



Memo

Date: September 22, 2023

To: Planning Commissioners

From: Ariel Kane, Economic City Planner II

cc: Patricia Diefenderfer and Tom Armstrong

Re: Housing Needs Analysis (HNA) and Residential Buildable Lands Inventory (BLI)

Staff Recommendation

Staff proposes that the Planning Commission recommend that City Council:

- Repeal the 2009 Housing Needs Analysis
- Adopt the 2045 Housing Needs Analysis
- Repeal the residential capacity portions of the 2015 Building Lands Inventory
- Adopt the 2023 Residential Building Lands Inventory (to be published by 9/28/23)

Key elements of the HNA Project

- Metro is responsible for providing a regional population forecast, which is distributed across individual jurisdictions. The most recent 2018 regional forecast is for 277,221 additional households by 2045. Metro allocated 97,471 new households to Portland, which is about 35 percent of the growth forecast.
- To accommodate the basic forecast of 97,471 new households by 2045, Portland should expect to add just as much housing. To adequately account for a healthy vacancy rate, and to allow for more housing choice, Portland should plan to add 106,571 units. However, if the City hopes to meet the needs of Portlanders currently facing houselessness and account for historic underproduction, Portland should plan for an additional 120,560 dwelling units by 2045.
- The Buildable Land Inventory (BLI) estimates that Portland has the capacity for 236,977 units.



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- More than 30 percent of current Portland households are low-income and cost-burdened, which means they spend more than 30 percent of their income on housing expenses. Low-income households are forecasted to grow by another 63,000 units by 2045.

Purpose and Background

Purpose

- This project brings the City into compliance with ORS 197.296 which require cities with more than 10,000 residents to inventory “buildable lands” and ensure that there is enough zoned land to accommodate housing needs over the next twenty years. Metro cities are mandated to develop and update this analysis every six years. Cities are also required to prepare and adopt a Housing Production Strategy that describes how the jurisdiction plans to support the development of the needed housing through existing and new policies and programs.
- This HNA report includes an updated analysis of Portland’s population and existing housing characteristics, projected housing needs to 2045, and a buildable land inventory to estimate the capacity to accommodate future residential development.

Background

- In mid-2011 Portland’s previous Housing Needs Analysis (HNA) was adopted with the City’s 2035 Comprehensive Plan update.

Outreach and Engagement

- Staff attended or hosted meetings during the Discussion and Proposed Draft phases, with the following stakeholder and interested party groups: Sightline, Cully Neighborhood Association, Portland Neighbors Welcome, Development Review Advisory Committee, Portland Homebuilders’ Association, Portland Building And Development Council, East Portland Action Plan Housing Committee, Central Eastside Industrial Council, Oregon Smart Growth and the Southwest Land Use & Transportation Forum.
- Staff hosted Technical Advisory Committee meetings during the Discussion and Proposed Draft phase, participation included staff from Multnomah County, Metro, Department of Land Conservation and Development and City of Portland.
- Staff hosted a biweekly interbureau Working Group meeting during the Discussion and Proposed Draft phase, participation included staff from Portland Housing Bureau, Bureau of Planning and Sustainability, Bureau of Development Services, Prosper Portland and Office of Management and Finance.
- Staff will continue outreach meetings with Northeast Coalition of Neighbors, North Portland Land Use Group, Portland State University Homelessness Research Center, Anti Displacement PDX, Planning/Housing Committee and Fair Housing Council of Oregon.



- Project documents have been shared on the Housing Needs Analysis and Buildable Lands Inventory project website: <https://www.portland.gov/bps/planning/housing-production/2045-hna-and-hps>
- Public notice for the PC hearing was sent and the MapApp was opened for testimony to the PC on August 21, 2022.

Issues

- Misconceptions about the scope of the project. The Housing Needs Analysis is an analysis document not yet geared toward solutions. The Housing Production Strategy, which will follow the HNA, will address future actions to support the production of needed housing.
- Concerns about the forecast. Concerns have been expressed around the continued growth forecast when recent estimates show a short-term decline in population in Portland. Additionally, on the other side, we have heard concern around an underestimation given the potential for future increase in migration due to climate change. Metro and the State are responsible for the regional distributed forecast and continue to forecast household growth over the long term. Additionally, Metro and the State forecasts would be the appropriate place to incorporate consideration of climate change migration patterns.
- Concerns about the capacity. We have heard some concern that if Portland has this much capacity, why is there still insufficient housing to meet the needs of Portlanders today. A number of factors aside from vacant and redevelopable land determine the feasibility of housing that is needed by current and future Portlanders. This includes market feasibility, access and ability to leverage capital, land readiness and availability as well as public policy. Other ongoing work, and the Housing Production Strategy will address these issues.

PC Schedule (tentative)

09/28/23 Briefing and Hearing
 10/10/23 Work Session
 10/24/23 Work Session/Recommendation

Related Projects and Background Info

- More information on the previous HNA project can be found on the [project website](#). The July 25 [City Council Work Session](#) video is helpful to hear.
- The Residential Buildable Lands Inventory is an integrated part of the Housing Needs Analysis, however, more detailed materials on methodology and constraint mapping is available on the BLI [project website](#).

For more information

Webpage: [portland.gov/bps/planning/housing-production/2045-hna-and-hps](https://www.portland.gov/bps/planning/housing-production/2045-hna-and-hps)
 Contact project staff:



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