

## **Neighborhood Centers PEG Citywide Housing Policies Requiring Updates**

### **I. Background**

Comprehensive Plan Goal 4, Housing, is the City's Housing Policy and is a part of the overall policy framework for land use planning. The housing policy goal is intended to provide long-term guidance for policy makers and ensure the City's compliance with state planning requirements, Metro's planning for growth management, and regional and state transportation planning.

Portland's Comprehensive Plan Housing Policy was last updated in 1998. This document set forth a new housing goal and 15 new policies and related objectives for the City. While this document has not been updated since then, the recent adoption of the Portland Plan (April 2012) offers several guiding policies and actions intended to revise/provide new direction to Comp Plan housing policies that needed to be revised based on the combined effects of changes in the housing market, increasing transportation costs and changing demographics of the city.

### **II. Purpose & draft policy concepts for deliberations**

As part of the current Comp Plan update, the following set of preliminary draft policy concepts need to be updated to either reflect the new direction offered by the Portland Plan or to accommodate changes in state and/or Metro's growth management plan:

- 1. Balanced Communities (Location Policy):** Strive for "Balanced Communities" by prioritizing new housing (market and affordable) in locations throughout the City that offer better access to opportunities: especially access to active transportation, jobs, open spaces, schools and essential services; additionally strive to create equitable opportunities in areas that already have a largely affordable housing stock.
- 2. Accessible Housing:** Strongly promote a robust supply of accessible housing stock through incorporation of Universal Design principles in new construction and renovation to enable people of varying ages and abilities pursue a barrier-free living.
- 3. Workforce Housing:** Encourage private development of a sufficient supply of moderate-income workforce housing with convenient transportation access to Portland's Central City, industrial districts, and other employment areas; promote employer-assisted housing and Live/Work options.
- 4. No Net Loss of Housing Potential:** Retain housing potential by requiring no net loss of land reserved for, or committed to multi-family residential, or mixed-use. When considering requests for amendments to the Comprehensive Plan map, require that any loss of potential housing units be evaluated against Title 1 (Metro Code Sections 3.07.110 – 3.07.170) provisions for housing capacity.

#### **Note: Gentrification/Anti-Displacement Issue**

The gentrification/anti-displacement policy is also slated for update. A consultant study is just getting underway to develop an analysis tool to identify "at-risk" areas, develop a policy framework and to research a toolkit of national best practices. A report on preliminary findings of the study and further discussions on this issue have been planned for the September 2012 meeting of the Centers PEG.

### **III. Policy specific details**

#### **1. Balanced Communities (Location Policy)**

##### **1a. Existing Comp Plan Policy**

###### **Policy 4.7 - Balanced Communities**

Strive for livable mixed-income neighborhoods throughout Portland that collectively reflect the diversity of housing types, tenures (rental and ownership) and income levels of the region.

##### **1b. Guiding Policies from Portland Plan**

- **P-29:** Provide for a supply of quality housing that meets expected growth, is diverse in terms of unit types and price, and is located to take advantage of the long-term affordability benefits of the Healthy Connected City strategy's network of hubs and connections.
- **P-32:** Provide for long-term housing affordability by considering the combined cost to residents of housing, utilities and transportation when making housing investment decisions.
- **H-16:** Encourage development of high-quality, well designed housing in and around neighborhood centers and near transit—at a variety of sizes and cost ranges.

##### **1c. Commentary & Draft Policy Concept**

While the pursuit of “Balanced Communities” within Portland needs to continue, how to gauge “balance” has changed largely because of the following developments:

- With steep increases in transportation costs, thinking about “housing cost burden” simply as expenditures on *housing+utilities* has become inadequate. Transportation costs incurred by households are becoming prohibitive. Any efforts to alleviate housing cost burden and enhance affordability needs to consider location efficiencies;
- The City has set forth an ambitious climate protection effort that sets an 80 percent carbon emissions reductions goal by 2050 and 40 percent by 2040;
- Advancing equity has been identified by the community as a means to a healthy, resilient community.

Based on the above considerations the draft policy concept that has emerged is:

**Strive for “Balanced Communities” by prioritizing new housing (market and affordable) in locations throughout the City that offer better access to opportunities: especially access to active transportation, jobs, open spaces, schools and essential services; additionally strive to create equitable opportunities in areas that already have a largely affordable housing stock.**

## 2. Accessible Housing (Universal Design Policy)

### 2a. Existing Comp Plan Policy

#### **Objectives C & D under Policy 4.9- Fair Housing**

**Objective C.** Reduce barriers to the siting of housing for the elderly or people with disabilities at residential locations throughout the city that have access to needed social services and transit while recognizing that different populations have different needs.

**Objective D.** Ensure the development of housing accessible to people with physical limitations, and the adaptation of existing homes to improve accessibility for people with disabilities.

#### **Objective D under Policy 4.10- Housing Diversity**

**Objective D.** Encourage the production of a range of housing types for the elderly and people with disabilities, including but not limited to independent living, assisted living, and skilled nursing care facilities.

### 2b. Guiding Policies from Portland Plan

- **P-37:** Provide for the growing housing needs of the disabled and elderly through designing housing units to be more physically accessible and locating more of this housing near neighborhood hubs and frequent transit service.
- **H-17:** Promote and provide affordable housing options accessible to older adults and mobility-limited individuals in places where close proximity to services and transit makes it easier to live independently.

### 2c. Commentary & Draft Policy Concept

Portland needs to build a robust supply of accessible housing units through new construction and adaptation of existing stock since:

- Portland is aspiring to be a multi-generational/age-friendly city which necessitates that the housing stock be poised to further this aspiration;
- The natural aging of the city's population;
- The Portland Plan commitment to increase focus on disability equity.

Based on the above considerations the draft policy concept that has emerged is:

**Strongly promote a robust supply of accessible housing stock through encouraging the use of Universal Design principles in new construction and renovation to enable people of varying ages and abilities pursue a barrier-free living.**

### **3. Workforce Housing**

#### **3a. Existing Comp Plan Policy**

##### **Objective G under Policy 4.11- Housing Affordability**

**Objective G.** Narrow the gap between housing costs and income.

##### **Objective D. under Policy 4.12- Housing Continuum**

**Objective D.** Stimulate production of a variety of housing types that are affordable and responsive to the needs of very low, low, moderate, and middle-income households.

#### **3b. Guiding Policies from Portland Plan**

The Portland Plan offers an action item on workforce housing:

##### **Action 83 – Moderate-income workforce housing**

Identify opportunities, policies and programs that promote private development of moderate-income housing as part of the new Comprehensive Plan and future community development plans.

#### **3c. Commentary & Draft Policy Concept**

There is no clear definition of “Workforce Housing” and nationwide communities struggle with defining the term and instituting policies and strategies. However, there is some agreement that workforce housing is for households that are in various low and moderate wage jobs that lifts them from “low-income” categorization, but leaves them cost burdened and living in locations away from job centers. It is important to address this issue since:

- Few financial incentives exist to encourage affordable workforce housing in transit-accessible locations near job centers;
- Strengthening housing supply for moderate/middle income households will help keep Portland a “Middle-class city” as opposed to becoming a “Divided city” like San Francisco where the high and low income households outnumber the middle-income households;
- The Portland Plan commitment to expand upward mobility pathways for the working poor.

Based on the above considerations the draft policy concept that has emerged is:

**Encourage private development of a sufficient supply of moderate-income workforce housing with convenient transportation access to Portland’s Central City, industrial districts, and other employment areas; promote employer-assisted housing and Live/Work options.**

## **4. Maintain Housing Potential (No Net Loss of Housing Potential)**

### **4a. Existing Comp Plan Policy**

#### **Policy 4.2 - Maintain Housing Potential**

Retain housing potential by requiring no net loss of land reserved for, or committed to, residential, or mixed-use. When considering requests for amendments to the Comprehensive Plan map, require that any loss of potential housing units be replaced.

### **4b. Commentary & Draft Policy Concept**

This policy was adopted in the 1990 based on recommendations of the City's Periodic review Housing Density Task Force. At the time the city was out of compliance with the Metropolitan Housing Density Task Force. At the time the city was out of compliance with the Metropolitan Housing Rule that required the city ensure that vacant and buildable land have capacity of 10 units per acre. However, since the last 15 years development trends in the city has changed dramatically:

- In the past decade, the proportion of multi-family construction (62%) was more than double the rate of single-family construction (28%);
- According to Metro's projection model, the housing type in highest demand will shift in favor of multi-family units;
- The preliminary findings from the City's Buildable Land Inventory (BLI) shows that City has sufficient residential capacity to handle even high growth scenario;

Based on the above considerations the draft policy concept that has emerged is to apply the policy strategically to areas allowing multi-family and mixed use developments:

**Retain housing potential by requiring no net loss of land reserved for, or committed to multi-family residential, or mixed-use. When considering requests for amendments to the Comprehensive Plan map, require that any loss of potential housing units be evaluated against Title 1 (Metro Code Sections 3.07.110 – 3.07.170) provisions for housing capacity.**