



Executive Summary

This report presents Portland's projected housing needs up to 2045. It complies with statewide policies governing planning for residential development and focuses largely on Portland's housing needs over the next 20 years. It provides information necessary to develop the Housing Production Strategy to meet the city's future housing needs.

WHAT ARE THE KEY FINDINGS OF THE HOUSING CAPACITY ANALYSIS?

Portland has enough zoned development capacity to accommodate the projected household growth.

A key challenge is developing housing for different types of households and household needs, including:

Production. Portland needs to support the development of 120,560 new units of housing by 2045--; An average of 5,200 units per year. Additionally, to align with Governor Kotek's statewide housing production strategy, the City should "catch-up" the units from underproduction and for households experiencing houselessness and build 55,000 units by 2032, roughly, 6,000 units per year.

Affordable Housing. Approximately 88,000 (31 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. The housing forecast identifies a need for 63,000 new affordable units by 2045,-- 53 percent, and that will need to be affordable to households whose incomes are at or below 80 percent of area median income (AMI), which in 2023 is \$90,240 for a 4-person household.

Access to opportunity. Portland also needs to address the location of housing and increase housing options in areas of high opportunityies or complete neighborhoods, especially for low-income households. The Portland Plan set a goal of, by 2035, 80 percent of Portlanders living in a healthy, complete neighborhood, with safe and convenient access to the goods and services needed in daily life. Today, two-thirds of all Portlanders live in complete neighborhoods. About 75 percent of the city's recent development has been in complete neighborhoods. Around 64 percent of the new housing capacity is in complete neighborhoods.

Age-friendly and Accessible Housing. As the number of older adults increases, the importance of establishing "ageing in community" housing practices becomes significant and will drive demand for housing older adults, such as intergenerational housing, small easy-to-maintain dwellings, assisted-living facilities, or age-restricted developments. Twelve percent of Portland's population has a disability, and 22 percent of all households include household members with disabilities. That number is even

higher (56 percent) for households with extremely low-income (0-30% AMI), and 33 percent of people over 65 reports having at least one disability, increasing the need for accessible units.

Family-Sized Housing. Twenty-three percent of Portland households have children (0-18 years). More than one-third (37 percent) of households with children are low-income households. If these household trends for households continues, 30 percent of new housing units, a An additional 28,000 family-sized (2+ bedrooms) units, will be needed by 2045 to accommodate households with three or more persons.

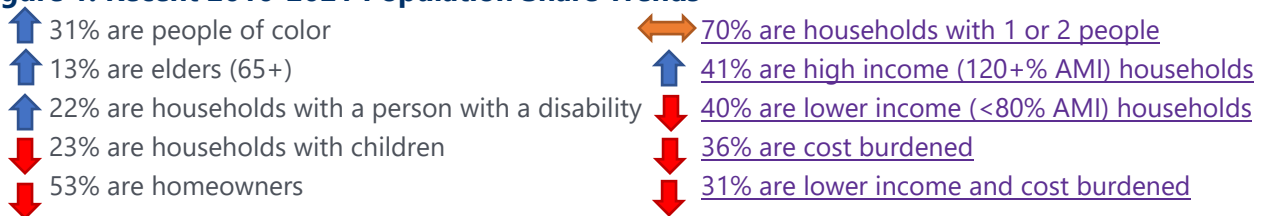
Houseless Housing Need. In 2022, 5,228 people were counted as experiencing houselessness in Multnomah County, a 30 percent increase since 2019. Black or African American residents are over-represented in the houseless population, compared to the overall population (15 percent compared to 5 percent). At least 4,604 additional housing units are needed for households currently experiencing houselessness.

HOW HAS PORTLAND BEEN CHANGING?

As of 2021, 647,176 people and 279,797 households were living in Portland. Over the last decade, population and household growth has slowed across the Metro region.¹ Estimates over the last two years, 2020 to 2022, show a population decline of -0.7%, with high estimates indicating a potential loss of nearly 20,000 residents.² Despite these trends, the city we are is still planning for continued population growth over the long term.

While population growth has been slowing, Portland has become increasingly racially and ethnically diverse since 2010. The share and number of BIPOC Portlanders continues to increase. Over time, the state, as well as the City of Portland, has seen and continues to expect the share and number of older adults to increase as well as the number of persons with disabilities. Similarly, since 2010, the number of homeowners has increased, but the lion's share of new housing growth has been in rental units.

Figure 1. Recent 2010-2021 Population Share Trends



Source: ACS 2010 and 2021 5-year, CHAS 2019, PUMS 2010 and 2021 5-year, 2023 AMI

¹ [2060 growth forecast | Metro \(oregonmetro.gov\)](https://www.oregonmetro.gov/2060-growth-forecast), <https://www.oregonmetro.gov/2060-growth-forecast>

² [Population Estimate Reports | Portland State University \(pdx.edu\)](#) and [American Census Bureau](#) Census Population Survey Estimates



HOW MUCH GROWTH IS PORTLAND PLANNING FOR?

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.

Figure 2. Forecasted Household Growth

279,797	377,268	97,471	35%
Households in 2021	Households in 2045	New households by 2045	Increase

Source: BPS Analysis based on ACS 2021, 5-year data, and Adopted 2021 Metro Forecast

The recommended OHNA framework is applied to the forecasted household growth to calculate the dwelling units Portland needs to plan for by 2045. [The translation from households \(people\) to dwelling units factors in vacant units, 2nd homes, historic underproduction and housing for the houseless.](#)

Figure 3. Forecasted Housing Unit Growth

296,479	417,039	120,560	41%
Units in 2021	Units in 2045	New units by 2045	Increase

Source: BPS Analysis based on ACS 2021, 5-year data, and Adopted 2021 Metro Forecast

HOW MUCH DEVELOPMENT CAPACITY DOES PORTLAND HAVE?

The Buildable Land Inventory (BLI) is an assessment of the development capacity in Portland under current planning and zoning designations. The BLI considers vacant land, redevelopment feasibility, and constraints on development to estimate ~~the~~ future development capacity.

The BLI estimates that Portland has ~~the~~ capacity for 236,977 new housing units, with 90 percent. ~~Approximately 90 percent is~~ in mixed-use ~~commercial~~ and multi-dwelling zones.

Figure 4. Existing Residential Buildable Land Capacity

236,977	29%	64%	10%
Citywide Housing Capacity (Units)	Central City	Other Centers & Corridors	Neighborhoods

Complete Neighborhoods. About 64 percent of the total housing unit capacity is in Complete Neighborhoods. The Portland Plan Goal is that by 2035, 80 percent of Portlanders live in a healthy complete neighborhood with safe and convenient access to the goods and services needed in daily life.

High Opportunity Areas. Thirty-three percent of the capacity are within a high opportunity area. High-opportunity areas are mostly in and around the Central City.



Economic Vulnerability. Forty-two percent of the capacity are in areas of high economic vulnerability risk. These areas are in Central City and East and Northeast Portland.

