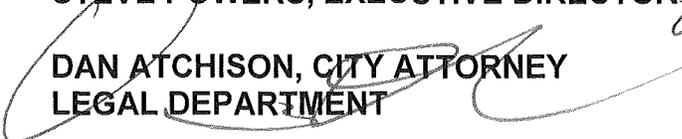


FOR HOUSING AUTHORITY COMMISSION MEETING OF: December 14, 2015
AGENDA ITEM NO.: 3.4(a)

TO: CHAIR AND HOUSING AUTHORITY COMMISSIONERS
THROUGH: STEVE POWERS, EXECUTIVE DIRECTOR 
FROM: DAN ATCHISON, CITY ATTORNEY
LEGAL DEPARTMENT 
SUBJECT: SALEM HOUSING ADVISORY COMMITTEE
RECOMMENDATION TO THE HOUSING AUTHORITY
COMMISSION ON AFFORDABLE HOUSING POLICIES AND
ACTIONS

ISSUE:

Recommendations from the Salem Housing Advisory Committee to the Housing Authority Commission regarding affordable housing policies and actions.

RECOMMENDATION:

Information only.

BACKGROUND:

On November 9, 2015, the Salem Housing Advisory Committee (SHAC) formulated and unanimously adopted a document titled "Affordable Housing Recommendation" with the intent to submit the document to the Housing Authority Commission.

With subsequent conversations between the SHAC, Housing Authority Commissioners, and Housing Authority staff, the recommendation has been revised to acknowledge certain State Land Use provisions in Goal 10, that disallow certain actions included in the original recommendation. The attached revised recommendation, the subject for discussion tonight, has been ratified unanimously by the SHAC.



Andrew Wilch
Housing Administrator

Attachments:

- 1) Affordable Housing Recommendation

To: City of Salem Housing Authority Board of Commissioners
From: Salem Housing Advisory Committee (Christian Bryant, Mark Cusick, Mark Knecht, Matthew Harris, Melanie Hunt, Kimberly Lemman, Betty Markey, Sarah Owens)
Date: December 14, 2015
Re: Affordable Housing Recommendation

Recommendation: The Salem Housing Advisory Committee recommends to the City of Salem Housing Authority Board of Commissioners to direct the Housing Administrator, in conjunction with the Executive Director, to address the growing deficit of affordable rental housing for low and moderate income Seniors, Disabled and Families by pursuing the development of mixed-income affordable housing on the North Campus of the State Hospital, and elsewhere within the City and the Housing authority's area of operations. Further, to create an affordable housing committee that is responsible for developing affordable housing policies and strategies and reporting on progress on affordable housing development.

Background: The committee voted unanimously to make the foregoing recommendation after oral and written discussion that included the following points:

The need for affordable housing. The City of Salem Housing Authority serves five percent of all households in the Salem-Keizer area (3,599 households or 8,717 people), with program waiting lists up to three years long. In addition to the 3,600 households that SHA serves, another 5,254 are on the Housing Choice Voucher waiting list with an average reported annual income of \$8,672 (the federal poverty level for a 2-person household is \$15,930). In 2012, over 25% of all Salem MSA households earned less than \$25,000 annually. Fifty-four percent of Salem renters are "housing burdened", meaning they pay 30% or more of their income toward rent. A one-parent, one-child household earning minimum wage would spend over 50% of income on rent and basic utilities. Such housing burdened families are but one serious illness, accident, misfortune or misjudgment away from homelessness.

Zoning and private sector incentives are not enough. Despite incentives and demand, private developers are not building apartments for poor people. Vouchers (housing subsidies) are useful, but not when there aren't enough units. In 2012, Salem had a significant deficit of nearly 6,400 affordable housing units for households earning less than \$25,000. (Portland has an estimated deficit of 23,000, and the nationwide shortage is estimated at 7 million.) Given that the vacancy rate in Salem is near zero, and that one in four of those nearing retirement age has no retirement savings and no children, the situation is unlikely to improve without substantial public sector commitment sustained over the long term, a fact the Council appeared to recognize recently, when it directed staff to develop a work plan to implement a Housing Needs Analysis (HNA) recommendation that was outside the scope of Goal 10 zoning requirements, namely, to develop and implement affordable housing policies and strategies, including creating an affordable housing committee that is responsible for developing affordable housing policies and strategies, and reporting on progress on affordable housing development.

The need for immediate action on a long-term commitment. Like the old Chinese proverb about the best time to plant a tree tells us, all we can do today is commit to the long term. Preserving land and developing affordable housing policies and strategies is well within Salem's current capabilities. Implementation will require additional resources, but there are resources available, at least for cities that can compete successfully for them. To be competitive, Salem must have a system in place and bring money to the table. Developing systems and saving money will take time, obviously. Since we can't begin 20 years ago, we should do the next best thing and begin today.

Affordable housing fits the North Campus redevelopment vision. The North Campus is within several established neighborhoods and within biking/walking/transit proximity to concentrated employment at Government and medical facilities. The State already anticipates that redevelopment will require an initial cooperative effort with the City to "entitle the property", following which, it is further anticipated, there will evolve a public-private partnership between the State and private and public developers to build, among other things, a "varied and attractive residential community that provides a range of housing options and connects with surrounding neighborhoods." Setting aside 25%

of forty-eight acres for affordable housing is not only sensible, but modest and manageable. It's also something Salem can and should act on today.