill Development – City codes and ordinances shall encourage the development of passed-over or underutilized land to promote the efficient use of residential land and encourage the stability of neighborhoods. Passed-over or

underutilized land is land without existing residential development or with existing development at densities considerably below the densities allowed in the zoning district.

Existing Policy 4: Rehabilitation – Rehabilitation and maintenance of housing in existing neighborhoods shall be encouraged to preserve the housing stock and increase the availability of safe and sanitary living units.

ECONorthwest comment: We have no suggestions for changes this policy.

Advisory Committee Recommendation: The Committee recommends no changes to this policy.

Existing Policy 5: Subsidized Housing – Subsidized housing shall be provided at a variety of locations within the urban area.

ECONorthwest comment: This policy clearly articulates a policy of dispersing subsidized housing throughout the community. Moreover, it is consistent with Goal 10 and ORS 197.303 provisions which require cities to plan for government-assisted housing. It may be helpful to clarify that this is affordable housing, which includes subsidized and market-rate housing.

Advisory Committee Recommendation: The Committee recommends a wording change to clarify that this policy intends to provide affordable housing, both subsidized and market-rate, at varying locations within the city.

Revised Policy 5: Affordable Housing – Affordable housing, both government subsidized and market-rate affordable housing, shall be provided at a variety of locations within the urban area.

Existing Policy 6: Multi-Family Housing – Multi-family housing shall be located in areas proximate to existing or planned transportation corridors, public facilities and services:

- a. To encourage the efficient use of residential land and public facilities, development regulations shall require minimum densities for multiple family development zones;
- b. Development regulations shall promote a range of densities that encourage a variety of housing types;
- c. Multiple family developments should be located in areas that provide walking, auto or transit connections to:
 - (1) Employment centers;
 - (2) Shopping areas;
 - (3) Transit service;

(4) Parks;

(5) Public buildings.

ECONorthwest comment: This policy clearly articulates siting standards for multifamily housing. The siting standards are typical for multifamily housing and create conditions that support multifamily housing types and residents of multifamily housing. This policy also clearly states that these criteria must be applied when considering locations for multifamily land. Stated more directly, the City will need to conduct a detailed analysis using these criteria as it works to identify lands to meet the 207 acre deficit of land designated for multifamily uses.

The complexity of Salem’s policy for redesignating residential land based on the locational characteristics described above may make it more difficult for Salem to identify land to meet the identified multifamily need. The process recommendation suggests an approach to addressing this complexity through an advisory committee process.

Advisory Committee Recommendation: The Committee recommends no changes to this policy.

Existing Policy 7: Circulation System and Through Traffic – Residential neighborhoods shall be served by a transportation system that provides access for pedestrian, bicycles, and vehicles while recognizing the neighborhoods physical constraints and transportation service needs:

- a. The transportation system shall promote all modes of transportation and dispersal rather than concentration of through traffic;
- b. Through traffic shall be addressed by siting street improvements and road networks that serve new development so that short trips can be made without driving;
- c. The transportation system shall provide for a network of streets fitted to the terrain with due consideration for safety, drainage, views, and vegetation.

ECONorthwest comment: We have no suggestions for changes this policy.

Advisory Committee Recommendation: The Committee recommends no changes to this policy.

Existing Policy 8: Protection of Residential Areas – Residential areas shall be protected from more intensive land use activity in abutting zones.

ECONorthwest comment: We suggest clarifying this policy to be more explicit about the types of “more intensive land use activities” that residential areas are being protected from, such as setbacks and buffers to protect residential areas from more intensive uses.

Advisory Committee Recommendation: The Committee recommends the following revisions to clarify this policy.

Revised Policy 8: Protection of Residential Areas – Residential areas shall be protected from more intensive land use activity, such as commercial or industrial uses, in abutting zones through requirements for setbacks and buffers to protect residential areas.

Existing Policy 9: Alternative Housing Patterns – Residential Development Patterns. Subdivision and zoning regulations shall provide opportunities for increased housing densities, alternative housing patterns, and reduced development costs. Development regulations shall promote residential development patterns that encourage:

- a. The use of all modes of transportation;
- b. Reduction in vehicle miles traveled and length of auto trips; and
- c. Efficiency in providing public services.

ECONorthwest comment: This policy refers directly to ordinances that implement the comprehensive plan. It provides direction that the City seeks regulatory strategies that provide opportunities for increased housing densities and alternative housing patterns. The items listed under the policy, however refer only to transportation and public services. We recommend adding language that refers to housing density and alternative housing patterns.

Advisory Committee Recommendation: The Committee recommends the following changes to this policy.

Revised Policy 9: Alternative Housing Patterns – Residential Development Patterns. Subdivision and zoning regulations shall provide opportunities for increased housing densities, alternative housing patterns, and reduced development costs. Development regulations shall promote residential development patterns that encourage:

- a. The use of all modes of transportation;
- b. Reduction in vehicle miles traveled and length of auto trips; ~~and~~
- c. Efficiency in providing public services;
- d. Increased housing density in appropriate locations; and
- e. Alternative housing patterns, including cluster development, mixtures of housing types and densities, and mixed residential commercial development.

Existing Policy 10: Requests for Rezoning – Requests for rezonings to higher density residential uses to meet identified housing needs will be deemed appropriate provided:

- a. The site is so designated on the comprehensive plan map;
- b. Adequate public services are planned to serve the site;
- c. The site’s physical characteristics support higher density development; and
- d. Residential Development Policy 7 is met.

ECONorthwest comment: We have no suggestions for changes this policy.

Advisory Committee Recommendation: The Committee recommends no changes to this policy.

Existing Policy 11: Urban Design – Design Standards shall be implemented to improve the quality of life of Salem’s residents and promote neighborhood stability and compatibility.

ECONorthwest comment: The existing design standards for multiple family housing are complex. Our assessment, based on review of the design standards and discussions with the Advisory Committee, is that the design may standard pose a barrier to multifamily development, especially for smaller-scale multifamily development (e.g., small infill development). Discussions with the Advisory Committee suggest that there are opportunities to streamline the design standards process, including providing a new path to comply with design standards without public hearings. This issue is addressed in the following section.

Advisory Committee Recommendation: The Committee recommends no changes to this policy.

Description of Policy and Programmatic Recommendations

This section provides additional information regarding the draft policy and programmatic recommendations presented in the last section. It is intended to help guide discussions regarding implementation and program options.

Process Steps

The revisions to the Comprehensive Plan policies and the implementation strategies proposed in this memorandum will require additional work that is outside the scope of ECO's effort on the housing needs analysis. The Advisory Committee recommends that the City Council direct staff to place the following groups of tasks in the work program and establish committees to oversee the implementation of these recommendations in the five-year planning period:

1. **Increase multifamily housing capacity.** Accomplishing this task is the top priority for the City to comply with Goal 10. For the City to be able to adopt the Housing Need Analysis, the City must also adopt policies consistent with Goal 10 and OAR 660-008 to address the multifamily land deficiencies. The Advisory Committee recommends establish one or more committees to work with the Community Development Department to recommend changes to Salem's Unified Development Code:
 - a. Identify opportunities to accommodate some types of multifamily housing in single-family zones, such as duplexes, tri-plexes, four-plexes, and townhouses.
 - b. Identify land to redesignate from single-family to multifamily housing.

One committee may complete these tasks. Alternatively, the tasks may be divided among two committees: (1) a committee to address changes to the housing standards in item "a" above, which might be called the housing development standards committee and (2) a committee to identify areas land to redesignate from single-family to multifamily housing in item "b" above.

2. **Lower barriers to multifamily development.** One of the committees identified above or a different committee can work with the Community Development Department to lower barriers to multifamily development by: (1) providing alternative approaches to comply with the City's design standards, (2) revising the Planned Unit Development regulations to allow more flexibility and decrease complexity, while complying with the City's regulations, and (3) evaluating opportunities to decrease parking requirements for lower-density multifamily housing types.
3. **Increase opportunities for development of new affordable housing.** The Advisory Committee recommends that the City establish an affordable housing committee to develop a strategy to increase affordable housing options in Salem. This committee would be separate from the Salem Housing Advisory Committee (SHAC) and the City's Housing and Urban Development Advisory Committee (HUDAC), which focus on federal housing policies and federal funding.

The affordable housing committee would work with staff in Community Development, Urban Development, and the Salem Housing Authority to develop a vision and goals for affordable housing development, as well as action items to implement the vision and goals. The affordable housing committee will consider the housing activities resulting from federal housing requirements and federal funding but will focus on broader affordable housing policies and implementation of the policies for the entire City of Salem. This committee would report to the City Council.

Programmatic Recommendations

This section will describe the Advisory Committee's programmatic recommendations. The discussion is structured around the recommendations presented in the policy section and only includes those recommendations that are programmatic in nature.

Increase Land Available for Multifamily Development

Addressing Salem's deficit of approximately 207 acres of land for multifamily housing and demonstrating compliance with Goal 10 will require increasing land available for multifamily development. Through discussions with the Advisory Committee, we identified two paths to increasing land available for multifamily development: (1) allow some multifamily housing types in single-family zones and (2) identify sites to redesignate from single-family to multifamily housing.

ECONorthwest comment: Below are draft implementing measures that would result in an increase in land for multifamily development. They are based on discussions with the Advisory Committee, results of the Advisory Committee survey, discussions with staff, and our experience. We recommend that Planning Department staff develop revisions to the zoning code to implement these measures, including setting standards for off-street parking requirements

Advisory Committee Recommendation: The Committee recommends the Planning Commission direct staff to work with a stakeholder committee to draft specific language to implement the following recommendations into the Salem development code.

Multifamily Housing Types

Implementing Measure 1.1: Explore allowing duplexes outright in single-family zones (SF and RA zones) on any lot of 7,000 square feet or more.

Implementing Measure 1.2: Explore allowing townhouses as permitted uses in single-family zones (SF, RA and RD zones) or explore revising special use standards and minimum lot sizes to make it easier to develop townhouses.

Implementing Measure 1.3: Explore allowing tri- and four-plexes outright in single-family zones (SF, RA, and RD zones) on corner lots of 7,000 square feet or more.

Redesignate or Rezone Land for Multifamily Development

Implementing Measure 1.4: Identify opportunities to redesignate land from the Single-Family Residential Designation (SF) to the Multi-family Residential Designation (MF). The process should result in city-initiated plan amendment(s) and zone change(s) to address the multifamily land deficit. This is ECO's strongest recommendation and is the most certain way to address the deficit of land available for multifamily development.

Land in the Developing Residential Designation (DR) is probably not appropriate to redesignate to Multi-Family until it has urban services, particularly in light of Residential Comprehensive Plan Policy 6. There may also be opportunities to rezone land from a zone that allows less density to a higher density zone.

The criteria for redesignating land to MF uses would be based on Residential Comprehensive Plan Policy 6. In addition to the locational criteria in Policy 6, other criteria for redesignating land to multifamily use could include proximity to major or minor arterials. The criteria for rezoning land to allow higher density development, such as from RS to RD, are described in Residential Comprehensive Plan Policy 10.

Redesignations and rezonings should be sensitive to neighborhood character and concerns. As a general principal, redesignations should either be to RM1, for lower-to-moderate density multifamily, or RM2 for moderate-to-higher density multifamily. There may be specific (but limited) instances where redesignating land to RH is appropriate because of opportunities to achieve higher density multifamily housing without disrupting an established neighborhood.

Lowering Barriers to Multifamily Housing Development

ECONorthwest comment: ECO recommends the City form an advisory committee to implement the measures below, as well as provide the opportunity for public input on the potential policy changes.

Advisory Committee Recommendation: The Committee recommends the Planning Commission direct staff to work with an ad hoc committee in drafting specific language to implement the following recommendations into the Salem development code. This set of recommendation is less urgent than recommendations related to increasing the supply of land available for multifamily development.

Implementing Measure 2.1: Develop a menu of options of pre-approved design standards for multifamily housing that allow developers to select preferred design elements. The design standards should be flexible, ensure quality design that fits with community standards, and present clear and objectives standards. If the developer selects at least the minimum number of design elements from the menu, the proposal would not need to go through the public hearing process.

Implementing Measure 2.1a: Develop a menu of options of pre-approved design standards for tri-plex and four-plex units that allow developers to select preferred

design elements. The design standards should be: flexible, ensure quality design that fits with single-family neighborhood characteristics, meets community standards, and present clear and objectives standards. If the developer selects at least the minimum number of design elements from the menu, the proposal would not need to go through the public hearing process.

Implementing Measure 2.1b: Develop a menu of options of pre-approved design standards for smaller multifamily buildings with five to 10 units that allow developers to select preferred design elements. The design standards should be: flexible, ensure quality design that fits with single-family neighborhood characteristics, meets community standards, and present clear and objectives standards. If the developer selects at least the minimum number of design elements from the menu, the proposal would not need to go through the public hearing process.

Implementing Measure 2.2: Revise the Planned Unit Development regulations to allow for more flexibility about development standards (such as setbacks) to allow for development of more affordable housing. The Revisions to Planned Unit Development regulations should allow more flexibility in the process, decrease the complexity of the process, and increase the speed of the process.

Implementing Measure 2.3: Evaluate opportunities to decrease parking requirements for tri-plex and four-plex units and for small multifamily structures with five to 10 units.

Currently, Salem requires two spaces per dwelling unit for multifamily dwellings in structures with three or fewer units. For structures with four or more units, Salem requires 1.5 parking spaces per dwelling unit. There may be opportunities to lower parking requirements either outright, in specific areas or under some conditions

Opportunities to Increase Redevelopment Activity

ECONorthwest comment: Redevelopment is an approach that can achieve multiple objectives—increasing the supply of lower cost housing types (including multifamily) and improving blighted areas. Salem has a number of single-family neighborhoods that are designated for multifamily uses. ECO encourages a thoughtful approach to implementation: there is no legal obligation to densify existing neighborhoods, and redevelopment can have the impact of removing lower cost housing from the housing stock. Compatibility of redevelopment with existing housing should be a key consideration.

Advisory Committee Recommendation: The Committee recommends the Planning Commission direct staff to work with an ad hoc committee in drafting specific language to implement the following recommendations into the Salem development code.

Implementing Measure 3.1: Identify and evaluate tools to increase redevelopment activity. Potential tools include offering reduced systems development charges for redevelopment projects. The vertical housing tax credit may offer opportunities to lower development costs of

multistory multifamily housing. Staff should identify specifics of each tool and determine if it is applied in a specific geographic area. Use of these tools may focus on Urban Renewal Districts.

Increase Opportunities for Development of New Affordable Housing

ECONorthwest comment: ECO recommends the City direct staff to implement the measures below, as well as provide the opportunity for public input on the potential policy changes.

Advisory Committee Recommendation: The Committee recommends the Planning Commission direct staff to work with an ad hoc committee in drafting specific language to implement the following recommendations into the Salem development code.

Implementation Measure 4.1: Develop, adopt, and implement affordable housing policies. The policies should be based on an affordable housing strategy, which articulates the City's vision and goals for affordable housing. The affordable housing strategy will be implemented through policies, strategies, and actions. Each action will identify: the lead entity responsible for the action, resources necessary for the action, and a target timeline for the action.

An affordable housing committee will be responsible for developing the affordable housing strategy, including the vision, goals, policies, strategies and actions.

The City will adopt the affordable housing strategy and incorporate the affordable housing goals into the Comprehensive Plan and incorporate implementation measures into the zoning ordinance (and other land-use ordinances), where appropriate.

After adoption, the affordable housing committee will be responsible for reporting on progress on affordable housing development and implementation of the strategy.

Implementing Measure 4.2: Develop an Accessory Dwelling Unit (ADU) Ordinance that allows ADUs in appropriate zoning designations. When developing regulations, consider parking requirements for ADUs and whether there are areas where it would be appropriate to require no parking for ADUs. Consider whether design review is necessary for development of an ADU.

Implementing Measure 4.3: Develop different development standards for existing homes in older, established neighborhoods in order to decrease the need for adjustments and variances.

Appendix A: Salem Comprehensive Plan

Appendix A contains excerpts from the Salem Comprehensive Plan that pertain to residential development. The Comprehensive Plan implements land use using three tools: (1) the comprehensive plan map; (2) intent statements that articulate the city's objectives; and (3) policies that guide specific development activity. The full comprehensive plan is available on the City's website:

<http://www.cityofsalem.net/Departments/CommunityDevelopment/Planning/Longrangeplanning/Documents/SACP.pdf>

The excerpts that follow are intended to support the analysis in Section II of this memorandum and to provide the full context for the recommendations. Excerpts highlighted in bold are evaluated in more detail in Section II of this memorandum.

The purpose of the Comprehensive Plan is stated on page 1 of the plan:

"The Salem Area Comprehensive Plan is a long-range plan for guiding development in the Salem urban area and its relationship with Salem/Keizer urban area for the next 20 years. The goal of the Plan is to accommodate development in a timely, orderly and efficient arrangement of land uses and public facilities and services that meet the needs of present and future residents of the Salem urban area."

II. DEFINITIONS AND INTENT STATEMENTS

A. LAND USE PLAN MAP (Comprehensive Plan Map):

The Land Use Plan Map is a necessary element of a comprehensive plan. ORS 197.015(4) provides:

"Comprehensive plan" means a generalized, coordinated land use map and policy statement of the governing body of a state agency, city, county, or special district that interrelates all functional and natural systems and activities relating to the use of lands including, but not limited to, sewer and water systems, transportation systems, educational systems, recreational facilities, and natural resources and air and water quality management programs.

"Comprehensive" means all-inclusive, both in terms of the geographic area covered and functional and natural activities and systems occurring in the area covered by the plan. "General nature" means a summary of policies and proposals in broad categories and does not necessarily indicate specific locations in any area, activity, or use. A plan is "coordinated" when the needs of all levels of governments, semipublic and private agencies, and the citizens of Oregon have been considered and accommodated as much as possible. "Land" includes water, both surface and subsurface, and the air.

1. Intent:

The intent of the Salem Area Comprehensive Plan is to project a goal - the most desirable pattern of land use in the Salem area. This pattern, as represented on the Comprehensive Plan Map, indicates areas appropriate for different types of land use. The pattern takes into consideration the transportation network, the location of public facilities and utility systems, and the needs of the people which are important to the creation and maintenance of a healthful and pleasing urban environment.

To ensure that the anticipated urban land use needs are met, the Plan Map demonstrates a commitment that land for a wide variety of uses will be available at appropriate locations as needed. There are two approaches to achieving this commitment. One approach is the rezoning of land in quantities sufficient to accommodate land use demands identified for the planning period. Another approach is through the phased provision of land over time, through annexation and rezoning in response to demand for specific land uses.

The first approach is the most direct. However, it presumes that sufficient knowledge is available to identify market conditions twenty years hence. It runs the risk of artificially inflating land prices, diminishing the economic life of the present use, and designating property for more intensive use before public facilities and services are available.

The second approach, in contrast, is to phase urbanization and rezonings over time. In using this method, jurisdictions develop and administer plans, plan policies, and implementing mechanisms that are responsive to changing and evolving land demands yet recognizing existing zoning. To provide a level of predictability through the planning period, and ensure that sufficient lands will be made available, the second approach requires that the direction of the jurisdiction be set forth in the plan. This is achieved through identification in map form of anticipated land use and policy. The intent of this approach is to retain flexibility in the plan in order to remain responsive to changing conditions, and yet recognize the legitimacy of the existing zoning and the dynamic process of plan implementation.

It is the latter approach that the Salem Area Comprehensive Plan has taken. Thus the land use pattern that is shown on the map recognizes the zoning that has developed over time, with general designations of the land uses that are expected to be developed, as a result of: (1) demand, (2) the plan policies and intent statements, and (3) implementing regulations and processes. This Plan recognizes that the land use and zoning are expected to change during the time span of the Plan as conditions change.

2. Plan Map Interpretation:

The Plan is developed with the concept that the Comprehensive Plan Map and text are to be used as an integrated whole, with the Plan map being a graphic representation of the text. Thus, interpretation of the Plan Map is a process which rests on the goals and policies expressed in the text. Therefore, in the event a land use proposal is inconsistent with the Comprehensive Plan Map or policies, an applicant may file for a Comprehensive Plan map amendment.

3. Plan Map Designations:

The Comprehensive Plan Map is a representation of the Plan's goals and policies. The Plan map designations indicate various types of land use. Descriptions of the Plan Map designations follows.

a. Residential:

There are three categories of residential use:

Single Family Residential

Multi-Family Residential

Developing Residential

The Single Family and Multi-Family Residential categories apply to the portion of the Salem urban area that is currently developed with housing or served by public facilities and suitable for residential development at urban densities. Developing Residential applies to the portion of the Salem urban area that is unserved by public water and sanitary sewers. This designation is largely found outside the city limits and the East Salem Service Districts. Developing Residential represents the area inside the Urban Growth Boundary which is presently unserved but necessary to accommodate development in the next twenty years.

The residential land use categories also accommodate the need for certain support facilities and services, such as schools, parks, and churches, located in proximity to living areas. The intent is to allow these support facilities in areas designated for residential use provided the location, design, and maintenances are compatible with a residential environment.

1) Single Family Residential, and

2) Multi-Family Residential

The Single Family Residential designation reflects the predominate use pattern in that category. Multi-Family Residential is characterized by a mixture of housing types. The Single Family and Multi-Family Residential categories of use encompass all types of housing, for example, single family detached, single family attached, manufactured homes, garden apartments, and row houses. The location, density, and style of housing is governed by the zoning code of each local jurisdiction. Changes in use designation to permit higher residential densities is governed by the goals and policies of this Plan and the local rezoning process.

The predominant use of land within the residential designations are for single family and multifamily dwelling units. There are, however, other compatible land uses that are

permissible and which provide services to the individuals living in the residential areas. These uses include schools, parks, and churches.

The intent of the residential designations is:

- (a) To retain and conserve the existing sound housing stock;
- (b) To provide for the systematic conversion of sites to more intensive residential uses in accord with development policies and standards;
- (c) To provide and maintain an overall land use pattern in the urban area that is consistent with the service capabilities of the jurisdictions;
- (d) To ensure a compatible transition between various types of housing;
- (e) To provide and maintain a supply of serviced, developable land throughout the urban area for residential and other urban uses, as demand warrants and service capabilities permit;
- (f) To stabilize and protect the essential characteristics of residential environments, including natural features;
- (g) To encourage locating residential development where full urban services, public facilities, and routes of public transportation are available;
- (h) To permit multifamily housing developments which are consistent with development standards and growth policies to blend into the overall fabric of the Salem urban area.

The criteria that will be used to develop an acceptable residential land use pattern will include the following:

- (a) The changing social, physical, and economic factors which take place within an area and its potential long-range effect on land use.
- (b) The desirability for redevelopment and infill within existing neighborhoods to higher densities.
- (c) The necessity of managing urban growth over time in accordance with the ability to provide urban support services such as sewer, water, streets, and recreation, which would occur after annexation.
- (d) The provision of a transitional land use pattern from the urbanized core to the rural area outside the Urban Growth Boundary.

(e) The need to ensure opportunities for a variety of housing alternatives throughout the urban area.

RESIDENTIAL DEVELOPMENT POLICIES

This section presents the residential development policies as stated in the adopted Salem Comprehensive Plan.

GOAL: To promote a variety of housing opportunities for all income levels and an adequate supply of developable land to support such housing.

In meeting this goal, residential development shall:

- a. Encourage the efficient use of developable residential land;
- b. Provide housing opportunities for Salem’s diverse population; and
- c. Encourage residential development that maximizes investment in public services.

Establishing Residential Uses

1. The location and density of residential uses shall be determined after consideration of the following factors;
 - a. The type and distribution of housing units required to meet expected population growth within the Salem urban growth boundary.
 - b. The capacity of land resources given slope, elevation, wetlands, flood plains, geologic hazards and soil characteristics.
 - c. The capacity of public facilities, utilities and services. Public facilities, utilities and services include, but are not limited to municipal services such as water, sanitary and storm sewer, fire, police protection and transportation facilities.
 - d. Proximity to services. Such services include, but are not limited to, shopping, employment and entertainment opportunities, parks, religious institutions, schools and municipal services. Relative proximity shall be determined by distance, access, and ability to provide services to the site.
 - e. The character of existing neighborhoods based on height, bulk and scale of existing and proposed development in the neighborhood.
 - f. Policies contained in facility plans, urban renewal plans, residential infill studies and neighborhood and specific development plans.
 - g. The density goal of General Development Policy

- Facilities and Services Location** 2. Residential uses and neighborhood facilities and services shall be located to:
- a. Accommodate pedestrian, bicycle and vehicle access;
 - b. Accommodate population growth;
 - c. Avoid unnecessary duplication of utilities, facilities and services; and
 - d. Avoid existing nuisances and hazards to residents.
- Infill Development** 3. City codes and ordinances shall encourage the development of passed-over or underutilized land to promote the efficient use of residential land and encourage the stability of neighborhoods.
- Rehabilitation** 4. Rehabilitation and maintenance of housing in existing neighborhoods shall be encouraged to preserve the housing stock and increase the availability of safe and sanitary living units
- Subsidized Housing** 5. Subsidized housing shall be provided at a variety of locations within the urban area.
- Multi-Family Housing** 6. Multi-family housing shall be located in areas proximate to existing or planned transportation corridors, public facilities and services:
- a. To encourage the efficient use of residential land and public facilities, development regulations shall require minimum densities for multiple family development zones;
 - b. Development regulations shall promote a range of densities that encourage a variety of housing types;
 - c. Multiple family developments should be located in areas that provide walking, auto or transit connections to:
 - (1) Employment centers;
 - (2) Shopping areas;
 - (3) Transit service;
 - (4) Parks;
 - (5) Public buildings.

Circulation System and Through Traffic

7. Residential neighborhoods shall be served by a transportation system that provides access for pedestrian, bicycles, and vehicles while recognizing the neighborhoods physical constraints and transportation service needs:

- a. The transportation system shall promote all modes of transportation and dispersal rather than concentration of through traffic;
- b. Through traffic shall be addressed by siting street improvements and road networks that serve new development so that short trips can be made without driving;
- c. The transportation system shall provide for a network of streets fitted to the terrain with due consideration for safety, drainage, views, and vegetation.

Protection of Residential Areas

8. Residential areas shall be protected from more intensive land use activity in abutting zones.

Alternative Housing Patterns

9. Residential Development Patterns

Subdivision and zoning regulations shall provide opportunities for increased housing densities, alternative housing patterns, and reduced development costs. Development regulations shall promote residential development patterns that encourage:

- a. The use of all modes of transportation;
- b. Reduction in vehicle miles traveled and length of auto trips; and
- c. Efficiency in providing public services.

Requests for Rezonings

10. Requests for rezonings to higher density residential uses to meet identified housing needs will be deemed appropriate provided:

- a. The site is so designated on the comprehensive plan map;
- b. Adequate public services are planned to serve the site;
- c. The site’s physical characteristics support higher density development; and
- d. Residential Development Policy 7 is met.

Urban Design

11. Design Standards shall be implemented to improve the quality of life of Salem’s residents and promote neighborhood stability and compatibility.

Appendix B: Land Use Efficiency Measures Requirement

ORS 197.296 requires cities to consider land use efficiency measures if the housing needs analysis finds that the City may not meet identified housing needs. Specifically, the statute states:

(6) If the housing need determined pursuant to subsection (3)(b) of this section is greater than the housing capacity determined pursuant to subsection (3)(a) of this section, the local government shall take one or more of the following actions to accommodate the additional housing need:

(a) Amend its urban growth boundary to include sufficient buildable lands to accommodate housing needs for the next 20 years. As part of this process, the local government shall consider the effects of measures taken pursuant to paragraph (b) of this subsection. The amendment shall include sufficient land reasonably necessary to accommodate the siting of new public school facilities. The need and inclusion of lands for new public school facilities shall be a coordinated process between the affected public school districts and the local government that has the authority to approve the urban growth boundary;

(b) Amend its comprehensive plan, regional plan, functional plan or land use regulations to include new measures that demonstrably increase the likelihood that residential development will occur at densities sufficient to accommodate housing needs for the next 20 years without expansion of the urban growth boundary. A local government or metropolitan service district that takes this action shall monitor and record the level of development activity and development density by housing type following the date of the adoption of the new measures; or

(c) Adopt a combination of the actions described in paragraphs (a) and (b) of this subsection.

(7) Using the analysis conducted under subsection (3)(b) of this section, the local government shall determine the overall average density and overall mix of housing types at which residential development of needed housing types must occur in order to meet housing needs over the next 20 years. If that density is greater than the actual density of development determined under subsection (5)(a)(A) of this section, or if that mix is different from the actual mix of housing types determined under subsection (5)(a)(A) of this section, the local government, as part of its periodic review, shall adopt measures that demonstrably increase the likelihood that residential development will occur at the housing types and density and at the mix of housing types required to meet housing needs over the next 20 years.

While the HNA shows that Salem has enough land in the UGB to accommodate the projected number of new dwellings, it identifies a deficit of land for multifamily and single-family attached housing types. In short, the City cannot justify a UGB expansion, but has an obligation to accommodate the need for multifamily and single-family attached housing types.

This memorandum presents a menu of land use strategies for Salem to consider that will address the identified multifamily land deficiency. The discussion of each strategy includes a

description of the strategy, what its intended effects are, notes about the potential use of the strategy in Salem, and a discussion of how to evaluate, or if possible, estimate, each strategy's impact on land holding capacity (e.g., how many residential units the land can accommodate). This memorandum is not intended to provide an in-depth discussion of policy language or how to implement and administer specific policies; rather, we discuss strategies in broad terms.

It is common for jurisdictions to adopt combinations of strategies to manage growth and improve the efficiency and holding capacity of land uses. Such strategy groupings, however, are not necessarily cumulative in their intent or impact. Strategies that address similar issues may not be mutually reinforcing. For example, having strategies in residential zones for maximum lot size and minimum density essentially address the same issue—underbuild in residential zones. Thus, Salem should carefully consider their existing strategies and policies and evaluate each strategy both individually and in consideration of other strategies. It is also important to consider market dynamics when evaluating land use efficiency strategies. Strategies such as density bonuses or transfer or development rights (TDRs) may be of limited effectiveness if they encourage building types or densities that have little demand or are economically unviable.

Table 1. Strategies to consider in Salem

- ✓ Implemented in Salem's code
- ❖ Opportunity for Consideration
- x Probably not appropriate for Salem

Strategies to increase density or multifamily development capacity	Zoning District								
	RA	RS	RD	RM1	RM2	RH	SWMU	NCMU	CO, CB, CR, CG
Redesignation/rezone land to allow multifamily housing	❖	❖	❖						
Encourage Infill and Redevelopment	❖	❖	❖	❖	❖	❖	❖	❖	❖
Redevelopment tool: Parcel assembly				❖	❖	❖		❖	❖
Redevelopment tool: Financial incentives				❖	❖	❖		❖	❖
Encourage multifamily residential development in commercial zones									❖
Allow Duplexes, Townhomes, and Tri- and Quad-Plexes in single-family and duplex zones		❖	❖						
Decrease barriers to developing multifamily housing		❖	❖	❖	❖	❖		❖	❖
Allow small or "tiny" homes	❖	❖	❖	❖	❖	❖	❖	❖	❖
Permit Accessory Dwelling Units (ADUs) where single family dwellings are permitted (assuming unique standards for ADUs apply)	❖	❖	✓❖	❖	❖				
Allow Clustered Residential Development	✓	✓	✓	✓	✓	✓			
Allow Small Residential Lots	✓	✓	✓	✓					
Reduce Street Width Standards	✓	✓	✓	✓	✓	✓	✓	✓	
Increase Allowable Residential Densities	x	x	x	x	x	x	x	x	
Mandate Maximum Lot Sizes	x	x	x	x	x	x	x	x	
Mandate Minimum Residential Densities	x	x	x	✓	✓	x	x	x	
Provide Density Bonuses to Developers	x	x	x	x	x	x	x	x	
Transfer/Purchase of Development Rights	x	x	x	x	x	x	x	x	
Allow Co-housing	x	x	x	x	x	x	x	x	

Source: ECONorthwest

Table 2. Description of land use efficiency strategies to increase density or multifamily development capacity

Strategy	Description	Potential Benefits	Notes about this approach for Salem	Scale of Impact
Strategies with the greatest potential for addressing Salem’s multifamily deficit				
Redesignation/rezone land to allow multifamily housing	The types of land rezoned for multifamily housing are vacant or partially vacant low density residential and employment land rezoned to multifamily or mixed use. In rezoning land, it is important to choose land in a compatible location, such as land that can be a buffer between established an neighborhood and other denser uses or land adjacent to existing commercial uses. When rezoning employment land, it is best to select land with limited employment capacity (e.g., smaller parcels) in areas where multifamily housing would be compatible (e.g., along transit corridors or in employment centers that would benefit from new housing).	This policy change increases opportunity for multifamily housing and provides opportunities for mixing residential and other compatible uses.	This strategy has the most potential to address Salem’s deficiency of land for multifamily housing. Given the size of the City’s multifamily land deficit, rezoning land to allow multifamily housing is likely to be necessary. Salem may want to consider rezoning land both for lower-density multifamily housing (e.g. RM1) and for higher-density multifamily housing (e.g., RM2 and RH). Selecting specific areas to rezone will require public discussions that are beyond the scope of this process.	Moderate to large: Scale of impact depends on the amount and location of land rezoned and the densities allowed on the rezoned land.
Encourage Infill and Redevelopment	This policy seeks to maximize use of lands that are fully developed or underdeveloped. Make use existing infrastructure by identifying and implementing policies that (1) improve market opportunities, and (2) reduce impediments to development in areas suitable for infill or redevelopment.	Can reduce sprawl development by reusing land within developed areas and where services are already provided, contributing to more efficient use of land. Infill and redevelopment can increase density of development, but does not always have that effect.	Encouraging redevelopment is a key approach to addressing Salem’s multifamily housing deficit. Salem has several areas that are designated for multifamily housing that have existing single-family subdivisions. A key question is how aggressively to promote multifamily housing in these existing neighborhoods. In recent years, Salem has had five instances of redevelopment of single-family dwellings on land zoned for multifamily use (in RM1 and RM2), resulting in 483 new dwelling units. Salem’s subdivision and partition activity suggests that infill development is happening. Between 2007 to 2013: <ul style="list-style-type: none"> • 37 parcels subdivided into 2,900 lots with an average size of 10,500 square feet • 71 parcels were partitioned into 174 lots with an average size of 34,800 square feet 	Moderate. Scale of impact depends on the amount of land available for infill and redevelopment.
Redevelopment tool: Parcel assembly	Parcel assembly involves the city’s ability to purchase lands for the purpose of land aggregation or site assembly. It can directly address the issues related to limited multifamily lands being available in appropriate locations (e.g., near arterials and commercial services). Typical goals of parcel assembly programs are: (1) to provide sites for rental apartments in appropriate locations close services and (2) to reduce the cost of	Parcel assembly can lower the cost of multifamily development because the City is able to purchase land in strategic locations over time. Parcel assembly is more often associated with development of government-subsidized affordable housing, where the City partners with nonprofit	The City uses parcel assembly in Urban Renewal Areas as a way to make redevelopment more financially feasible. This would require a commitment of resources on the part of the City to either (1) work with landowners to identify opportunities, or (2) to acquire parcels for the purpose of land assembly.	Small to moderate: Parcel assembly is most likely to have an effect on a localized area, providing a few opportunities for new multifamily housing development over time.

Strategy	Description	Potential Benefits	Notes about this approach for Salem	Scale of Impact
	developing multifamily rental units	affordable housing developers.		
Redevelopment tool: Financial incentives	<p>The City has the potential to assist with the financial elements of housing. Potential tools that contribute to a reduction the overall cost of housing, through means such as providing tax credits to developers, reduction of system development fees, or low cost loans. The funds necessary to support use of these tools often come from urban renewal.</p> <p>These tools generally lower development costs or reduce future costs (e.g., tax burden). In some markets, this can make projects financially feasible. This policy is intended to encourage development of multifamily housing, primarily in urban centers, for projects that meet specific criteria.</p>	<p>Public investments can lower development costs, lowering the cost of multifamily housing development. This is important in either the development of low-income housing or making multifamily housing financially feasible (especially when the housing meets City policy goals).</p> <p>These tools are intended to stimulate new multifamily housing construction as well as rehabilitation of existing vacant and under-utilized buildings for multifamily housing targeting both renters and owners.</p>	The City currently provides some financial tools to assist with redevelopment, such as the Multi-Unit Housing Tax Incentive Program. There may be opportunities to use additional financial tools to encourage redevelopment that produces multifamily units.	Small to moderate: The City has limited funds and should target specific areas for public investment in multifamily housing.
Encourage multifamily residential development in commercial zones	These seek to encourage denser multifamily as part of mixed-use projects in commercial zones. The policies lower or eliminate barriers to residential development in commercial or mixed-use zones. They include: eliminating requirements for non-residential uses in commercial zones (e.g., requirements for ground floor retail) or requiring minimum residential densities.	Can increase opportunities for multifamily development on commercial or mixed-use zones or increase the density of that development.	<p>Between 1999 and 2013, the City had development of more than 230 dwelling units in mixed-use or commercial zones. The developments generally included between 10,000 to 30,000 square feet of space for office, services, or retail, as well as 10 to 50 dwelling units.</p> <p>Residential development in commercial zones was Salem's densest type of multifamily development, with densities of about 26 dwelling units per acre on average.</p> <p>Salem requires a conditional use permit for residential development in some commercial zones.</p> <p>It is worth noting the city has a deficit of commercial lands, according to the regional Economic Opportunities Analysis.</p>	Small to moderate: Scale of impact depends on the amount of multifamily housing developed in commercial and mixed-use zones.

Strategy	Description	Potential Benefits	Notes about this approach for Salem	Scale of Impact
Allow Duplexes, Townhomes, Row houses, and Tri- and Quad-Plexes in single-family zones	Allowing these housing types can increase overall density of residential development and may encourage a higher percentage of multifamily housing types. This approach would be implemented through the local zoning or development code and would list these housing types as outright allowable uses in appropriate residential zones.	These housing types can increase overall density of residential development. They provide additional affordable housing options and allow more residential units than would be achieved by detached homes alone.	Salem allows duplexes on corner lots and townhomes in the RS and RD zones as a special use. Salem may want to consider allowing duplexes on non-corner lots, outright allowing townhomes and row houses, and allowing tri- and quad-plexes as either special uses or permitted uses in the RS and RD zones. Salem may want to consider developing design standards for these housing types to ensure that they are compatible with existing neighborhoods.	Small to moderate. Many jurisdictions allow these housing types in low-density residential zones as permitted use.
Decrease barriers to developing multifamily housing	Barriers to multifamily housing often include zoning regulations such as building height limits or high parking requirements. The barriers to multifamily housing vary for each city.	Reducing development barriers, especially unintentional barriers, provides opportunities for development of additional multifamily housing.	One of Salem's key barriers to multifamily housing development is parking requirements. The City may want to consider decreasing parking requirements for some multifamily housing developments, such as those that are part of mixed-use development in commercial and mixed-use designations, part of transit-oriented development or small developments of 2-4 units.	Small to moderate: Scale of impact depends on the amount of multifamily housing developed
Allow small or "tiny" homes	"Tiny" homes are typically dwellings 500 square feet or smaller. Some tiny houses are as small as 100 to 150 square feet. They include stand-alone units or very small multifamily units. Tiny homes can be sited in a variety of ways: locating them in RV parks (they are similar in many respects to Park Model RVs), tiny home subdivisions, or allowing them as accessory dwelling units.	Smaller homes allow for smaller lots, increasing land use efficiency. They provide opportunities for affordable housing, especially for homeowners.	In Oregon, "tiny homes" might be classified as "park model RV's" because of restrictions in the State Uniform Building Code. As a result, regulatory strategies will be related to how the city regulates RVs.	Small: Scale of impact depends on regulation of tiny homes, where they are allowed, and market demand for tiny homes.

Strategy	Description	Potential Benefits	Notes about this approach for Salem	Scale of Impact
Strategies that offer opportunities to increase the range of single-family housing				
Permit Accessory Dwelling Units (ADUs) in single-family zones.	Communities use a variety of terms to refer to the concept of accessory dwellings: secondary residences; “granny” flats; and single-family conversions, among others. Regardless of the title, all of these terms refer to an independent dwelling unit that share, at least, a tax lot in a single-family zone. Some accessory dwelling units share parking and entrances. Some may be incorporated into the primary structure; others may be in accessory structures. Accessory dwellings can be distinguished from “shared” housing in that the unit has separate kitchen and bathroom facilities. ADUs are typically regulated as a conditional uses. Some ordinances only allow ADUs where the primary dwelling is owner-occupied.	Increases residential land holding capacity. Densities are increased within existing developed areas with minimal visual and neighborhood disruption.	Salem does not allow ADU’s in the single family zone.	Small. Communities that have adopted ADU ordinances have generally reported that few applications occur each year. Moreover, single-family subdivisions may have CC&Rs that prohibit ADUs.
Allow Clustered Residential Development	Clustering allows developers to increase density on portions of a site, while preserving other areas of the site. Clustering is a tool most commonly used to preserve natural areas or avoid natural hazards during development. It uses characteristics of the site as a primary consideration in determining building footprints, access, etc. Clustering is typically processed during the site review phase of development review.	Clustering may allow more efficient use of land in addition to providing open space. The technique also encourages a neighborhood feeling. It allows critical areas to be protected while still permitting both urban and rural development.	Salem allows clustered residential development as part of a Planned Unit Development (PUD). The City may have opportunities to increase development of clustered housing through simplifying the PUD process.	Moderate. Clustering can increase density, however, if other areas of the site that could otherwise be developed are not developed, the scale of impact can be reduced.
Strategies that are already implemented in Salem				
Allow Small Residential Lots	Small residential lots are generally less than 5,000 sq. ft. This policy allows individual small lots within a subdivision or short plat. Small lots can be allowed outright in the minimum lot size and dimensions of a zone, or they could be implemented through the subdivision or planned unit development ordinances.	This policy is intended to increase density and lower housing costs. Small lots limit sprawl, contribute to the more efficient use of land, and promote densities that can support transit. Small lots also provide expanded housing ownership opportunities to broader income ranges and provide additional variety to available housing types.	Salem allows lots as small as 4,000 square feet in the Single-Family Residential Zone.	Small to moderate. Cities have adopted minimum lot sizes as small as 3,000 sq. ft. However, it is uncommon to see entire subdivisions of lots this small. Small lots typically get mixed in with other lot sizes.

Strategy	Description	Potential Benefits	Notes about this approach for Salem	Scale of Impact
Reduce Street Width Standards	This policy is intended to reduce land used for streets and slow down traffic. Street standards are typically described in development and/or subdivision ordinances. Reduced street width standards are most commonly applied on local streets in residential zones.	Narrower streets make more land available to housing and economic-based development. Narrower streets can also reduce long-term street maintenance costs.	Salem's code allows for use of alternative street standards under certain conditions	Moderate. Land used for streets and other public facilities ranges from 15% to 30% or more depending on the type of development. Narrow streets can reduce land used for streets by 25% resulting in a decrease 5%-10% in total land consumption.
Strategies that offer little opportunity to address Salem's housing need or are not appropriate for Salem				
Increase Allowable Residential Densities	This approach seeks to increase holding capacity by increasing allowable density in residential zones. It gives developers the option of building to higher densities. This approach would be implemented through the local zoning or development code. This strategy is most commonly applied to multifamily residential zones.	Higher densities increase residential land holding capacity. Higher densities, where appropriate, provide more housing, a greater variety of housing options, and a more efficient use of scarce land resources. Higher densities also reduce sprawl development and make the provision of services more cost effective.	Densities in Salem's single-family zones allow up to 10.9 dwelling units per acre, which is appropriate for urban density single-family zones. Densities in Salem's multifamily zones are appropriate for a city the size of Salem. The maximum density in the RM1 zone is 14 dwelling units per acre, which is appropriate for a transitional multifamily zone. The maximum density in the RM2 zone is 28 dwelling units per acre. Salem's RH zone does not have a maximum density.	
Mandate Maximum Lot Sizes	This policy places an upper bound on lot size and a lower bound on density in single-family zones. For example, a residential zone with a 6,000 sq. ft. minimum lot size might have an 8,000 sq. ft. maximum lot size yielding an effective net density range between 5.4 and 7.3 dwelling units per net acre.	Ensures minimum densities in residential zones by limiting lot size. Places bounds on building at less than maximum allowable density. Maximum lot sizes can promote appropriate urban densities, efficiently use limited land resources, and reduce sprawl development.	Development in Salem's SF and DR designations are consistent with urban-level densities in single-family areas, averaging more than 6 dwelling units per acre (7,000 square foot lots). Salem's multifamily zones have minimum densities, as described below.	
Mandate Minimum Residential Densities	This policy is typically applied in single-family residential zones and is places a lower bound on density. Minimum residential densities in single-family zones are typically implemented through maximum lot sizes. In multiple-family zones they are usually expressed as a minimum number of dwelling units per net acre. Such standards are typically implemented through zoning code provisions in applicable residential zones.	This policy increases land-holding capacity. Minimum densities promote developments consistent with local comprehensive plans and growth assumptions. They reduce sprawl development, eliminate underbuilding in residential areas, and make provision of services more cost effective.	Salem's MF designations have reasonable minimum densities, consistent with urban-level densities in multifamily areas. The minimum density in RM1 is 8 dwelling units per acre and RM2 has a minimum density of 12 dwelling units per acre.	

Strategy	Description	Potential Benefits	Notes about this approach for Salem	Scale of Impact
Provide Density Bonuses to Developers	The local government allows developers to build housing at densities higher than are usually allowed by the underlying zoning. Density bonuses are commonly used as a tool to encourage greater housing density in desired areas, provided certain requirements are met. This strategy is generally implemented through provisions of the local zoning code and is allowed in appropriate residential zones.	Bonuses can increase densities in urban areas and create an incentive for providing neighborhood amenities. They can also be used as receiving zones to preserve resource lands by buying or transferring development rights from rural to urban areas.	Development in the RM1 and RM2 zones is generally below the maximum allowed density. In addition, the RH zone has no maximum density. Given these facts, providing density bonuses in Salem would have little impact on multifamily housing production in Salem.	
Transfer/Purchase of Development Rights	This policy is intended to move development from sensitive areas to more appropriate areas. Development rights are transferred to “receiving zones” and can be traded. This policy can increase overall densities. This policy is usually implemented through a subsection of the zoning code and identifies both sending zones (zones where decreased densities are desirable) and receiving zones (zones where increased densities are allowed).	These techniques can protect rural resource lands and reduce sprawl. They also may be used to protect Goal 5 resources while still allowing development on lots that contain unbuildable areas. They encourage the more efficient use of land and promote densities where they can be provided most cost effectively.	Salem has a relatively large base of vacant land, especially for single-family housing. In addition, Oregon’s land use system generally results in more efficient use of land. These factors make TDRs less important in Salem than in other cities in the nation. Moreover, TDR programs are complicated to develop and administer.	
Allow Co-housing	Co-housing communities balance the traditional advantages of home ownership with the benefits of shared common facilities and connections with neighbors. This approach would be implemented through the local zoning or development code and would list these housing types as outright allowable uses in appropriate residential zones.	It provides another choice in a variety of housing options.	While co-housing may be able to achieve multifamily housing densities, it is unlikely that this housing type would make up a large portion of new housing stock, thereby diminishing its impact.	

Table 3. Applicability of land use efficiency strategies

- Directly applicable
- * Partially applicable

Strategies to increase density or multifamily development capacity	Applicability of Strategy							
	Increases densities	Increases redevelopment	Increases Infill	Changes housing type/ increases options	Provides affordable housing	Make efficient use of infrastructure	Ensure efficient land uses	Prevents development in sensitive areas
Redesignate/rezone land to allow multifamily housing	●	●	●	*	*	*	*	
Encourage Infill and Redevelopment	●	●	●		*	*	●	
Redev. tool: Parcel assembly		●	●	*	*	*	*	
Redev. tool: Financial incentives	●	●	●	●	*	*	*	
Encourage multifamily residential development in commercial zones		●	●	*		*	*	
Allow Duplexes, Townhomes, Row houses, and Tri- and Quad-Plexes in single-family zones	*		*	●	●	*		
Decrease barriers to developing multifamily housing	●	●	●	●	*	*	*	
Allow small or “tiny” homes	●		*		●	*	*	
Permit Accessory Dwelling Units (ADUs) in single family zones	*		●	*	●	●		
Allow Clustered Residential Development	*			●	*	*	*	●
Allow Small Residential Lots	●				●	*	●	
Reduce Street Width Standards	●				*	*	●	
Increase Allowable Residential Densities	●				*			
Mandate Maximum Lot Sizes	●				*	*	●	
Mandate Minimum Residential Densities	●				*	*	●	
Provide Density Bonuses to Developers	●	*	*	*	*	●	●	
Transfer/Purchase of Development Rights	●	*	*	*	*	*		
Allow Co-housing	*	*	*	*	●			

Source: ECONorthwest