



Oregon

Tina Kotek, Governor

Department of Land Conservation and Development

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November 30, 2023

Eunice Kim, AICP, LEED GA
Long Range Planning Manager
City of Salem, Oregon



RE: DLCD Comments on the City of Salem's Climate-Friendly Area Study

Dear Ms. Kim,

Thank you for submitting your climate-friendly area (CFA) study in compliance with Oregon Administrative Rule (OAR) 660-012-0315(4) and (5). The department published the study on our website for public comment on October 4, 2023. One comment was received, which we are providing to you (see attachment). As you know, this comment letter from DLCD and any associated comments from the public are intended to inform the next step in the CFA process, which is to determine which climate-friendly area or areas the city will designate and to adopt zoning and development standards to implement the CFA requirements.

OAR 660-012-0315(4) lists the required elements of a CFA study, which include the following:

- a) Maps showing the location and size of all potential climate-friendly areas.
- b) Preliminary calculations of zoned residential building capacity.
- c) A community engagement plan for the designation of climate-friendly areas.
- d) Analysis of how each potential climate-friendly area complies, or may be brought into compliance, with the requirements of OAR 660-012-0310(2).
- e) A preliminary evaluation of existing development standards within potential climate-friendly areas and changes to the standards necessary to comply with CFA requirements.
- f) Plans for achieving fair and equitable housing outcomes in climate-friendly areas, including analysis of whether zone changes for CFAs might displace residents who are members of state and federal protected classes.

Your submitted materials meet the requirements in OAR 660-012-0315(4). We appreciate the work you have done thus far and your timely submittal!

The following comments are intended to inform your community's next step, which is to designate sufficient climate-friendly areas with a zoned residential capacity to accommodate at least 30 percent of the community's total housing needs. As we've discussed, we look forward to providing technical assistance for a market study to better understand how to optimize mixed-use development in Salem, along with supporting staff time dedicated to regional scenario planning.

1. We concur with your methodology for determining Salem's portion of future housing needs within the UGB. As you note, Salem, Keizer, and Marion County are unique outside of the Portland Metro area in having jurisdiction in distinct urbanized areas within a single UGB, which makes these calculations more complicated. Your methodology is

reasonable, easy to understand, and consistent with past agreements for the shared UGB.

2. We appreciate that the study evaluates sufficient areas to accommodate well more than 30 percent of total housing needs (more than twice the 25,956 dwelling units needed to meet the 30 percent goal), utilizing the prescriptive method in OAR 660-012-0320(8). This should give you a good number of potential CFA areas to consider for the designation of CFAs.
3. We are impressed with your extensive zone-by-zone area and capacity analysis, which evaluates zoned residential capacity based on existing zoning standards, such as setbacks and allowed building heights. This will enable more feasible development within your CFAs that will be more in line with community expectations, rather than if all CFAs were zoned to allow 85-foot building heights. This approach also allows CFA designation to have a "lighter touch" on existing development standards.
4. We appreciate the extensive work by Salem staff on the "Our Salem" project to find opportunities for mixed-use zoning in many parts of Salem. This work will provide more climate-friendly housing and employment opportunities within the city, regardless of whether or not they are designated as Climate-Friendly Areas. That said, we note that with recent amendments to OAR 660-012-0320(9), it is much easier to designate CFAs utilizing the "outcome-oriented approach" that would not significantly change development standards for less intensive mixed-use areas. It appears that many of your mixed-use areas meet the dimensional and locational requirements and could be designated as CFAs using the outcome-oriented approach. The advantages of CFA designation include a much less onerous transportation review process than the process required elsewhere by OAR 660-012-0060; likely prioritization in future funding decisions by state agencies; and the possibility that Salem could be the first city to reach the goal of locating 30 percent of your housing within its CFAs.
5. We are impressed with your community engagement plan and activities, including links to the recent Our Salem and Climate Action Plan work. Your summary of community engagement events shows that you have worked hard to communicate about the CFA study and subsequent designation to a diverse audience. We also commend you for convening your Equity Roundtable group and updating your displacement risk map based on input from the group. We hope the Equity Roundtable proves to be a valuable resource that continues to provide critical input for future planning efforts in the city. As such, you have provided an excellent example that other communities may follow.
6. We have reviewed the comments submitted by Bob Cortright and 350 Salem (attached). You have correctly analyzed zoned residential building capacity consistent with the "prescriptive approach" allowed per OAR 660-012-0320(8). We also appreciate that your study maintains existing height allowances in the studied areas, which indicates more feasible development that will be consistent with current community expectations. We strongly support the goal of meeting at least 30 percent of the community's housing needs within climate-friendly areas, which is a key component of the Statewide Transportation Strategy to reduce climate pollution. However, we recognize that this is a

goal to work towards over time. The market study work may help you to determine how to best optimize walkable mixed-use development and we encourage you to designate additional CFA areas where it makes sense for your community.

Thanks again for your submitted study. We appreciate the good work you have done and look forward to the CFA designation process yet to come. Please feel free to contact me, at (503) 602-0238, or at kevin.young@dlcd.oregon.gov if you have any questions or need further assistance.

Sincerely,

Kevin Young

Kevin Young, DLCD Senior Urban Planner

Cc: Brenda Ortigoza Bateman, DLCD Director

Kirstin Greene, DLCD Deputy Director

Lisa Anderson-Ogilvie, City of Salem Deputy Community Development Director

Matt Crall, DLCD Planning Services Division Manager

Melissa Ahrens, DLCD Mid-Willamette Valley Regional Representative

Attachment

Attachment A: Public Comment Received on the City of Salem's CFA Study



October 23, 2023

TO: Department of Land Conservation and Development
(DLCD.CFEC@dlcd.oregon.gov)
City of Salem

FROM: Bob Cortright, 350 Salem

SUBJECT: SALEM CLIMATE FRIENDLY AREA (CFA) STUDY

Salem's CFA study proposes too few CFAs with too little real capacity to meet the goal of accommodating 30% of all housing within walkable, mixed use climate friendly neighborhoods. The city- with assistance from DLCD - should revise its study to provide a realistic estimate of development capacity in its proposed CFAs - as allowed by CFEC rules - and consider additional CFAs as necessary to meet the 30% goal.

Background

350 Salem has provided detailed comments and suggestions to the City of Salem on its CFA study. Our comments to the Planning Commission in March and the City Council in September are attached.

Analysis: Why Salem's CFA Study falls short

To meet our climate goals, we need to accommodate 30% of all housing in highly walkable, mixed neighborhoods, where because common destinations are easily accessible, people are able to drive less and can easily walk, bike or take transit to meet daily needs. For Salem, the 30% goal translates to getting a total of about 26,000 housing units in CFAs. Salem's three proposed CFAs - Downtown, North Downtown, and close-in West Salem - are completely inadequate to meet this goal:

- The three proposed CFAs currently include only about 2,000 housing units and are expected - under existing plans - to have only about 3,000 to 4,000 housing units by 2035. That means that just 3-4% of all the city's housing would be located in CFAs - a small fraction of the climate friendly housing goal.

- The gap is insurmountable: Even if all of the city's expected new housing - about 19,000 units - is built in the three proposed CFAs, the city would still fall short of the 30% goal. And filling the gap is unlikely because the city's current plans call for 80% of future housing to be built in outlying auto-dependent neighborhoods.
- Salem's study dramatically over-estimates CFA housing capacity, claiming its 3 proposed CFAs have capacity for 30,000 housing units, roughly 10 times more than what is forecast in adopted plans. The study reaches this conclusion because it uses the "prescriptive method" in the CFEC rules which directs cities to assume that all properties will be developed or redeveloped to the highest density allowed by zoning. Inexplicably, Salem's study neither assesses whether the prescriptive estimate is reasonable nor compares it with the forecasts in the city's adopted plans.

Recommendations: How Salem can get on track to meet CFA goals

The city should review available information and its adopted plans to prepare a realistic, achievable estimate of the housing capacity of proposed CFA areas - as allowed by CFEC rules. Using this revised estimate, the city should consider and designate additional CFAs to provide enough real capacity for the city to meet the 30% goal in the CFEC rules. In simple terms, the city needs to identify additional CFAs that have real - rather than theoretical - capacity for about 25,000 housing units. To accomplish this, we recommend that the city -with DLCD support - should, revise, expand and implement its CFA study to:

1. Estimate the housing capacity of proposed CFAs using an alternative method allowed by the rule and that reflects the city's adopted plans and best judgment about likely densities for future development and rates of development /redevelopment considering market trends.
2. Estimate the number of existing and future housing units likely to be located in the three proposed CFAs to assess whether the CFAs are likely to meet the goal of getting 30% of all housing in CFAs.
3. Based on the results of #2, propose additional CFAs as necessary to meet the 30% climate housing goal.
4. Develop and adopt specific housing goals, including goals for affordable housing, for each CFA area to guide the city as it develops and adopts other plans to achieve the 30% goal.

Salem's Mixed Use Zoning does not = CFAs

As part of its recent "Our Salem" comprehensive plan update the city adopted "mixed use" zoning for several areas around the city. Salem staff have suggested that its

shortfall in meeting the 30% housing goal in CFAs would be mitigated because MU zoning adopted as part of Our Salem will achieve a CFA-like outcome. For example, the city's MU zones require the same minimum density of 15 dwelling units per acre required in CFAs.

While some MU zoned areas have potential to be CFAs, most do not because they are too small or lack key characteristics needed to create a walkable mixed neighborhood. Most are strip commercial districts located along busy arterial streets, dominated by auto-oriented businesses with large parking lots, with little or no local street connectivity, and minimal sidewalks or safe pedestrian circulation. Simply allowing a “mix” of different uses - for example, allowing multifamily residential buildings in these currently commercial districts - is not sufficient to create the kind of “highly walkable” mixed use district called for in a CFA. Further, the city lacks plans that would begin to transform these areas into walkable mixed use neighborhoods.

For those MU zoned areas that do have potential, Salem should propose them as additional CFAs. At a minimum, Salem needs to show its work and explain how various MU areas it thinks will be equivalent to CFAs and in fact create the kind of highly walkable mixed use district that is required for a CFA.

Attachments:

[Planning Commission \(March 2023\)](#)

[City Council \(September 2023\)](#)



350 Salem OR¹ Comments on the Climate Friendly Area (CFA) Study - Agenda Item 6a
Bob Cortright, Land Use and Transportation Coordinator
September 25, 2023

Greetings to the Mayor, City Council members and Staff

350 Salem recommends that the city study and consider designating additional Climate Friendly, Walkable Mixed Use areas (CFAs or WaMUAs) in order to meet the city's climate and housing goals and to fully meet the goal in LCDCs Climate Friendly and Equitable Communities (CFEC) rule to get 30% of all of the city's housing in such areas.

To meet our climate goals, we need to accommodate a large share of the city's housing and jobs in highly walkable, mixed neighborhoods, where because common destinations are easily accessible, people are able to drive less and can easily walk, bike or take transit to meet daily needs. The state's CFEC rules direct larger urban cities to plan to accommodate 30% of all housing units in CFAs - which for Salem translates into a total of roughly 30,000 housing units in CFAs within the next 20-25 years.

As outlined in comments we submitted to the Planning Commission in March -attached - the city's CFA study proposes too few CFAs with too little real development capacity to meet the 30% goal. Under current plans the three proposed CFAs - downtown, North Downtown, and close-in West Salem - are expected to have a total of only about 3,000 to 4,000 housing units over that planning period, a fraction of our climate friendly housing goal. This has happened because the study uses the so-called "prescriptive method" in the CFEC rules which, in practice, dramatically over-estimates housing capacity in downtown and West Salem. The city can and should correct this by reviewing adopted plans to prepare a more realistic, achievable estimate of the housing capacity of proposed CFA areas - as allowed by CFEC rules. Using this revised estimate, the city should consider and designate additional CFAs to provide enough real capacity for the city to meet the 30% goal in the CFEC rules. Finally, we recommend that the city develop and adopt specific housing goals for each CFA area to guide the city as it develops and adopts other plans to achieve the 30% goal.

We appreciate the opportunity to comment.

¹ 350 Salem OR is a local chapter of 350.org, an international non-profit dedicated to reducing climate pollution and human-caused climate disruptions, such as the 2020 Labor Day Santiam Canyon wildfire, the June 2021 heat dome event and the 2023 "fir-magedon" dieoff of true fir trees in central and eastern Oregon.

March 21, 2023

TO: Salem Planning Commission

FROM: Bob Cortright, West Salem

SUBJECT: REVIEWING SALEM'S CLIMATE FRIENDLY AREA STUDY

Last week, staff posted [technical memos](#) on the city's website that calculate the housing capacity of four possible Climate Friendly Areas (CFAs). A quick review - provided below - shows that the analysis dramatically over-estimates the potential for housing in these areas: with estimates that are more than 15 times the amount of housing that adopted city plans forecast will occur. The Planning Commission should review the draft CFA study and encourage the city to revise the study to (1) develop a more reasonable, realistic estimate of housing capacity in these areas (2) expand the study to consider additional areas as CFAs.

Background

The goal of CFA planning is to identify and designate Climate Friendly Areas - mixed use areas that are highly walkable, bikeable and transit friendly - to accommodate 30% of the city's housing units. That's a total of about 26,000 housing units by 2035.

CFA capacity assessments are guided by DLCDs CFEC rules. While the CFEC rules include the "prescriptive method" used in the current analysis, they also allow cities to use alternative methods that better reflect local plans and conditions. In January, 1000 Friends and I wrote to Salem staff and other metropolitan cities alerting them to likely problems with DLCDs "prescriptive method" and [recommending use of the alternative option](#) allowed by the CFEC rules.

Review of the Preliminary CFA Capacity Estimates

As outlined in the table below, the current technical memos dramatically over-estimate the capacity of the four potential CFAs:

- Estimated densities are unreasonably high: they assume that CFAs will develop and redevelop at an average of more than 60 units per acre.
- The estimated housing capacity of the four CFAs is more than 15 times higher than what is currently expected in adopted plans. Staff estimate capacity for more than 55,000 housing units in these areas while existing plans estimate there will be only about 3,100 housing units.
- Accommodating 26,000 housing units in these four areas would require that the city plan for roughly 23,000 more housing units in these areas than are called for in existing plans. For comparison, that's essentially 100% of all new housing units that the city expects by 2035.²

² Salem Housing Needs Analysis, cited on page 4 of [CFA Tech Memo #1](#)

Preliminary CFA Capacity Study versus Current Adopted Plans					
CFA Study Area	Acres	Estimated Capacity (Potential Units)	Average CFA Density	Current Plans Forecast³	CFA Study v. Current Plans
Downtown	252	19,638	78 units/acre	~1500	~18,000
West Salem	142	9821	70 units/acre	~500	~9300
Comm/Liberty	191	8846	46 units/acre	~300	~8500
Lancaster	301	16,957	56 units/acre	~800	~16,000
Total	886	55,262	62 units/acre	3100	51,000

In addition, [Salem Breakfast on Bikes review](#) of the CFA study illustrates the extraordinary scale and pace of development that would be needed to achieve the capacity called for in the staff estimates.

Recommendation

The purpose of the CFA study and subsequent planning is to guide changes to city plans to accommodate at least 30% of all housing in the city in Climate Friendly Areas. Getting this amount of housing, as well as lots of other development in these highly walkable, mixed use areas is critical - and foundational - to achieving the 20-30% reduction in vehicle miles traveled (VMT) per capita that is needed to meet GHG reduction goals.

The city needs to make realistic estimates of the capacity of CFAs and include enough land in CFAs to meet these goals. DLCs CFEC rules allow the city to choose an alternative method that more accurately reflects local plans and conditions. The city should take advantage of this option and also expand the scope of the CFA study to consider other areas as potential CFAs in order to realistically meet the 30% goal.

³ This is a rough calculation that I prepared based on a review of the housing allocations to “transportation analysis zones” (TAZs) included in SKATS draft Metropolitan Transportation Plan. These estimates reflect local planners estimates of the expected results of adopted housing plans. The MWVCOG tech memos do not include information on either the number of existing housing units in the potential CFAs or the number expected under existing plans.