

BACKGROUND

Many studies have shown that access to affordable housing has broad, positive impacts. Affordable housing increases financial stability and allows families to prioritize spending on what matters most, including food, transportation, healthcare and saving for college or retirement.¹ From 2000-2015, Oregon under produced housing by approximately 155,000 housing units.² At its most basic level, a functioning housing market needs to produce at least one new housing unit for every new household formed. Producing 1.1 new units for each household formed is the minimum needed to account for vacancy, demolition and obsolescence, while still maintaining market conditions and accommodating demand for new housing. In Marion County, from 2000-2016, for every 100 households formed during this time period an average of 89 units were built.³

STRATEGIC DIRECTION

One of the 2019 priorities of the Board of Commissioners is to develop strategies to increase housing supply, including workforce housing and supportive housing.

Proposal: Convene stakeholders to launch a housing initiative that would strengthen local partnerships among public, private and nonprofit organizations to effectively create more housing units.

GOALS

- Determine the number of housing units needed to stabilize demand and promote livability and productivity throughout Marion County.
- Develop a housing lifecycle that offers diverse housing options (size, type, affordability), in order to allow people to transition to different types of housing as individual needs change.
- Break down barriers to increasing housing production, and improve the path to build and permit innovative building types.
 - Some common barriers include:⁴
 - Zoning restrictions;
 - Escalating and misaligned fee structures, such as impact and linkage fees charged per unit instead of square footage;
 - Poorly calibrated inclusionary housing exacerbated by rapidly changed market conditions; and
 - Lengthy review processes that add cost and allow for manipulation by growth opportunities.
- Leverage current county and community assets, such as vacant and foreclosed properties, to develop new assets in order to improve housing certainty.

¹ Oregon Housing and Community Services Report: Breaking New Ground, Oregon's Statewide Housing Plan, Draft November 2018, pg. 6.

² ECONorthwest Report: Housing Underproduction in Oregon, Economic, Fiscal and Environmental Impacts of Enabling Transit-Oriented Smart Growth to Address Oregon's Housing Affordability Challenge, 2018, pg. 7.

³ ECONorthwest Report: Housing Underproduction in Oregon, Economic, Fiscal and Environmental Impacts of Enabling Transit-Oriented Smart Growth to Address Oregon's Housing Affordability Challenge, 2018, pg. 8.

⁴ ECONorthwest Report: Housing Underproduction in Oregon, Economic, Fiscal and Environmental Impacts of Enabling Transit-Oriented Smart Growth to Address Oregon's Housing Affordability Challenge, 2018, pg. 5.

The housing initiative will: create a culture of collaboration; convene partners to derive solutions that break down barriers that impede growth; and provide new opportunities. Marion County has a unique role in that it can bridge rural and urban communities through the identification and implementation of goals and actions to achieve a common vision.⁵ The county's economic development strategy effectively aligns with the housing initiative goals: strategically use land; foster a great place; create business opportunities; and build organizational capacity.

THE NEED

The housing initiative will include evaluation of a variety of housing needs and implement solutions prioritized by the board of commissioners. This includes, but is not limited to:

- Workforce housing and workforce development programs
- Permanent supportive housing
- Rural housing projects
- Affordable rental housing
- Veteran housing
- Transitional and shelter housing
- Support and promote homeownership, housing rehabilitation and preservation programs

Oregon Housing Alliance's "A Place to Call Home: Marion County" 2017 report states that for every 100 families with extremely low incomes, there are only 20 affordable units available in Marion County. In order to serve people with the very lowest incomes, who may be doubled up or living in an apartment they can't afford, the county would need to develop 7,215 new affordable units to meet the current need.⁶

According to the Mid-Willamette Valley Community Action Agency's ARCHES Project, the county's top housing needs by ratio of homelessness to local population are in the following areas:⁷

- Salem,
- Canyon (decaying infrastructure, large numbers of squatters, many car campers and many outright homeless camping),
- Triangle between Woodburn, Silverton, Mount Angel, and
- Jefferson.

According to the ARCHES Project, the types of housing most needed in Marion County are affordable housing complexes in Mill City, Jefferson and Mount Angel, and supportive housing in Salem and Silverton.

POTENTIAL STAKEHOLDERS

- Homebuilders
- Realtors
- Developers
- Banks
- City managers
- Nonprofits
- Housing Authorities
- State and local government

⁵ Marion County Economic Development Strategy, 2018.

⁶ Oregon Housing Alliance Report <http://www.oregonhousingalliance.org/wp-content/uploads/2018/01/Marion-County-2017-color.pdf> and information received from Alison McIntosh, Deputy Director, Policy and Communications, December 2018.

⁷ Email from Linda Strike at Mid-Willamette Valley Community Action Agency, ARCHES Project, December 2018.