HOUSING POLICY & PLANNING

April 25, 2023

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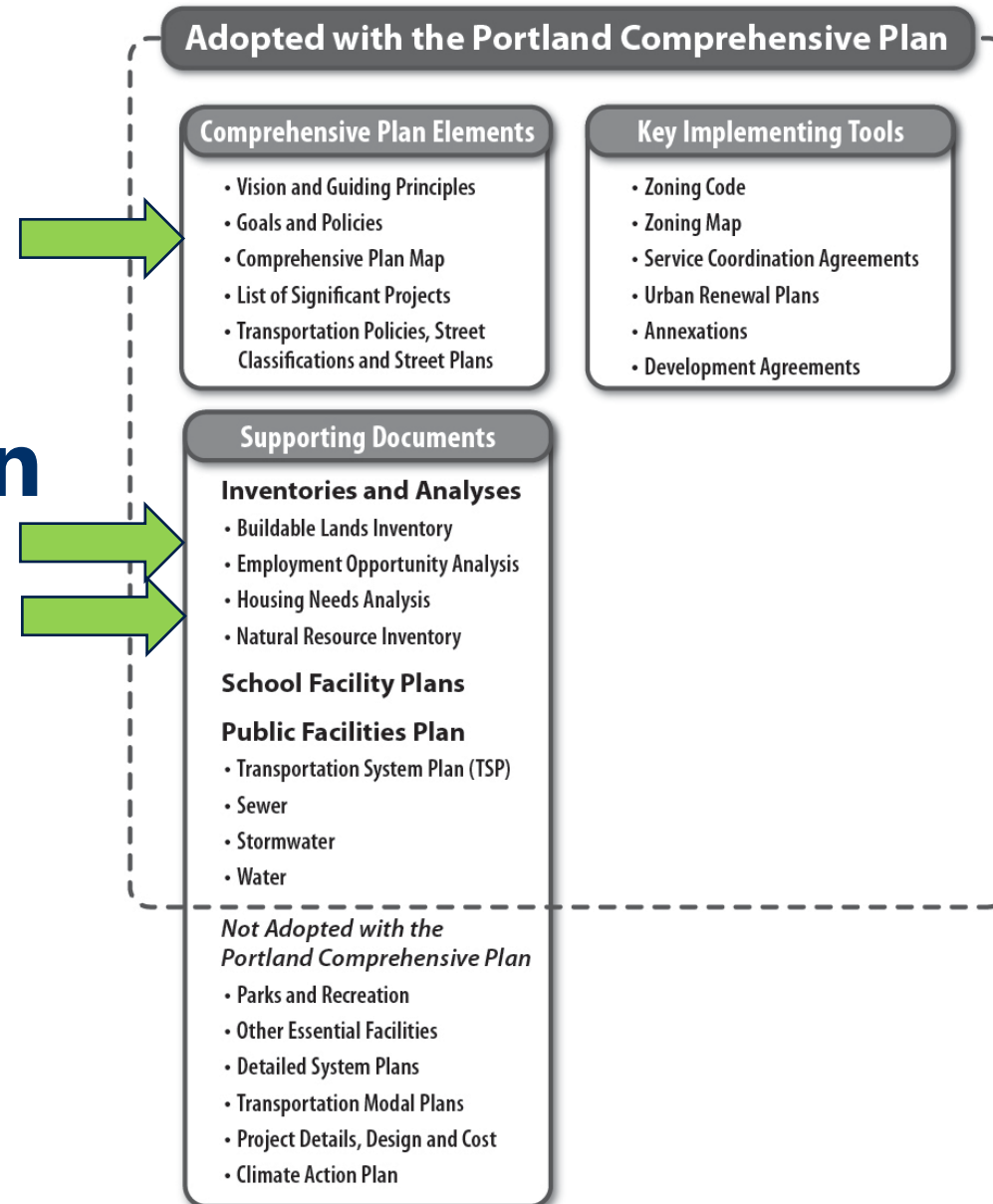
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Agenda

- Comprehensive Plan Chapter 5: Housing Goals and Policies

- Housing Production Trends

- Housing Needs Analysis and Housing Production Strategy

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The Comprehensive Plan

Adopted with the Portland Comprehensive Plan

Comprehensive Plan Elements

- Vision and Guiding Principles
- Goals and Policies
- Comprehensive Plan Map
- List of Significant Projects
- Transportation Policies, Street Classifications and Street Plans

Key Implementing Tools

- Zoning Code
- Zoning Map
- Service Coordination Agreements
- Urban Renewal Plans
- Annexations
- Development Agreements

Supporting Documents

Inventories and Analyses
- Buildable Lands Inventory
- Employment Opportunity Analysis
- Housing Needs Analysis
- Natural Resource Inventory

School Facility Plans

Public Facilities Plan
- Transportation System Plan (TSP)
- Sewer
- Stormwater
- Water

Not Adopted with the Portland Comprehensive Plan
- Parks and Recreation
- Other Essential Facilities
- Detailed System Plans
- Transportation Modal Plans
- Project Details, Design and Cost
- Climate Action Plan

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2035 Comprehensive Plan
Chapter 5: Housing Goals and Policies

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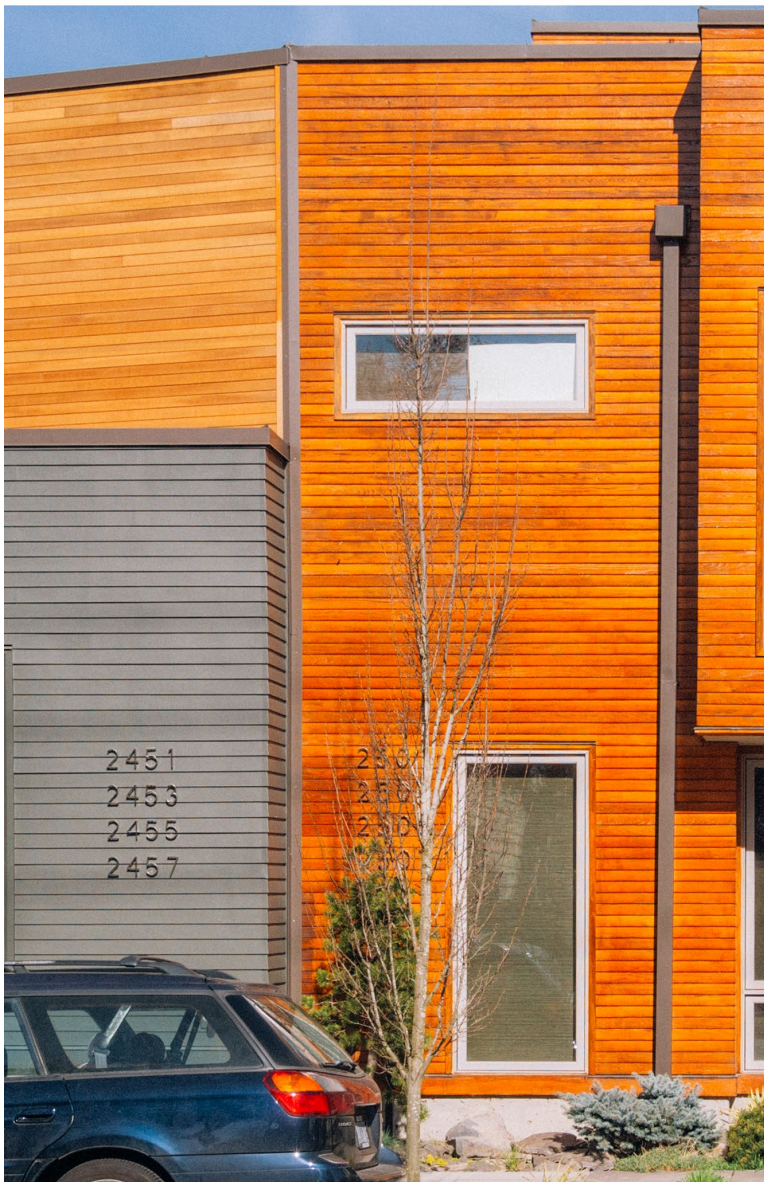**PLANNING &
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Goal 5.A: Housing diversity

Goal 5.B: Equitable access to housing

Goal 5.C: Healthy connected city

Goal 5.D: Affordable housing

Goal 5.E: High-performance housing

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Diverse and expanding supply

Key Policies

- 5.2 Housing growth

- 5.4 Housing types

- 5.6 Middle housing

- 5.8 Physically-accessible housing

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Housing access

Key Policies

- 5.12 Impact analysis
- 5.15 Gentrification/displacement risk
- 5.16 Involuntary displacement
- 5.18 Rebuild communities

Economic Vulnerability Analysis

This risk assessment identifies areas where residents are more vulnerable to changing economic conditions, making resisting displacement more difficult.

These area's residents are more likely to:

- Be "housing cost-burdened," meaning they pay 30% or more of their income on housing costs;
- Belong to communities of color, particularly Black and Indigenous communities;
- Lack 4-year college degrees; and
- Have lower incomes.

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Liaison Districts

- - - - Liaison Districts

//// Vulnerability Risk Areas

Total Vulnerability Risk Factors

Vulnerability Score

- 0 - 20 (less vulnerable)
- 21 - 40
- 41 - 60
- 61 - 80
- 81 - 100 (more vulnerable)
- — - — City of Portland Boundary

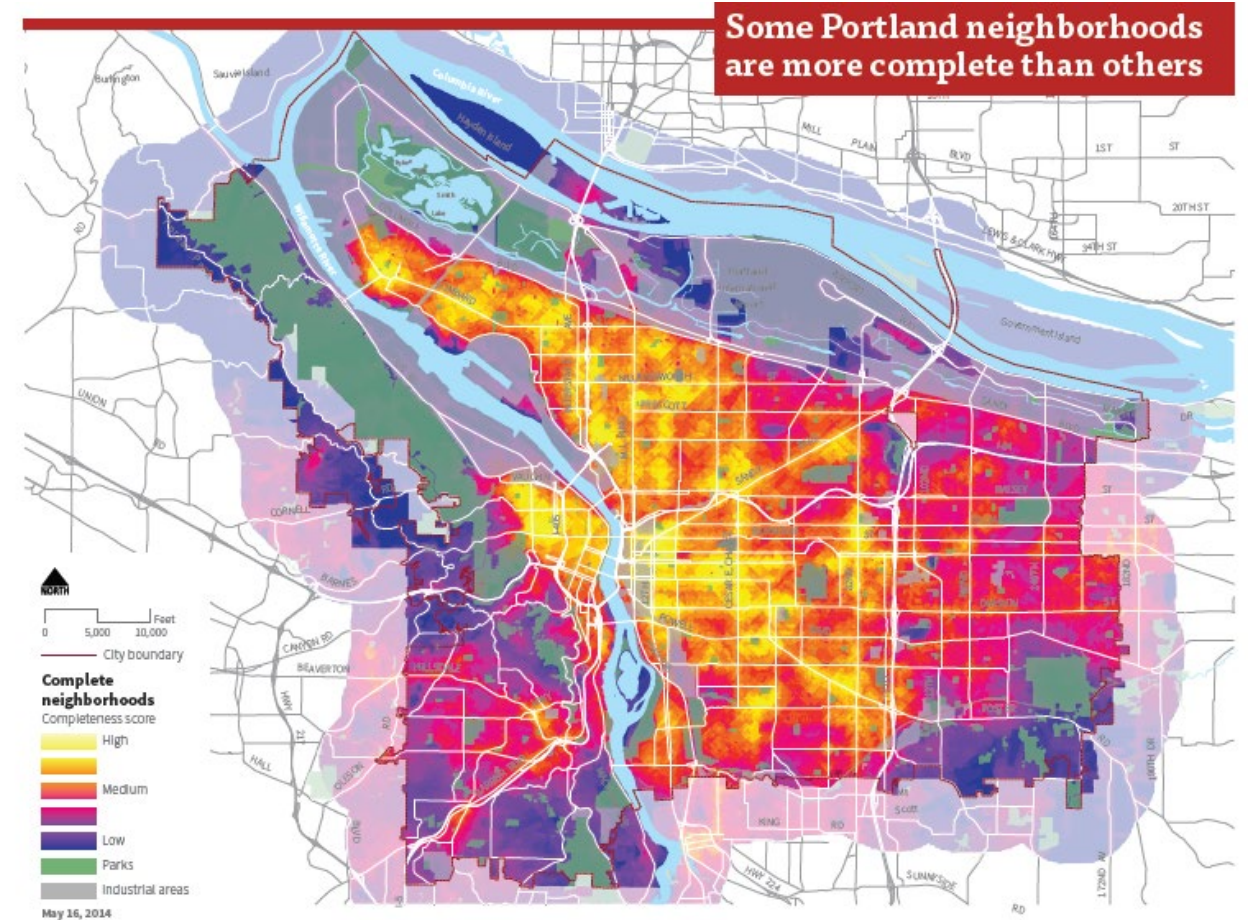Esri, NASA, NGA, USGS, FEMA
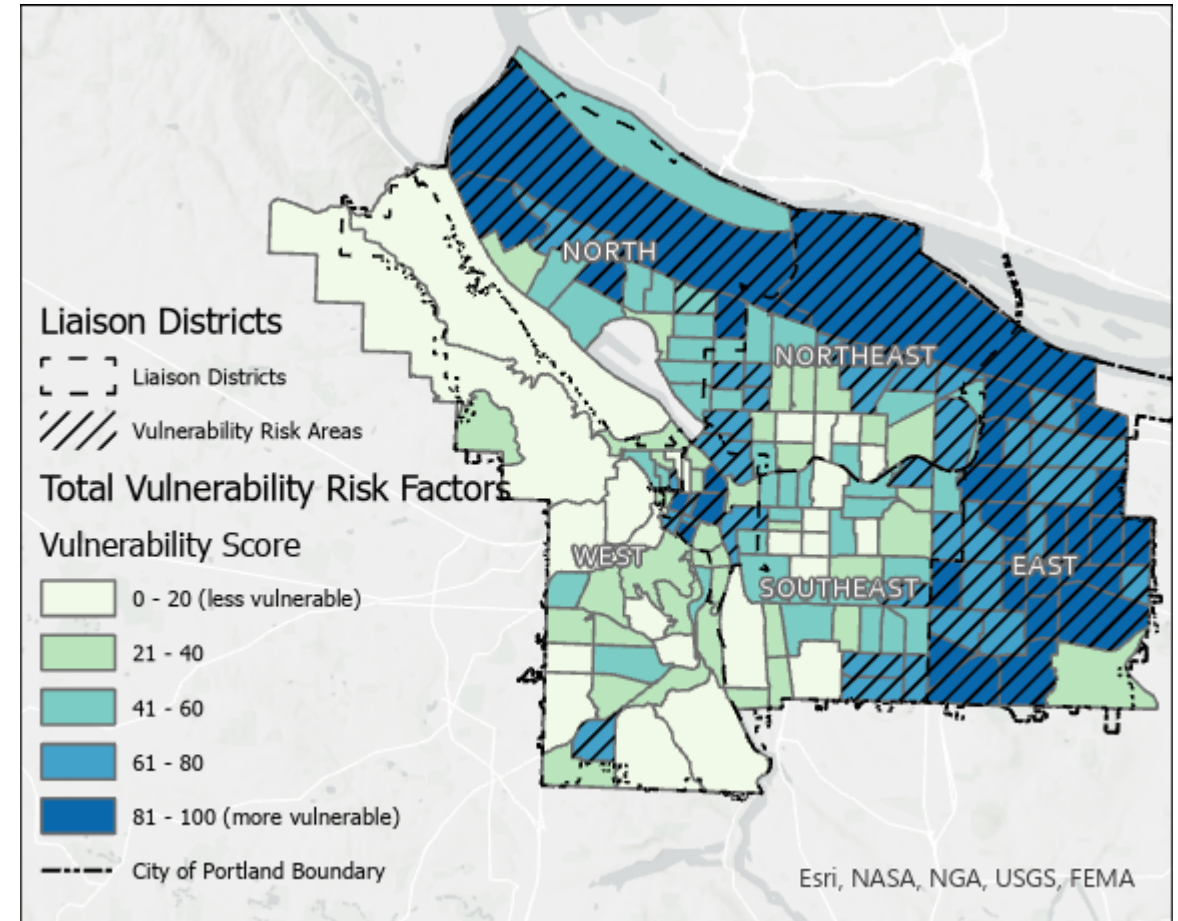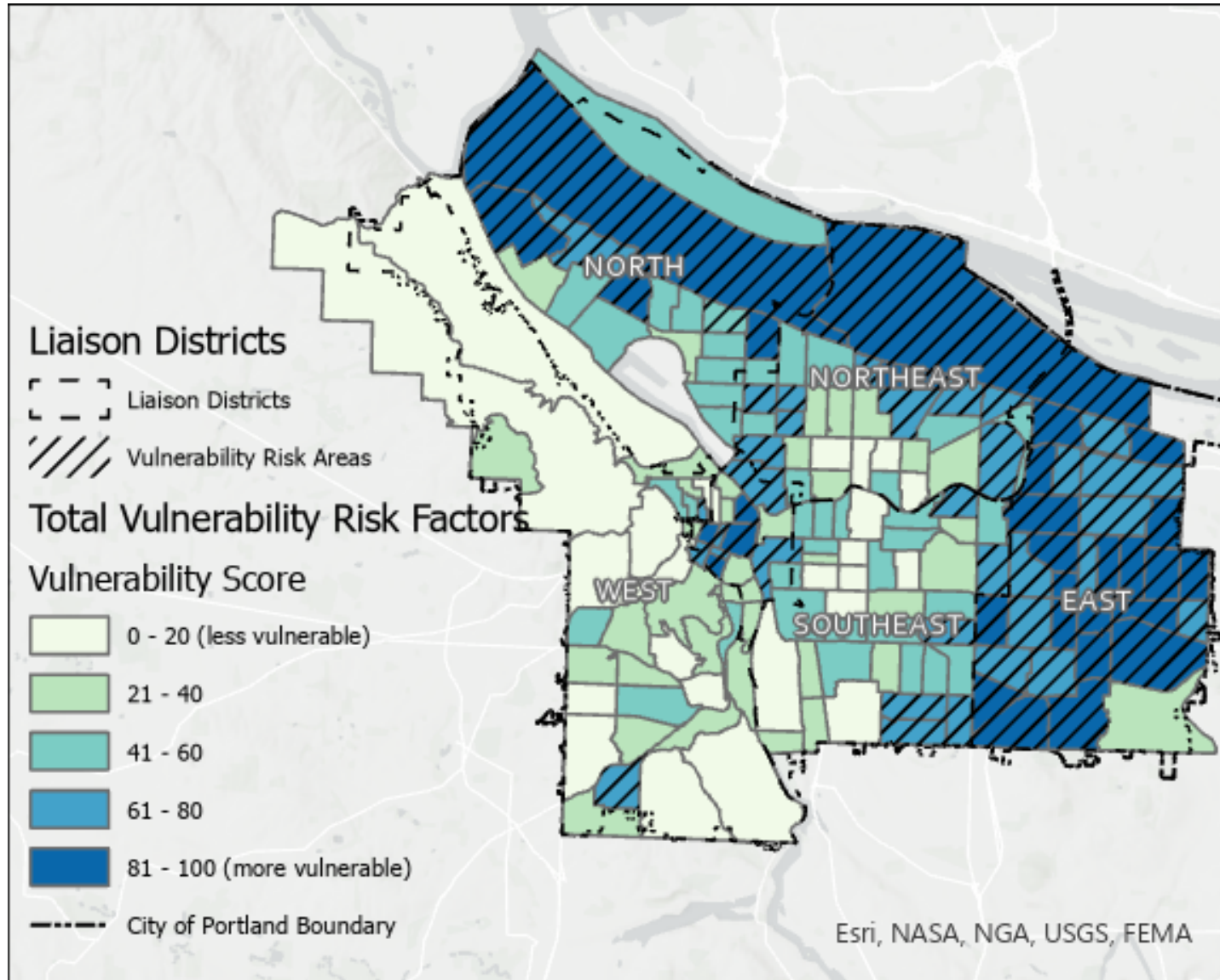
Housing location

Key policies:

- 5.21 Access to opportunity
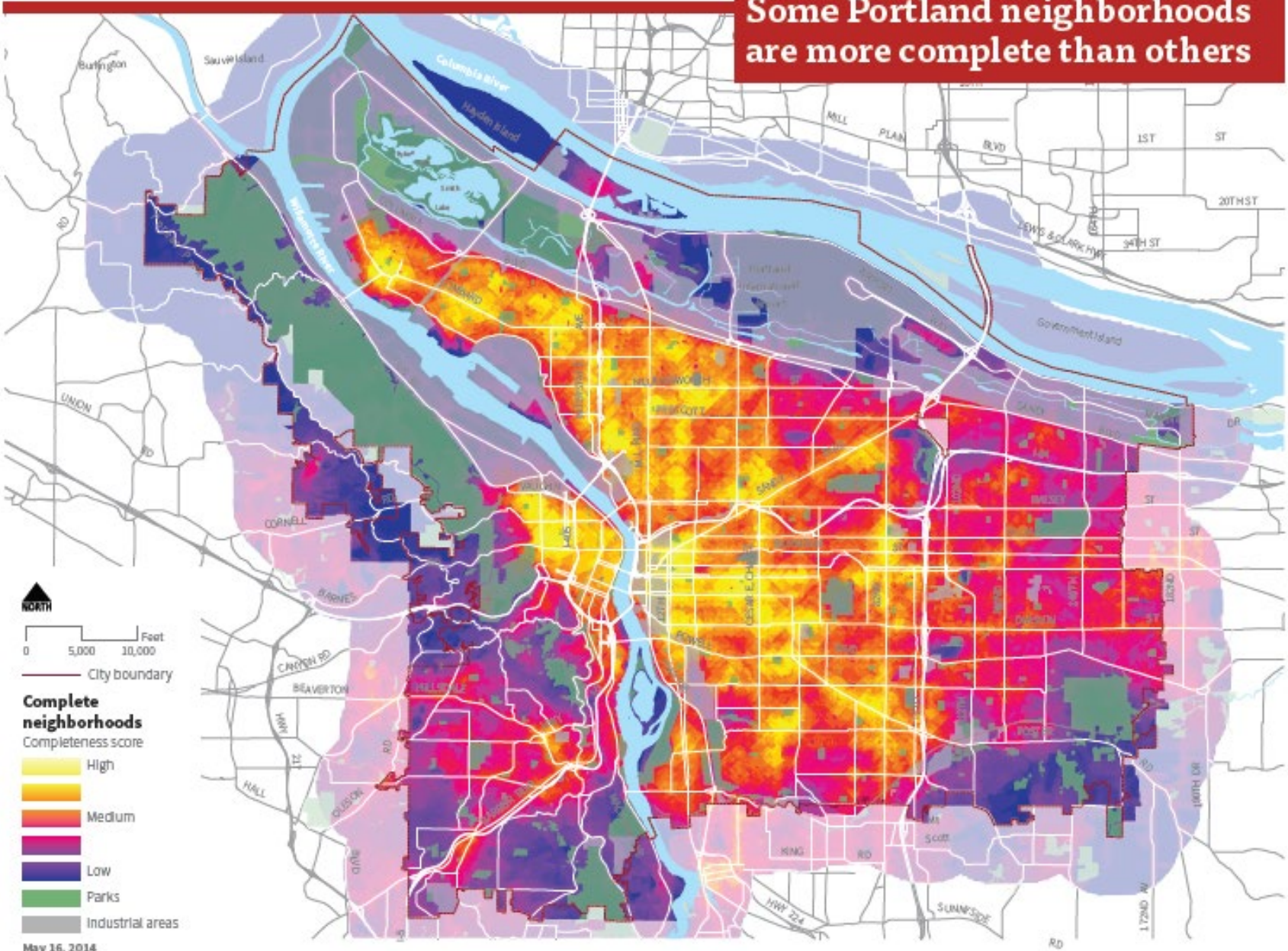- 5.22 New development in opportunity areas

Complete Neighborhoods

A "complete neighborhood" is an area where residents have safe and convenient access to goods and services they need on a daily or regular basis.

Factors include:

- Healthy food (grocery stores)
- Shops and commercial services
- Elementary schools
- Parks and natural areas
- Transit
- Bikeways
- Sidewalks

Some Portland neighborhoods are more complete than others

Some Portland neighborhoods are more complete than others

Complete neighborhoods
Completeness score

- High
- Medium
- Low
- Parks
- Industrial areas

City boundary

May 16, 2014

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Housing affordability

Key policies:

- 5.26 Regulated affordable housing target
- 5.30 Housing cost burden
- 5.35 Inclusionary housing
- 5.36 Impact of regulations on affordability
- 5.37 Mobile home parks

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Homelessness

- 5.46 Housing continuum

Health, safety, and well-being

- 5.46 Healthy housing
- 5.51 Healthy and active living
- 5.54 Renter protections

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Housing Trends

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Income

- **Portland is becoming a wealthier city overall**, with 39.3 percent of households making $100,000 or more

- The 2022 Median Income for a Family of Four in the Portland MSA is $106,500

- The number of lower-income households is decreasing.

- Incomes increased for all racial and ethnic groups from 2010 to 2020, **with household income levels rising most significantly for white households.**

Legend:
- > 120% AMI
- 80-120% AMI
- 30-80% AMI
- < 30% AMI

2010: 34%, 19%, 30%, 17%
2020: 40%, 18%, 27%, 15%
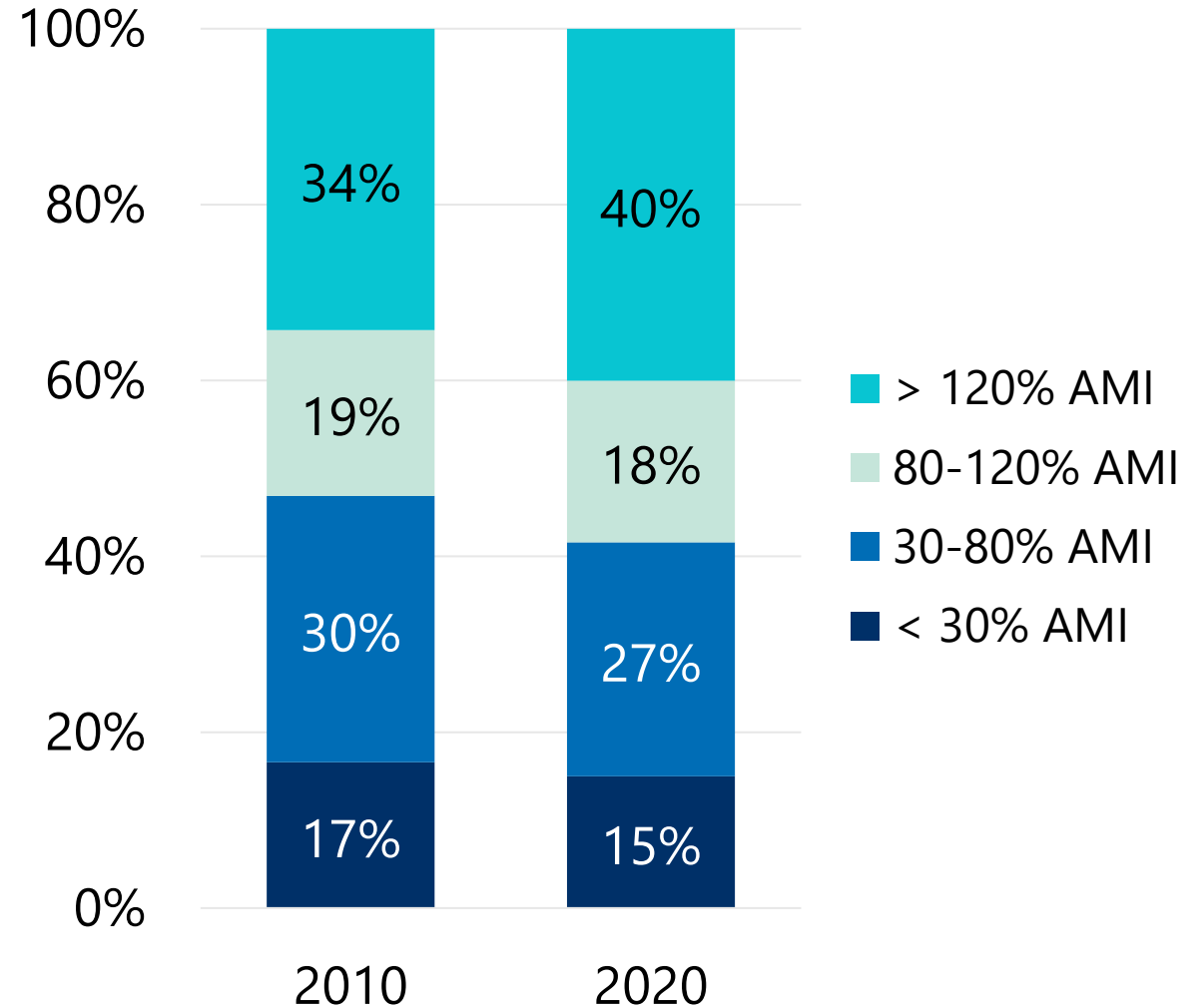
Source: PUMS, 5 year, 2010 and 2020

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Housing Cost Burden
(share of Portland households)

Income Level (AMI)	Spending on Housing Costs		Total
	<30%	**>30%**	**Total**
Extremely Low 0-30%	2%	**13%**	15%
Very Low 30-60%	4%	**13%**	17%
Low 60-80%	6%	**5%**	11%
Moderate 80-120%	15%	4%	20%
High 120%+	36%	2%	38%

Source: BPS Analysis of PUMS, 2021 ACS 5 yr

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Existing Housing Stock
All Occupied Units

Type	2010	2021	
Detached houses	58%	54%	⬅
Middle housing (up to 4 units)	13%	13%	
Small multi-dwelling (5-9 units)	5%	4%	
Medium multi-dwelling (10-19 units)	6%	5%	
Large multi-dwelling (20+ units)	16%	21%	⬅
Other (primarily mobile homes)	2%	1%	
Total Housing Units	100%	100%	

Source: US Census Bureau ACS 5 Year, 2021, Table B25032

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Existing Housing Stock
Renters

Type	2010	2021	
Detached houses	23%	21%	←
Middle housing (up to 4 units)	23%	21%	←
Small multi-dwelling (5-9 units)	11%	8%	
Medium multi-dwelling (10-19 units)	12%	10%	
Large multi-dwelling (20+ units)	30%	39%	←
Other (primarily mobile homes)	1%	1%	
Total Housing Units	100%	100%	

Source: US Census Bureau ACS 5 Year, 2021, Table B25032

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New housing by unit type
Portland Urban Service Area, 1995-2022

Number of new units

1995 to 2003
- 0.6%
- 11.5%
- 29.8%
- 58.0%

2004 to 2013
- 2.0%
- 7.1%
- 25.8%
- 65.1%

2014 to 2022
- 6.8%
- 5.9%
- 9.0%
- 78.4%

Legend:
- ADU
- Townhouse/duplex
- Single-dwelling
- Multi-dwelling
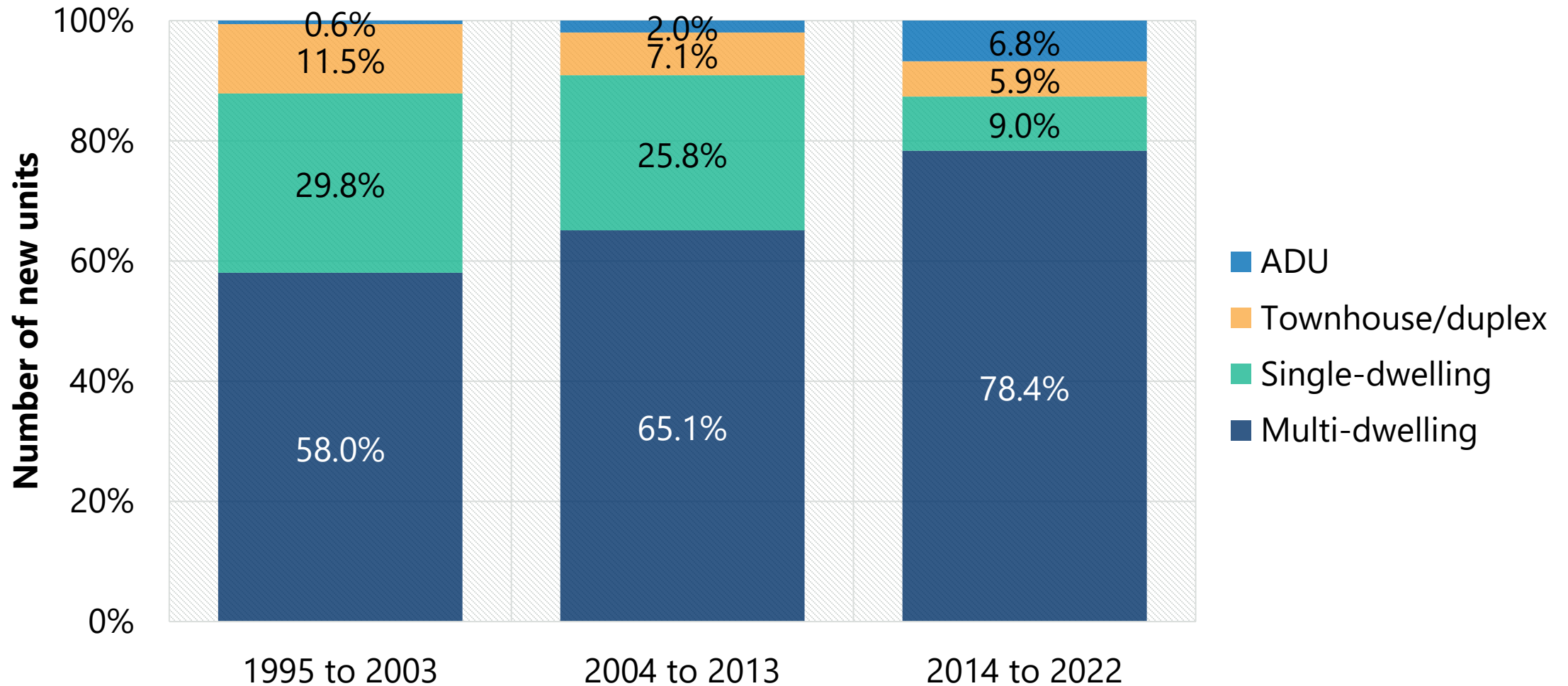
Housing Units Permitted by Type, 2000- 2022
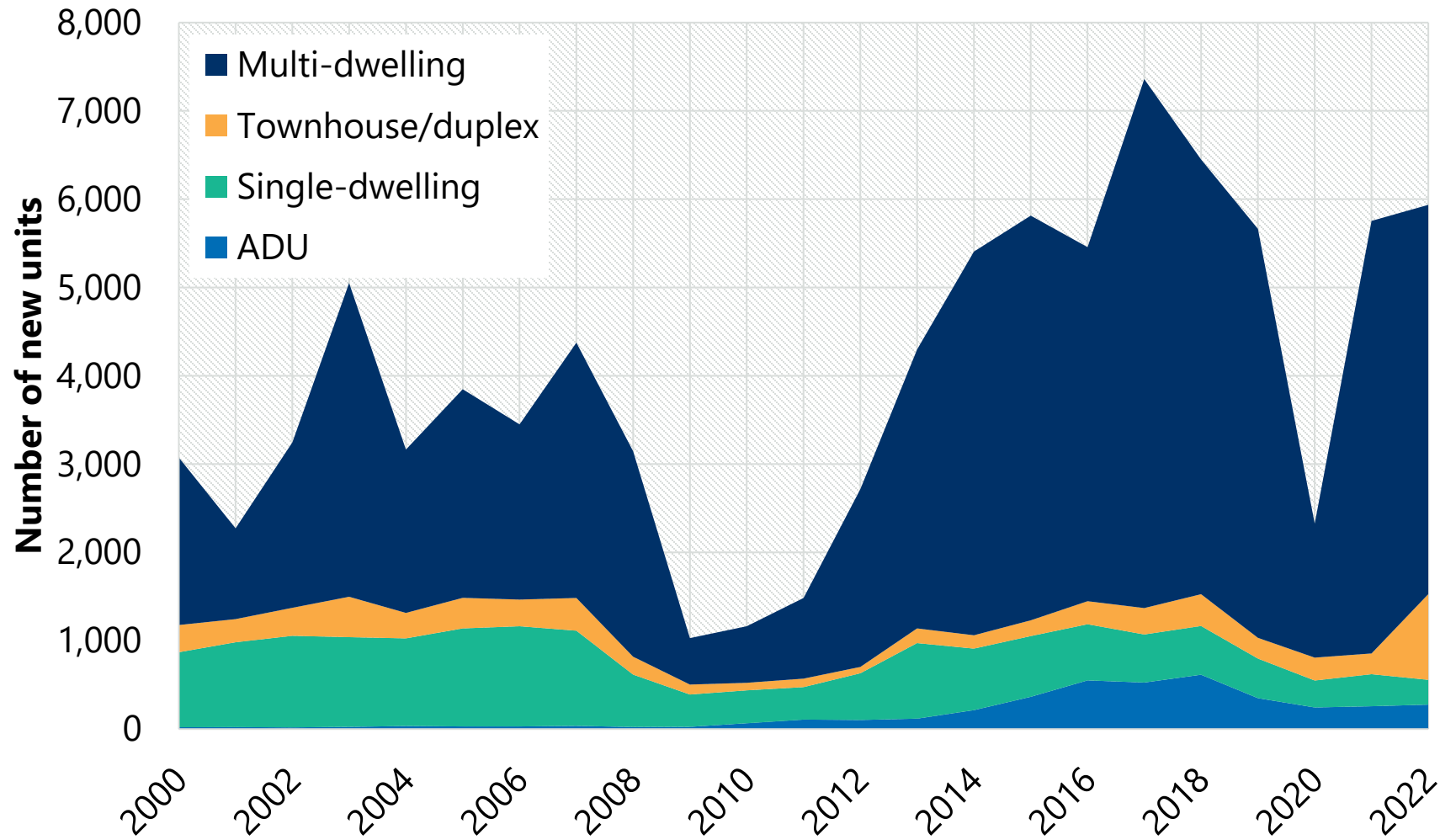
Housing Units Permitted by Type, 2013-2022
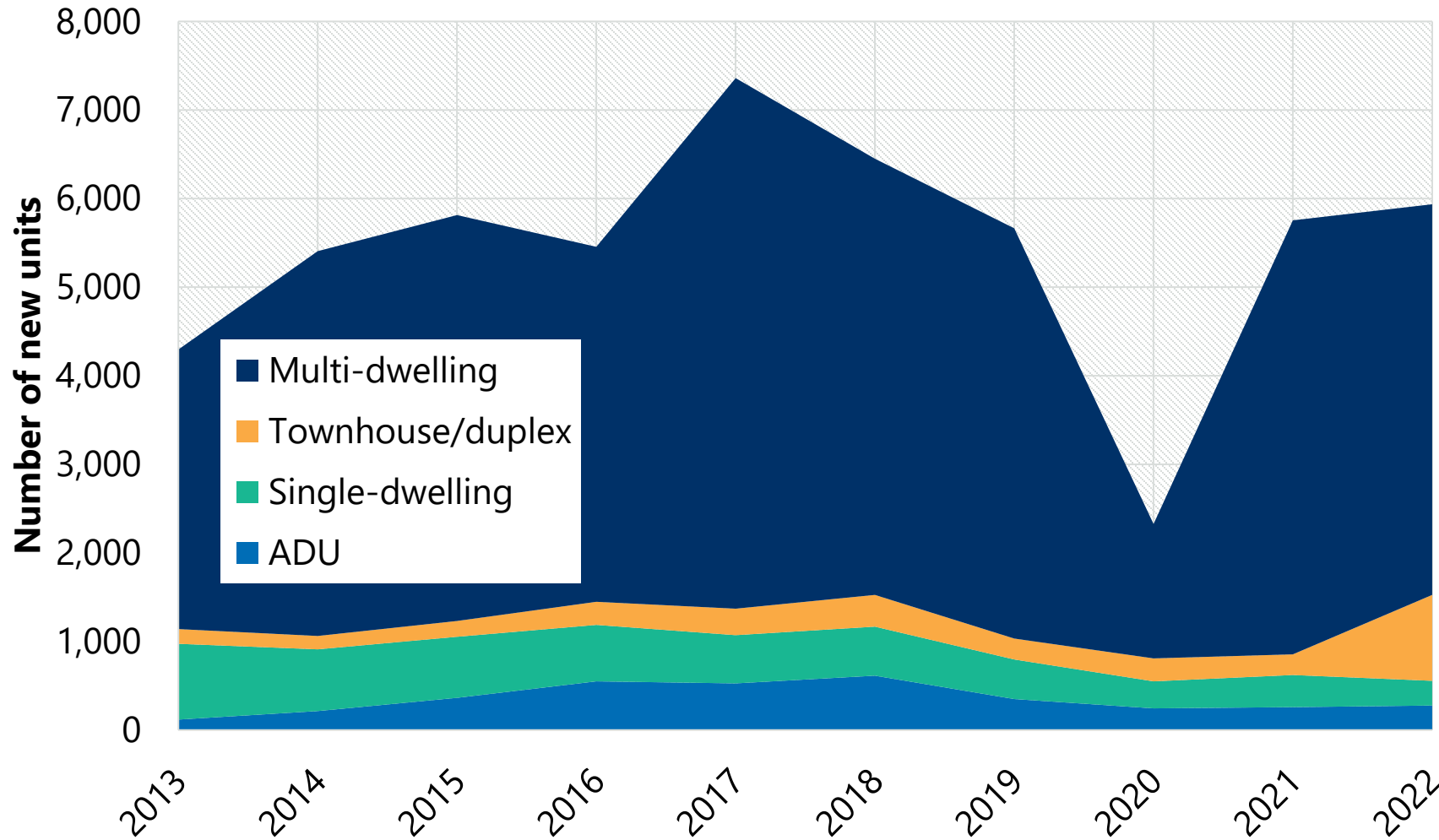
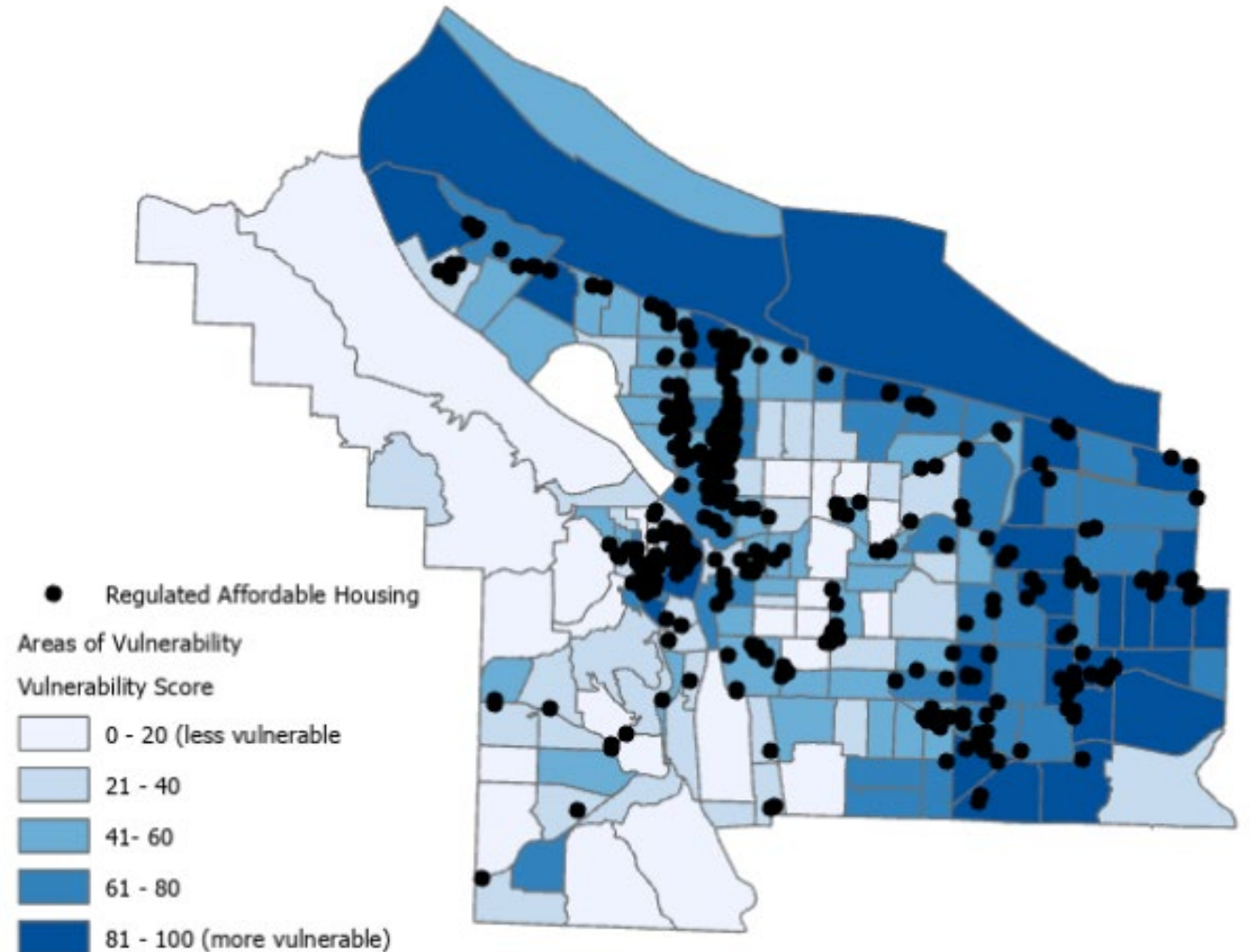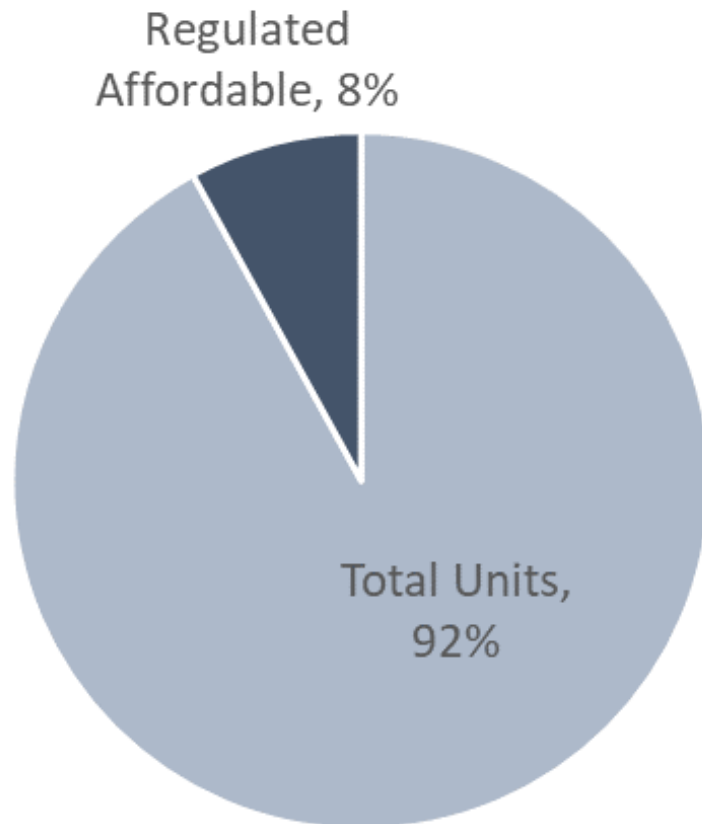Multidwelling unit production represented **80% of all housing units produced in 2021 and 78% in 2022**

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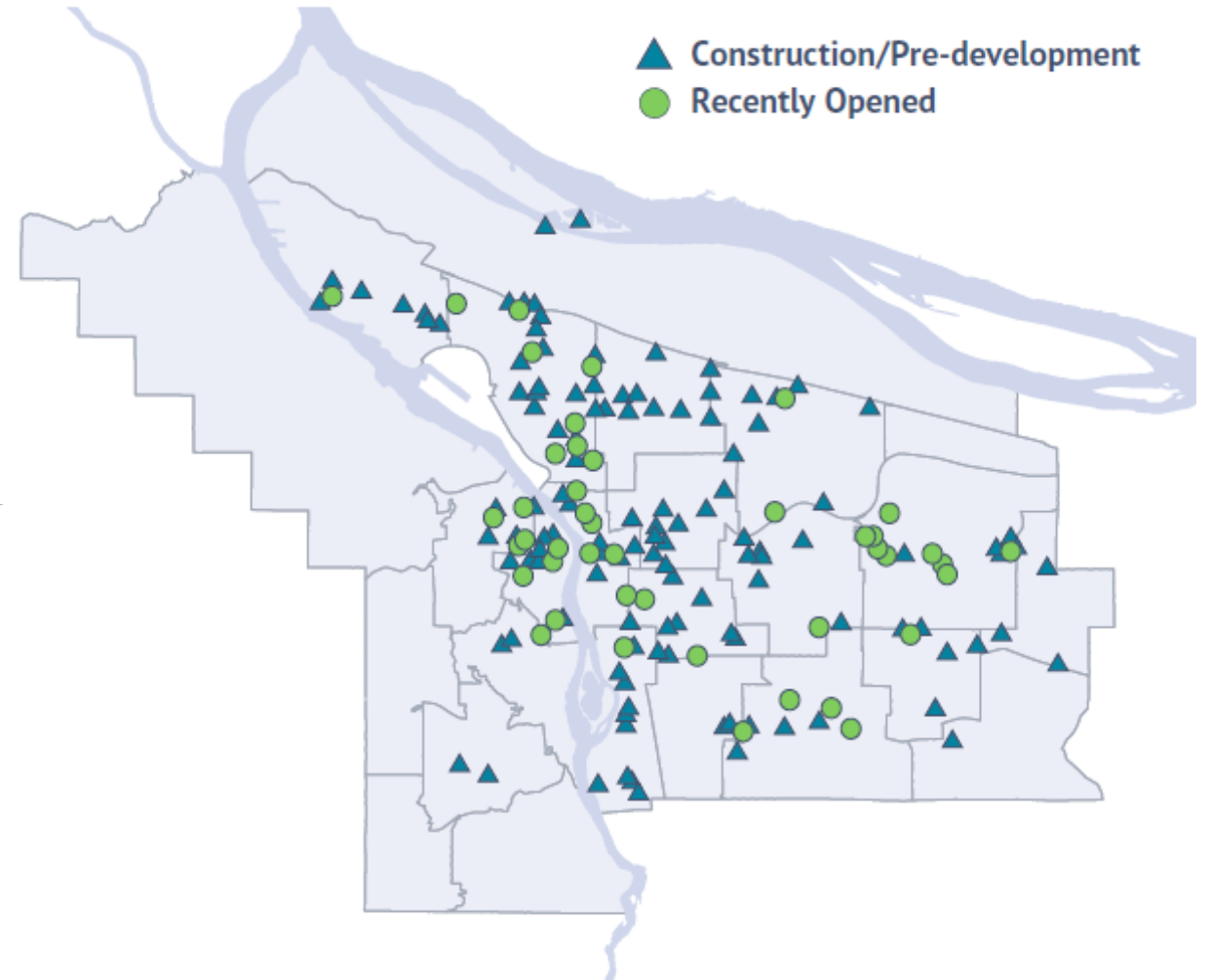
Affordable Housing Inventory

Of Portland's 24,231 regulated affordable housing units, **65% are located within areas considered vulnerable.**

Affordable Housing Pipeline

There are **3,436 units** in the affordable housing development pipeline.

- **One-third are deeply affordable** to households earning 0-30% AMI.

- **38% are family-sized units**

- **24% are Permanent Supportive Housing** (PSH) units for homeless households.

▲ Construction/Pre-development
● Recently Opened

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Unregulated/Naturally Occurring Affordable Housing (NOAH)

"Units provided by the private market without government subsidy that are affordable to people earning 80% of the area median income."

Of Portland's 116,000 unregulated multifamily units, NOAH accounts for up to 53% (61,000).

NOAH By Type and Market Area

Housing Needs Analysis and Housing Production Strategy
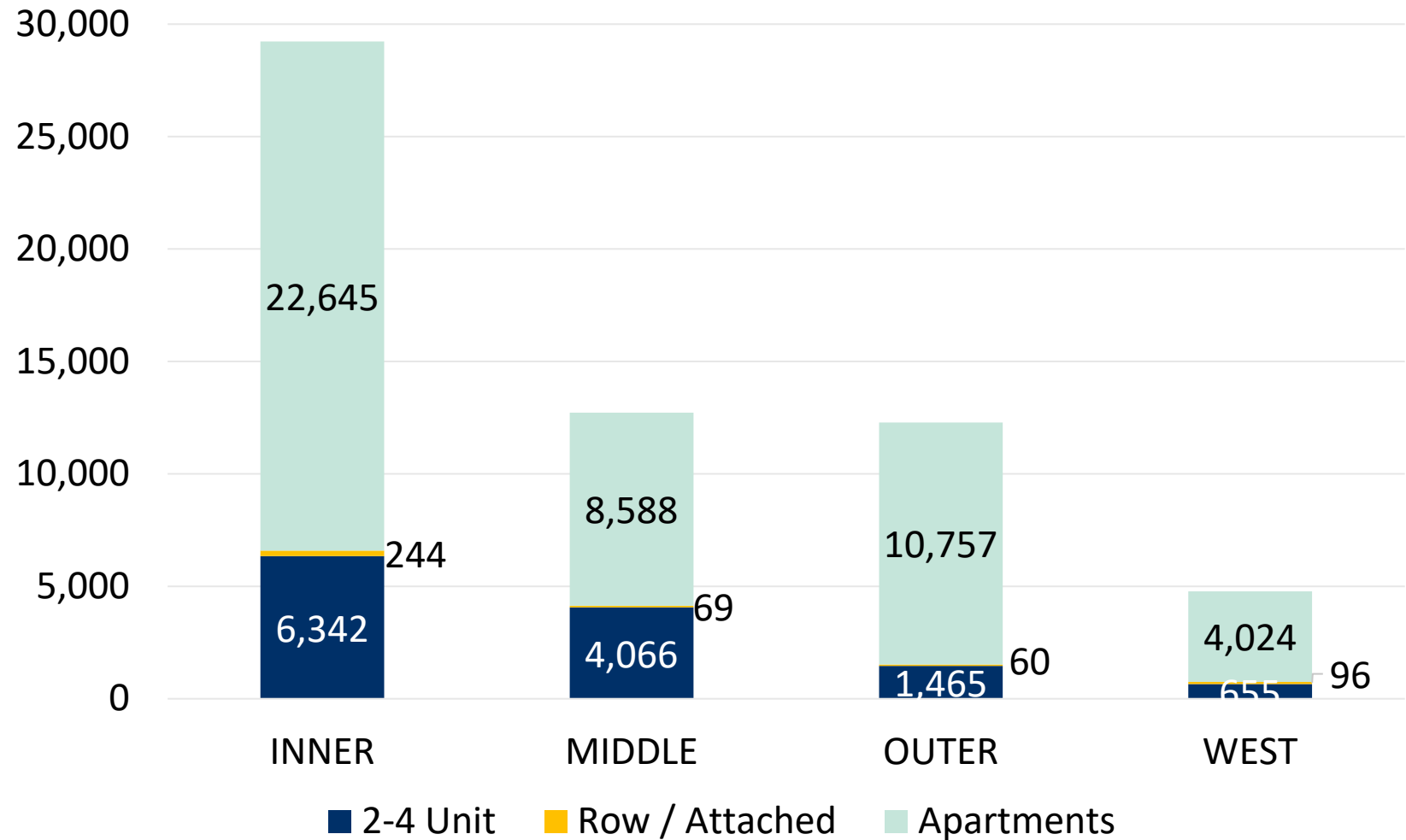
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What is the Housing Needs Analysis?

- Statewide Planning Goal 10 requires cities to inventory "buildable lands" and ensure that there is enough zoned land to accommodate housing needs over the next 20 years.
- Cities are now required to update this analysis every six years.

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How We are Organizing the HNA

1. Community Profile (Existing Conditions)
2. Housing Inventory and Production (Existing Conditions)
3. Housing Forecast (Future Demand)
4. Residential Buildable Lands Inventory (Supply)
5. Housing Capacity Analysis

What is the Housing Production Strategy?

- A set of specific actions, measures, and policies needed to address the next 20-year housing needs identified in the HNA.

- Action categories:
  - Changing the Zoning Code and Map
  - Reducing regulatory burdens
  - Creating financial incentives
  - Identifying funding for affordable housing
  - Land acquisition, preservation and partnerships
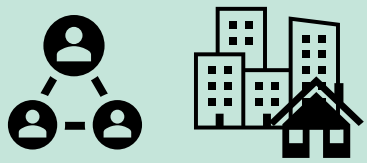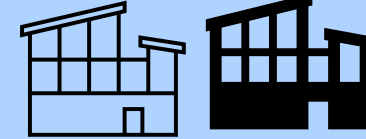
Housing Forecast

2035 Comprehensive Plan
(2015 Growth Scenarios Report)

Planned for 123,000 additional housing units by 2035
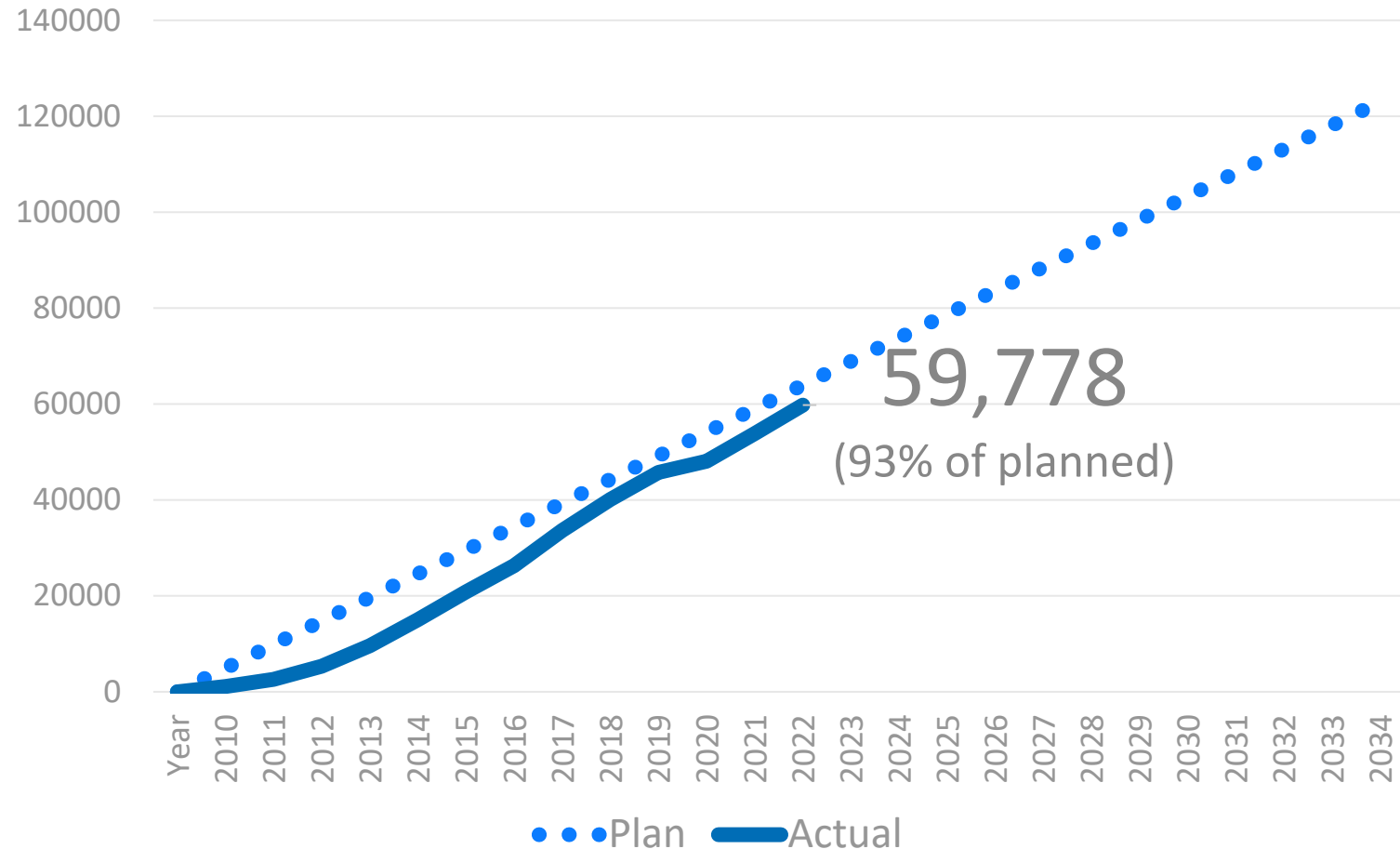
Centers and Corridors – 75% of new housing units

Central City – 30% of new housing units

Complete Neighborhoods – 77% of new housing units

Housing Types – 80% in multi-dwelling buildings

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Historic Growth Rate
Housing Forecast Compared with Actual (2010-2022)

59,778
(93% of planned)

Buildable Land Inventory

Buildable Land Inventory (BLI)

What is it?

An assessment of the **development capacity of land** within the City of Portland to accommodate forecasted **housing and employment needs** through the year **2045**.

Source: BAE

2035 Housing Capacity

2035 Comp Plan capacity was an additional **267,000 housing units**.

- 70 percent of capacity in centers and corridors.

- Only 11 percent of capacity in single-dwelling zones.

Figure 5: Residential Development Capacity (Proposed Plan).

Excess Capacity (units)
144,271

2010-2035 Growth (units)
122,928

2010 Existing Units
269,790

2035 Housing Capacity

Buildable Land Inventory
Methodology

1 – Vacant Land Inventory

2 – Redevelopment Feasibility Analysis

3 – Calculate Gross Development Capacity

4 – Apply Development Constraints
  (to sites from Steps 1 and 2).

5 – Add Recent (2020-22) Development
  (as actual capacity)

Development Growth Capacity =

$$[(\text{Step 1} + \text{Step 2}) \times \text{Step 3}] + \text{Step 4}$$

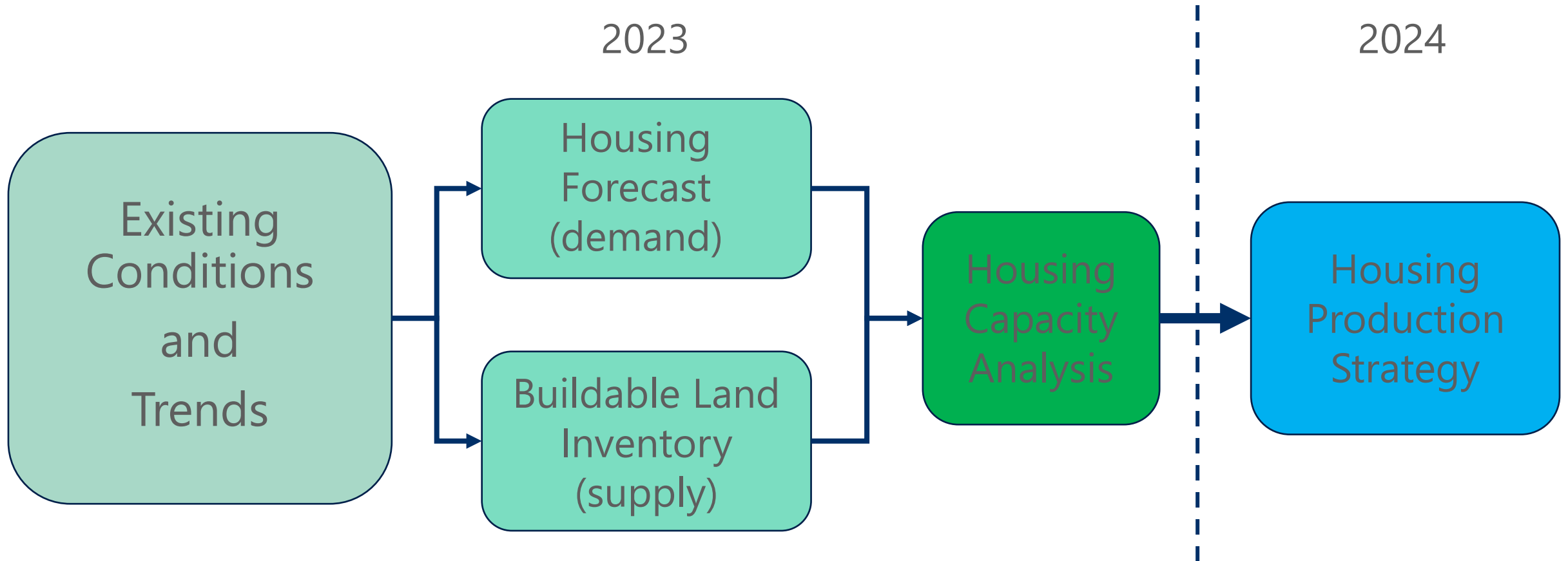THE BUREAU OF **PLANNING & SUSTAINABILITY**

Next Steps

Immediate Takeaways

- Expect to have more than enough zoned development capacity to accommodate our projected household growth

- Need to address the challenge of developing certain housing types (family-sized units, affordable housing, accessible/visitable)

- Need to address the existing housing need (cost-burdened households) and stabilization strategies for vulnerable communities

- Need to think strategically about how to increase housing choice in areas of high opportunity/complete neighborhoods

Next Steps

- June 2023 HNA Discussion Draft final report
    Internal and External Outreach
- August 2023 HNA Proposed Draft published
- September/October 2023 Planning Commission
- November/December 2023 City Council adoption
- 2024 Housing Production Strategy

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Schedule

2023

2024

Existing Conditions and Trends

Housing Forecast (demand)

Buildable Land Inventory (supply)

Housing Capacity Analysis

Housing Production Strategy

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BPS Housing and Economic Team

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