



Chair O’Meara and members of the Portland Planning Commission:

Sightline Institute is a regional sustainability think tank. We think cities are good for our society, our environment and our economy, and that everyone who wants to live (or remain) in a city should be able to.

We’re writing to comment on the proposed draft of Portland’s Housing Needs Analysis, with an eye to the actions that it will suggest may become part of Portland’s first Housing Production Strategy.

We have three suggestions:

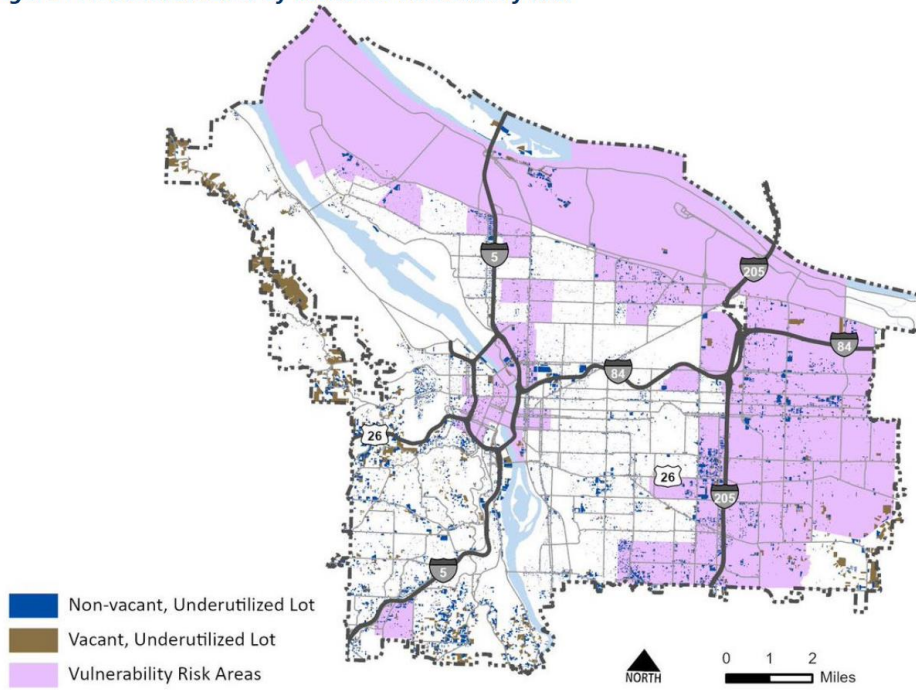
- Future drafts of the HNA should acknowledge that the city could advance many of its policies by assigning more zoned capacity to high-opportunity neighborhoods.
- The coming housing production strategies should include a broad upzone to allow “four floors and corner stores” throughout neighborhoods with relatively high opportunity and relatively low vulnerability.
- The Planning Commission should urge BPS to schedule a future project that would implement any zoning-related strategies in the HPS.

The HNA finds that at the city level, zoned capacity far exceeds projected growth. Thank goodness. More zoned capacity in more places means more flexibility for Portland to adjust to its different possible futures. A regional context is crucial here: even the least walkable and least transit-served parts of Portland are more walkable and have better transit access than many places on the urban fringe, where more homes might go if Portland’s zoned capacity were too tightly constrained.

But zooming in closer to the neighborhood level, several problems become more apparent. Much of our zoned capacity is in the wrong place for some of our best futures. It's alongside freeways; it's in neighborhoods the city identifies as facing displacement risk; it's in brownfields that cost tens of millions of dollars just to prepare for development. Meanwhile, the city’s new lot-by-lot analysis finds a big lack of infill potential right in the middle of its grid of walkable, transit-rich areas.

And much of it also has low economic vulnerability risk:

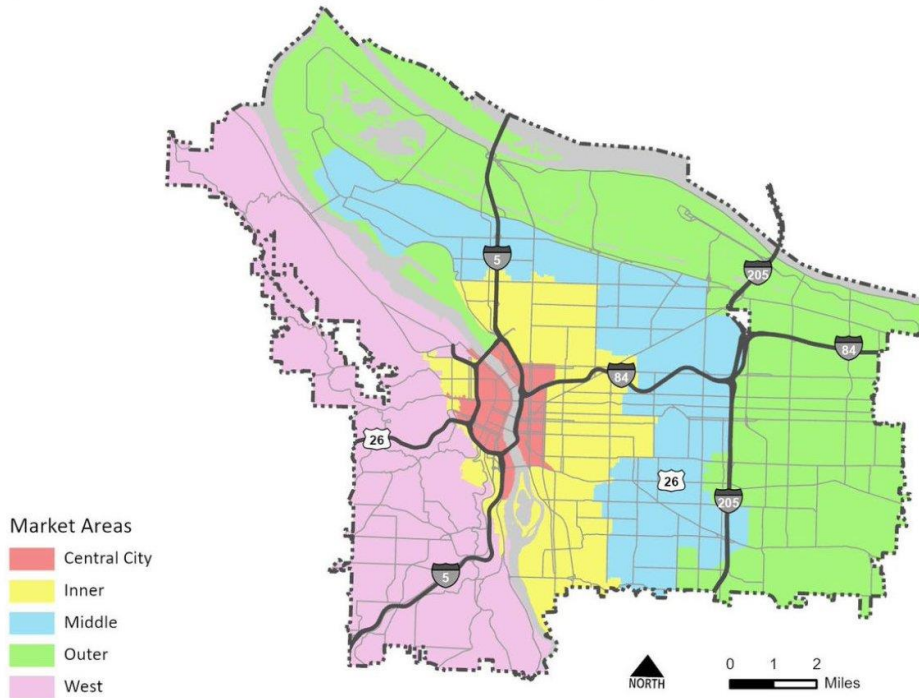
Figure 114. Buildable Land by Economic Vulnerability Risk



Source: BPS Analysis

It also overlaps heavily with the “inner” market area designated in yellow in the proposed draft HNA.

Figure 80. Portland Market Areas



Source: City of Portland BPS

According to the HNA, this “inner” market area is home to about half of the city’s “unregulated affordable” homes, most of which surely sit on lots that are *already* zoned for apartment buildings.

If the future brings high demand for living in this walkable, transit-rich area---and many city policies revolve around encouraging such demand---then those tens of thousands of unregulated affordable homes in and around the inner market area will sit directly in the path of gentrification and involuntary displacement. However, the city could take economic pressure off those buildings (as well as lower-priced homes everywhere in the region) by also allowing apartment infill in the underzoned parts of these inner high-opportunity, low-vulnerability neighborhoods.

Allowing four-story apartment buildings throughout these inner areas would open up many more land opportunities for LIHTC-scale projects as well as smaller-scale, potentially locally financed apartment infill. A fully funded inclusionary housing program in these areas would also accelerate production of below-market homes as part of new mixed-income buildings.

Increasing the zoned capacity of these inner neighborhoods could advance economic prosperity, reduce energy use, reduce auto dependence, reduce displacement, and accelerate the production of both below-market and market-rate housing. This was as true in the 1990s as it is today, which may be why the city had at that time considered significant upzones as part of the Southwest Community Plan and Inner Southeast Community Plan. However, as documented by BPS in its recent History of Racist Planning report, both of these concepts were scaled back. This left these areas less able to respond gracefully to inner Portland’s rapid price increases of the late 1990s and 2010s.

Portland has a chance to advance many of its current goals by revisiting this 30-year-old mistake and re-legalizing four-story apartment buildings throughout its inner neighborhoods. Its HNA and HPS should include such a strategy, and its coming BPS budget should make room to implement it.

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cc:
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