

# HOUSING NEEDS

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Defining the Need for Affordable Housing in Portland

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# Portland Housing Context

- The Portland area has defined itself as a world class destination for business and life. Portland consistently ranks high for attracting and retaining residents. The Martin Prosperity Institute ranks Portland in its top 20 for tolerance.
- Amidst the success, concerns persist:
- Housing prices are trending upwards with rapid in-migration and economic expansion.
- Housing affordability is increasingly a problem

# Portland Housing Context

- Neighborhood character is rapidly changing with new multifamily and commercial construction
- Existing residents are increasingly being priced out of their own communities
- Questions of social equity and inclusion are foremost in many resident's minds

# Portland Housing Context

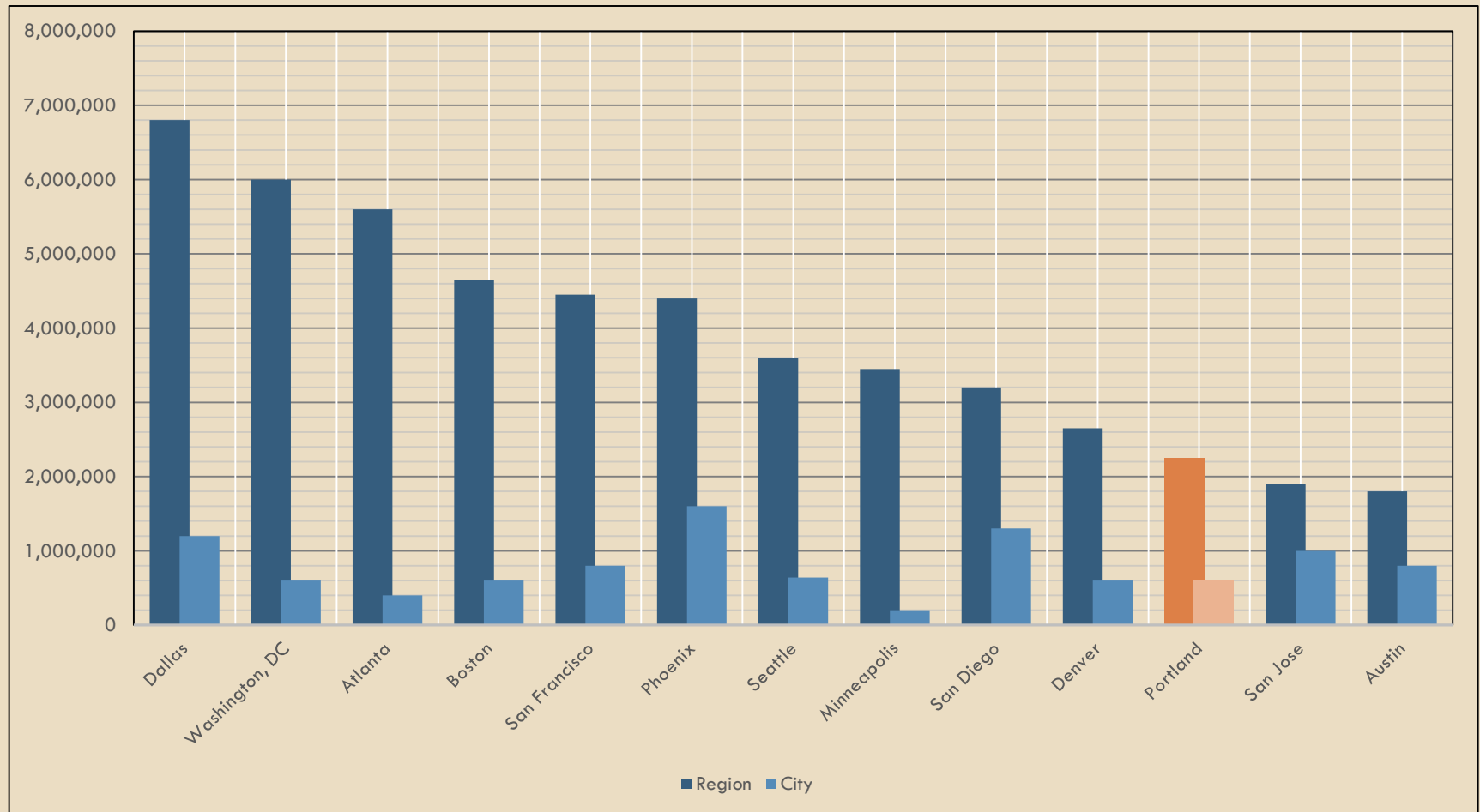
Using a variety of data and approaches to analysis (lenses), we can begin to address some of the policy questions:

- What is the scope and scale of the need to assist low-income renter households?
- Does increasing the apartment supply in general bring down rents for low-income renter households?
- How can cost burdened renters be most effectively assisted?
- What role does improving the quality of existing rental housing stock play?

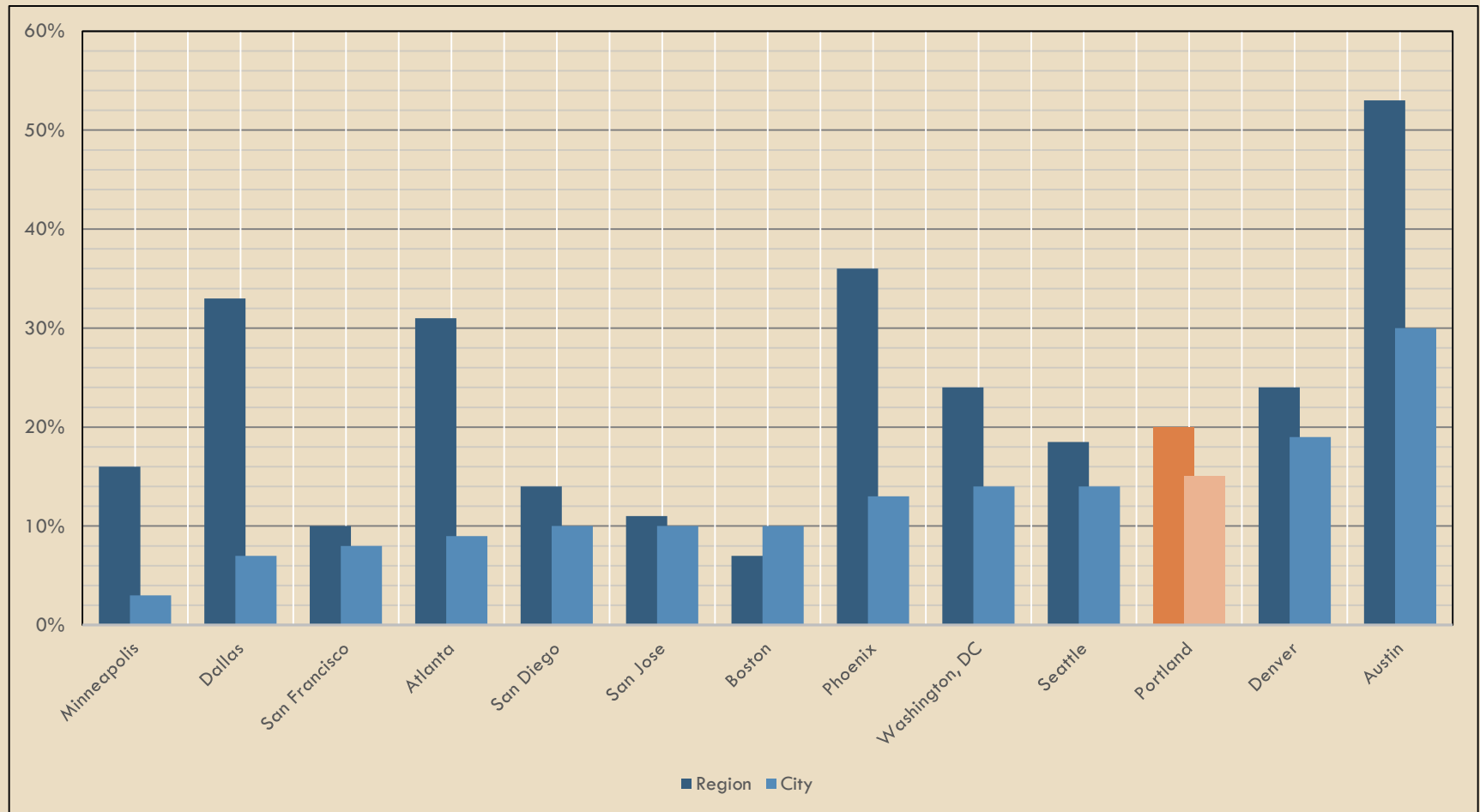
# HOUSING DEMAND



# Regional and City Population, 2014

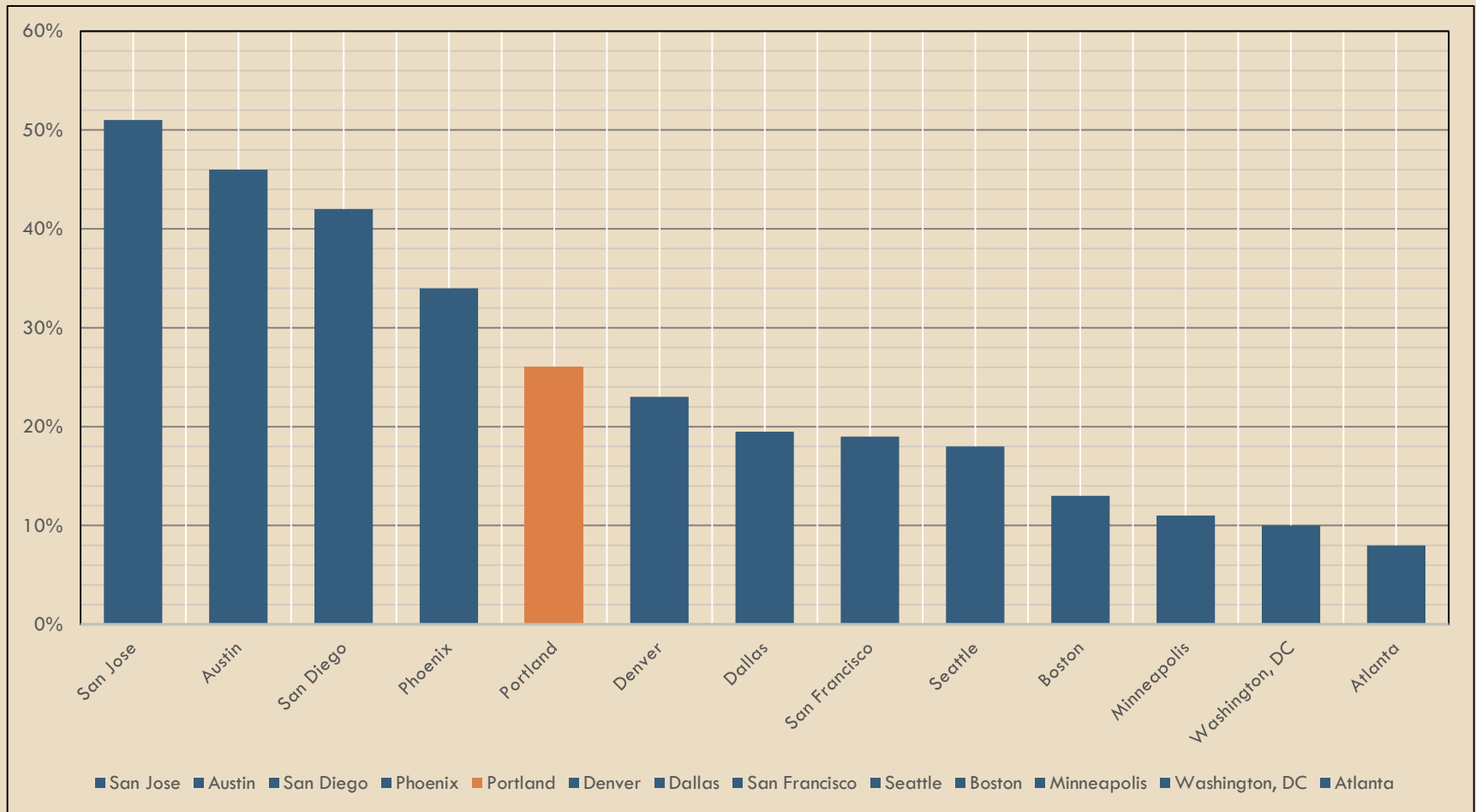


# Population Growth, 2014

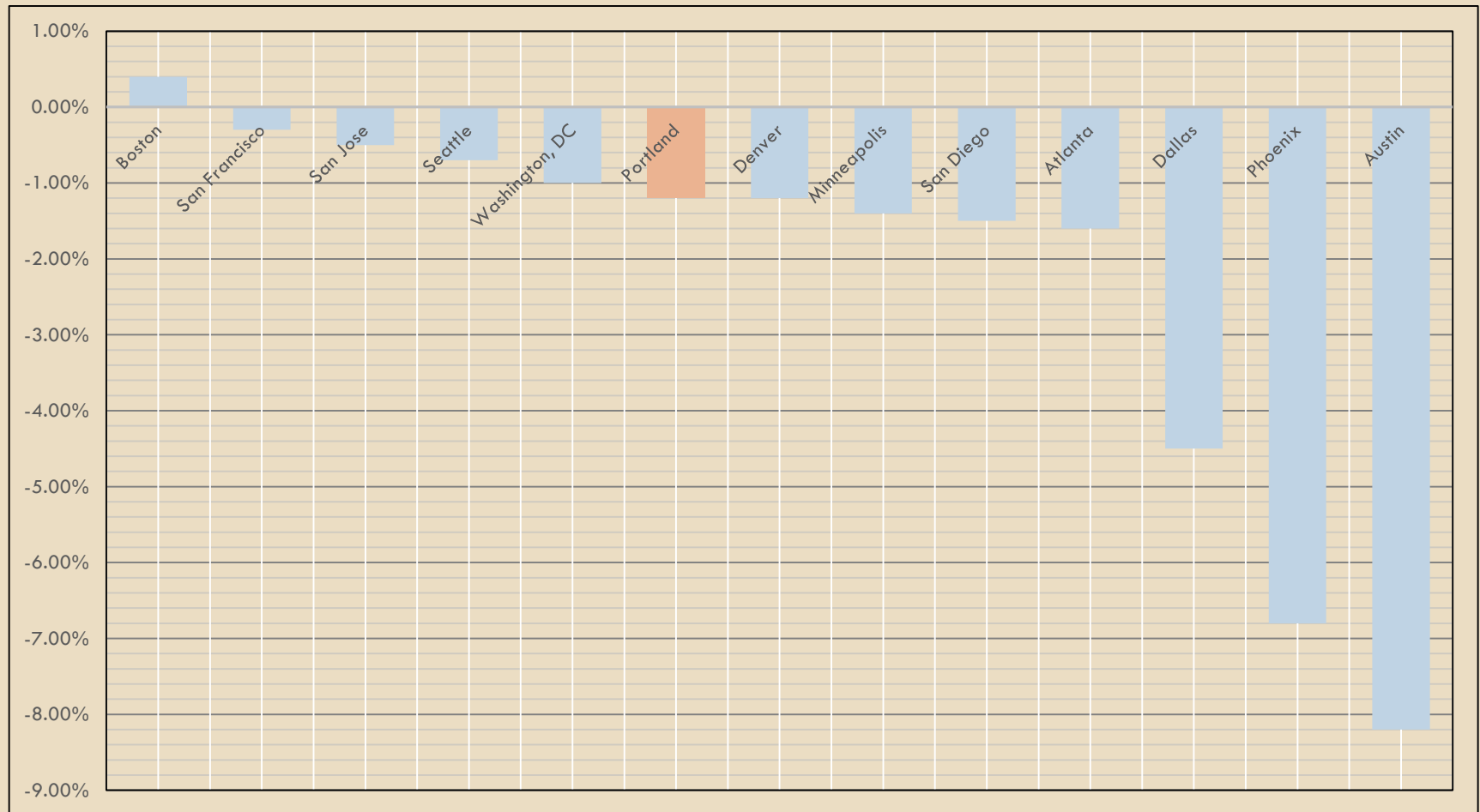




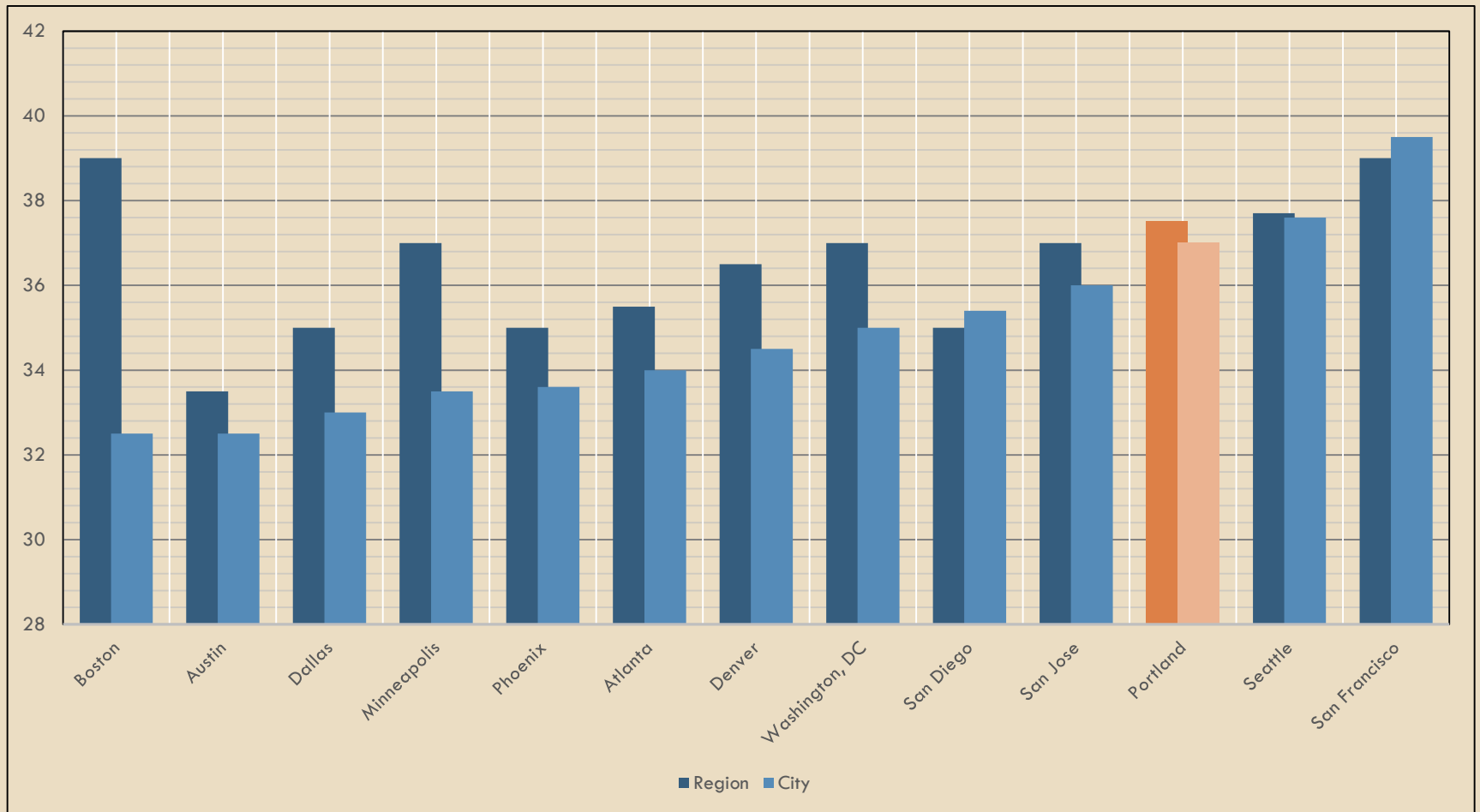
# City Population as a Percent of Regional Population, 2014



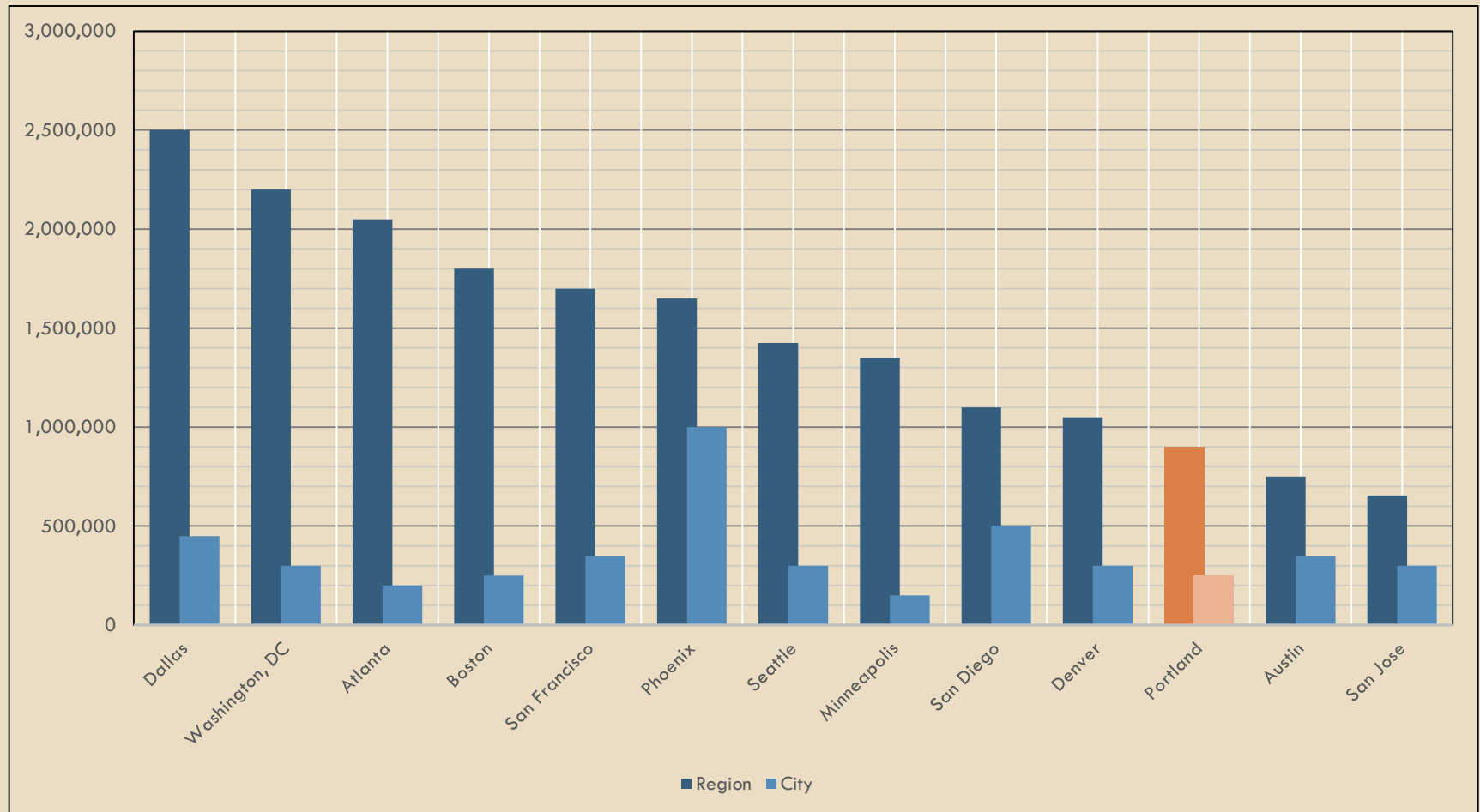
# Change in City Share of Regional Populations, 2000 - 2014



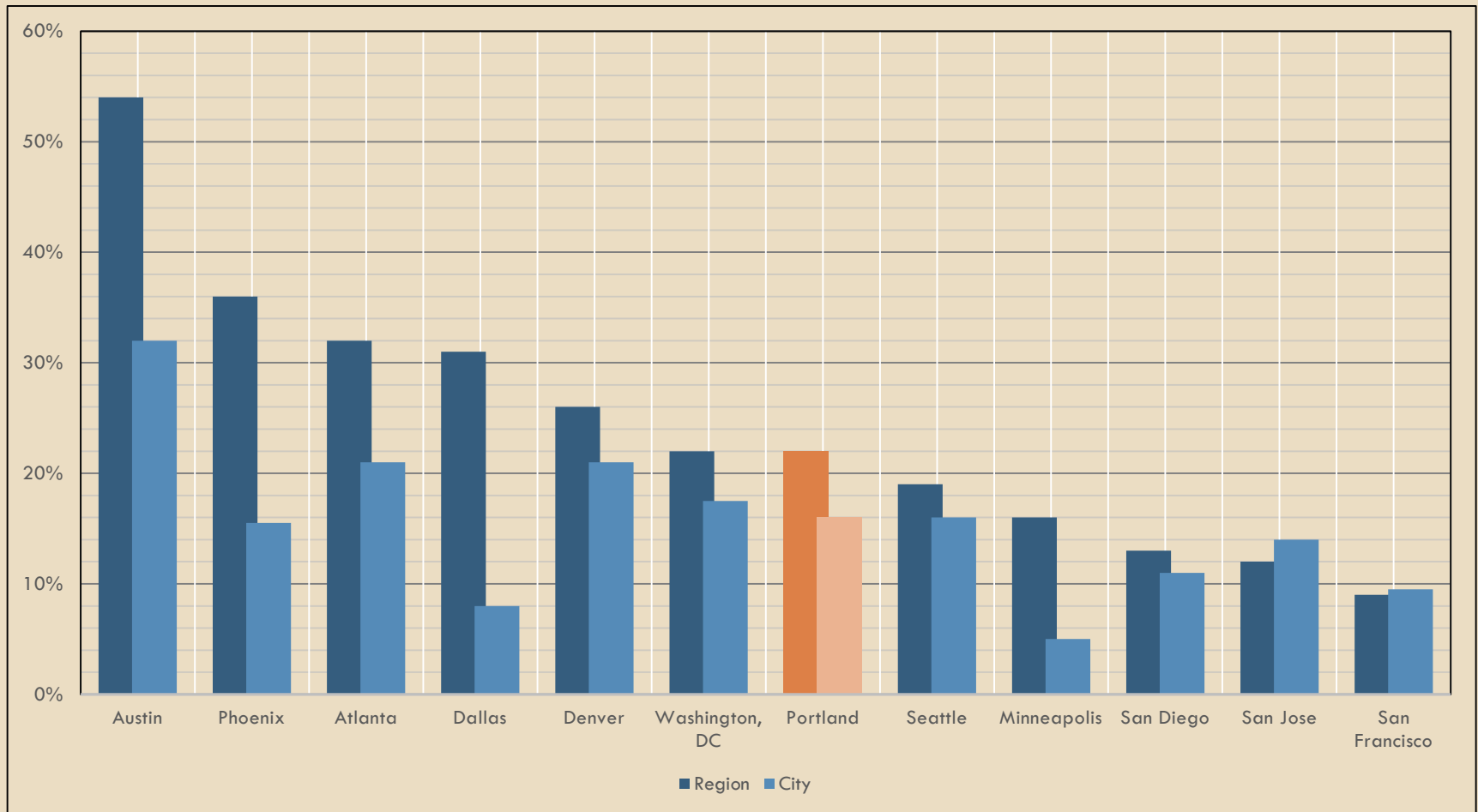
# Age Characteristics



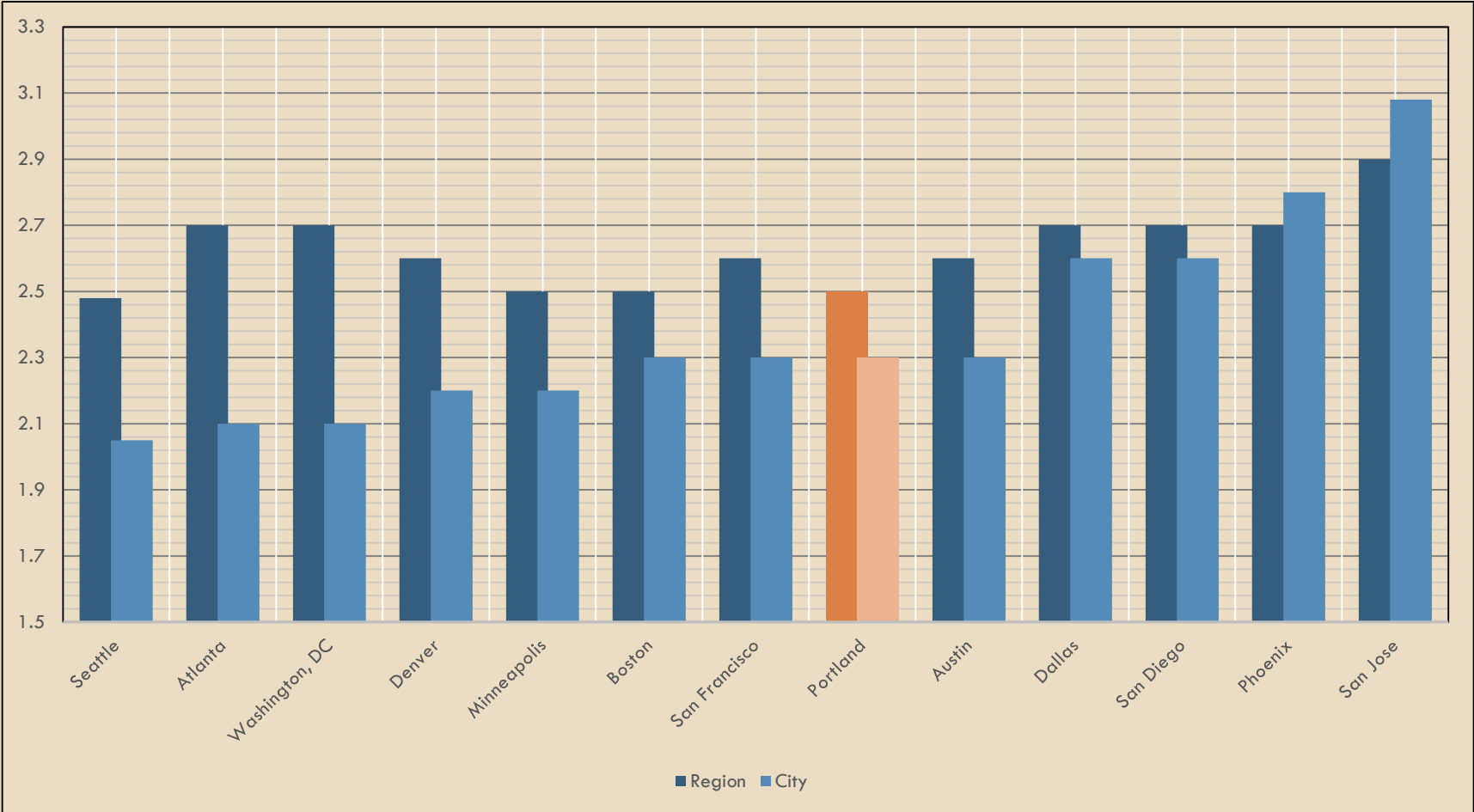
# Number of Households, 2014



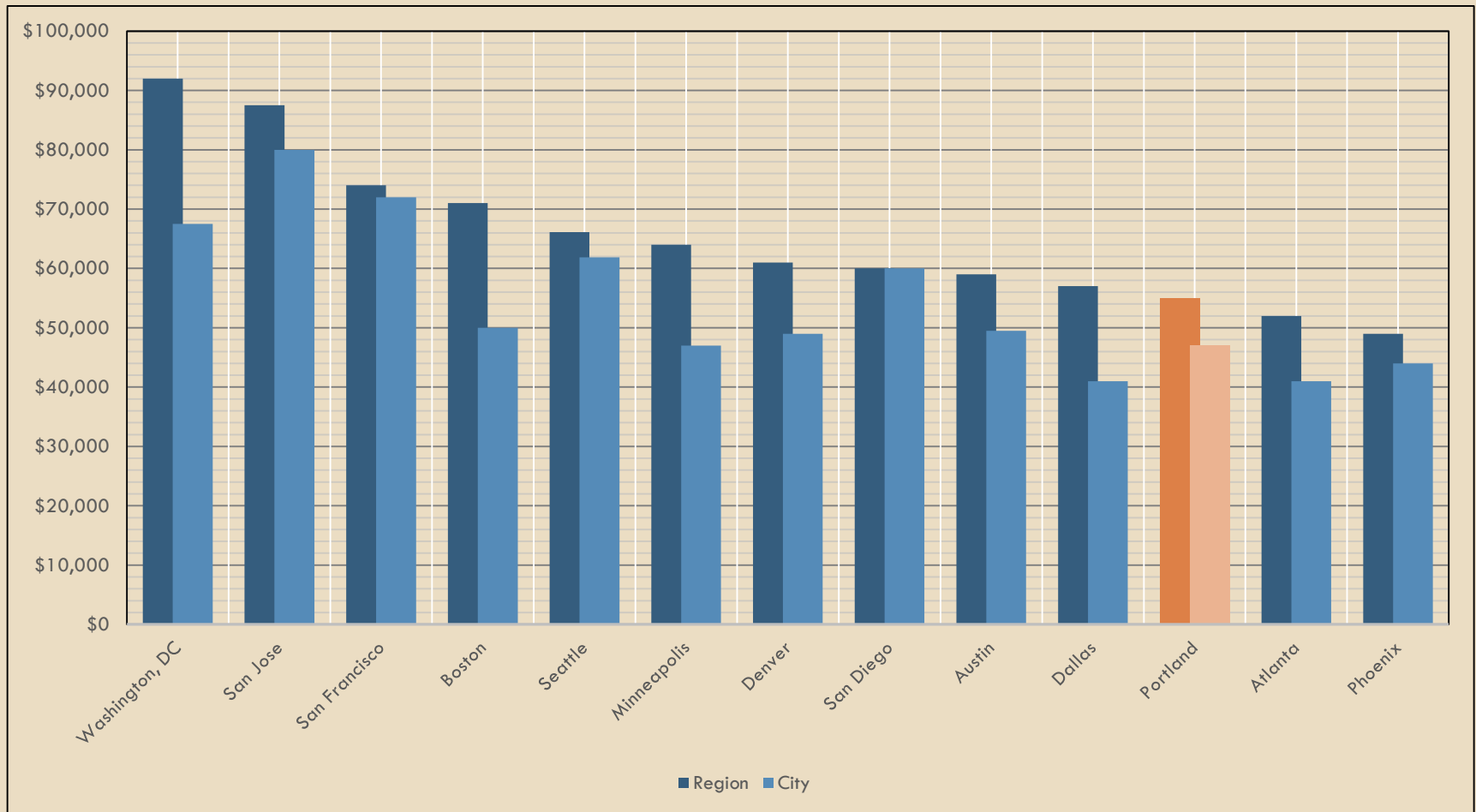
# Household Growth, 2000 - 2014



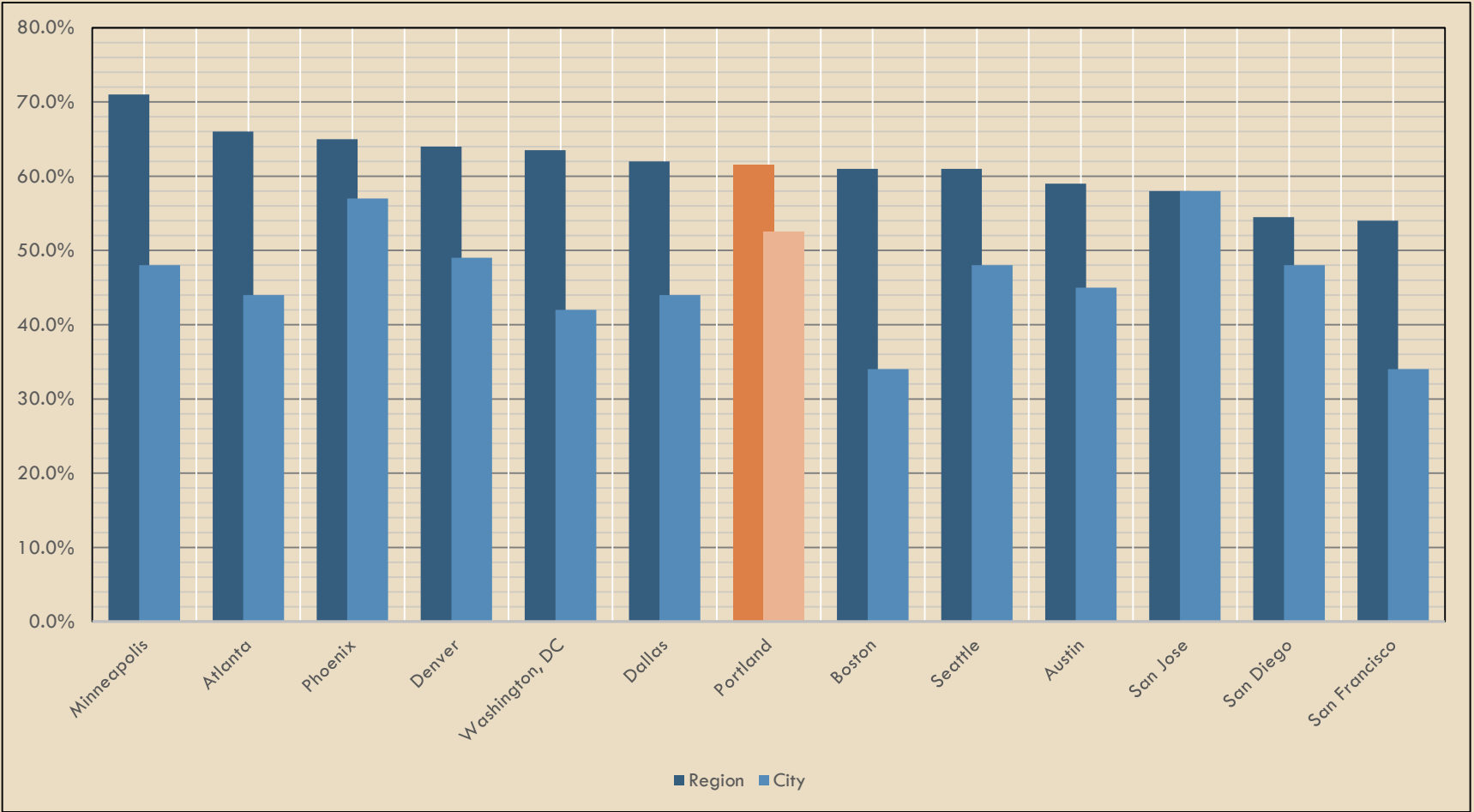
# Persons per Household, 2014



# Median Household Income, 2014



# Percent of Homeowner Households, 2014

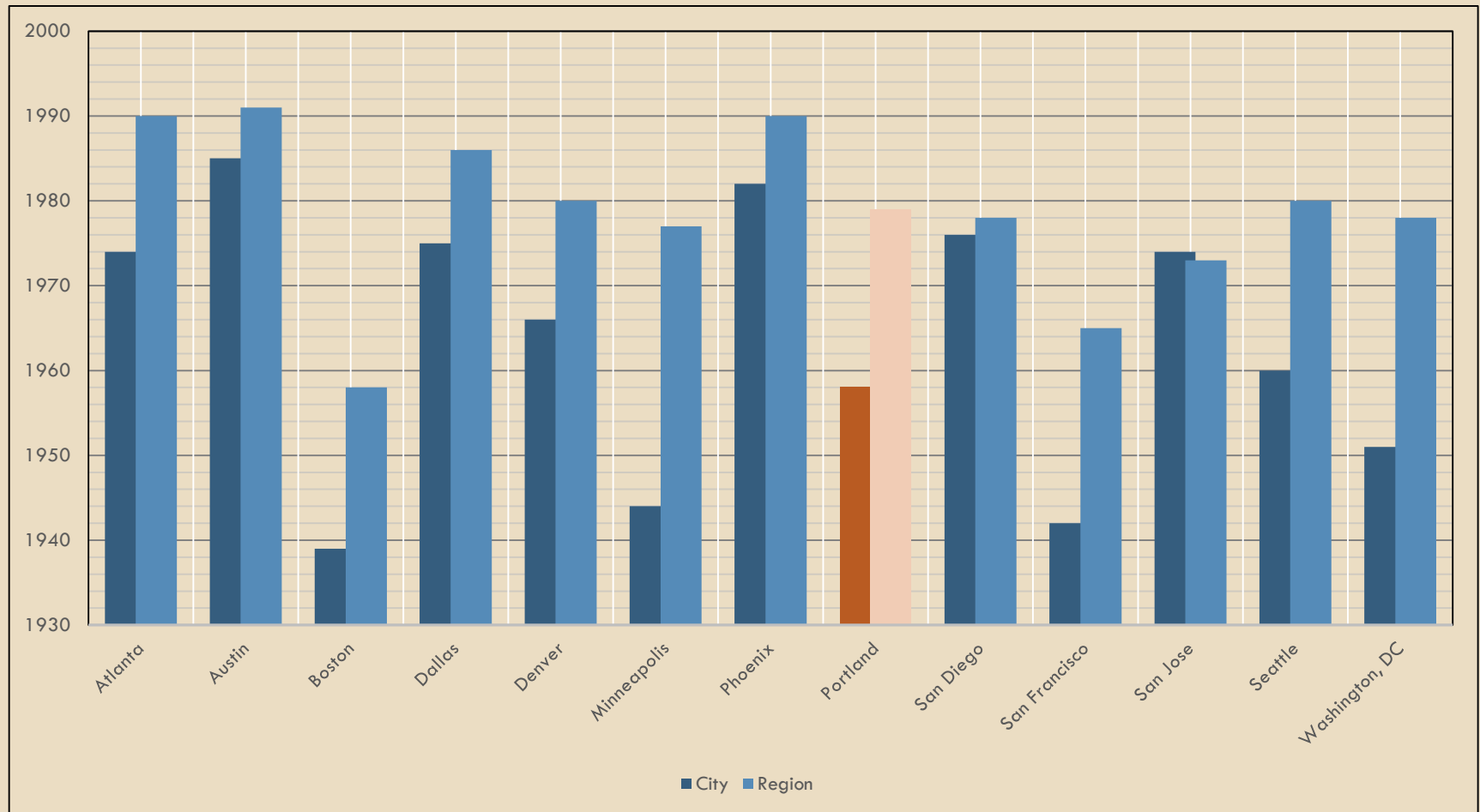




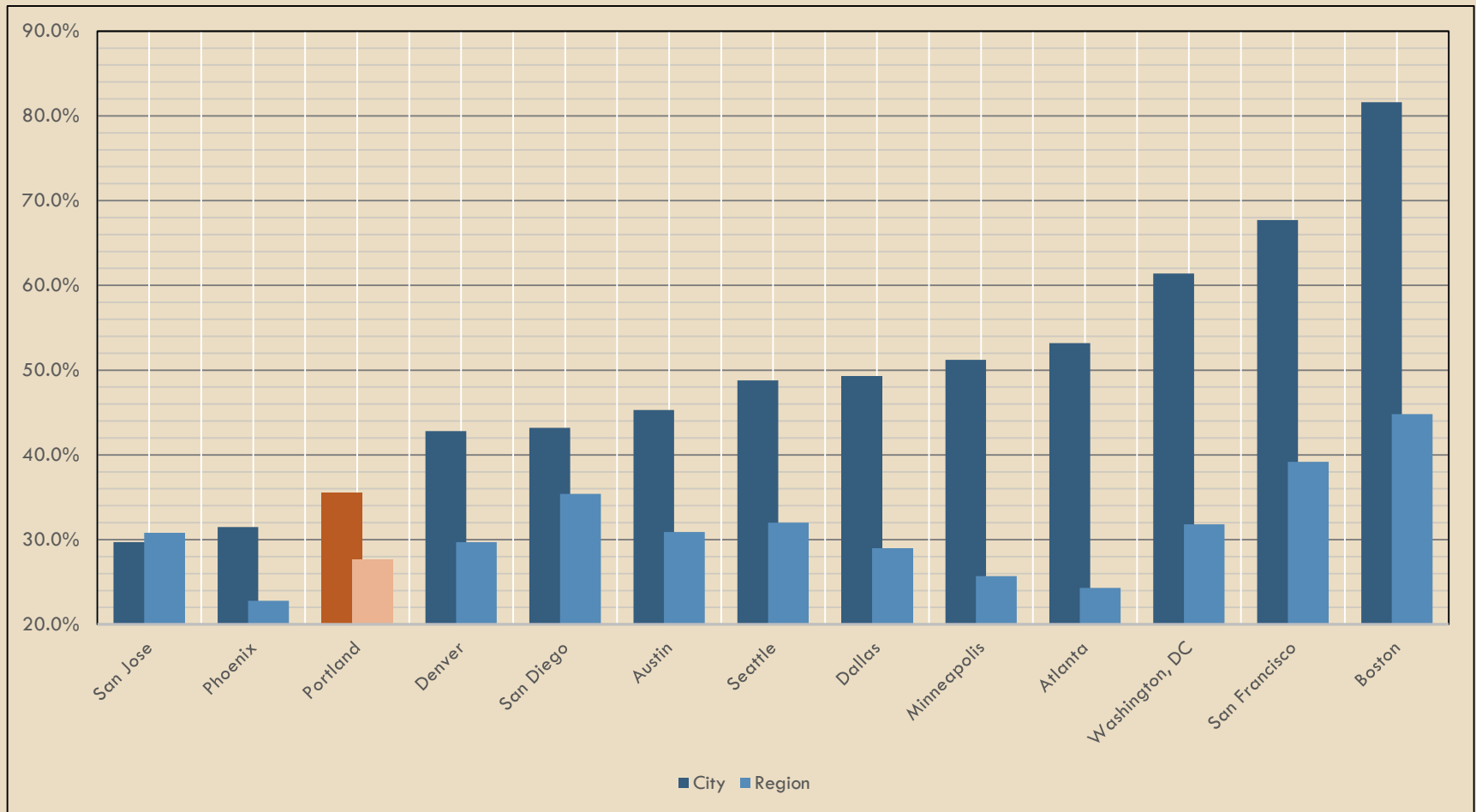
# HOUSING SUPPLY



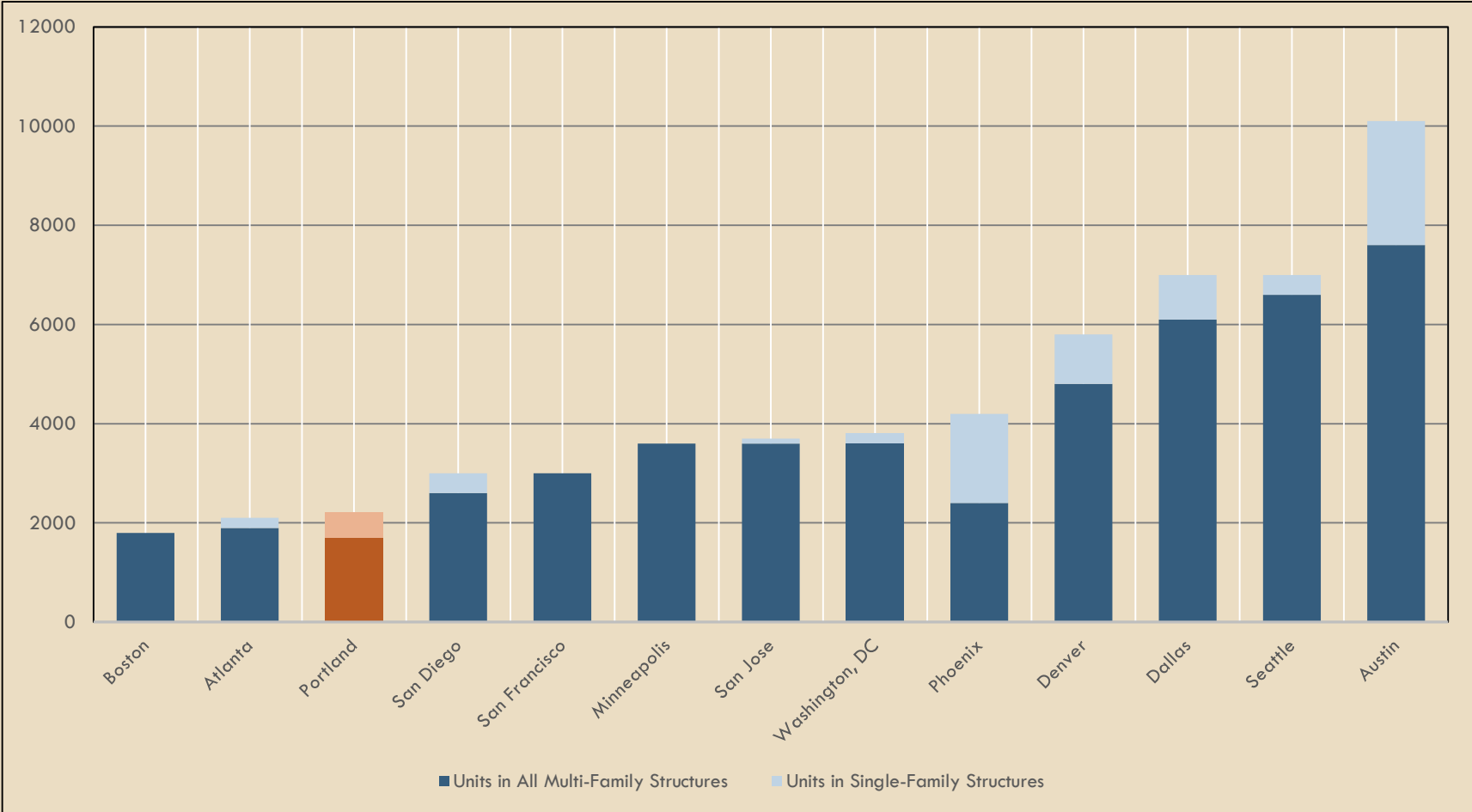
# Median Year Structure Built, 2014



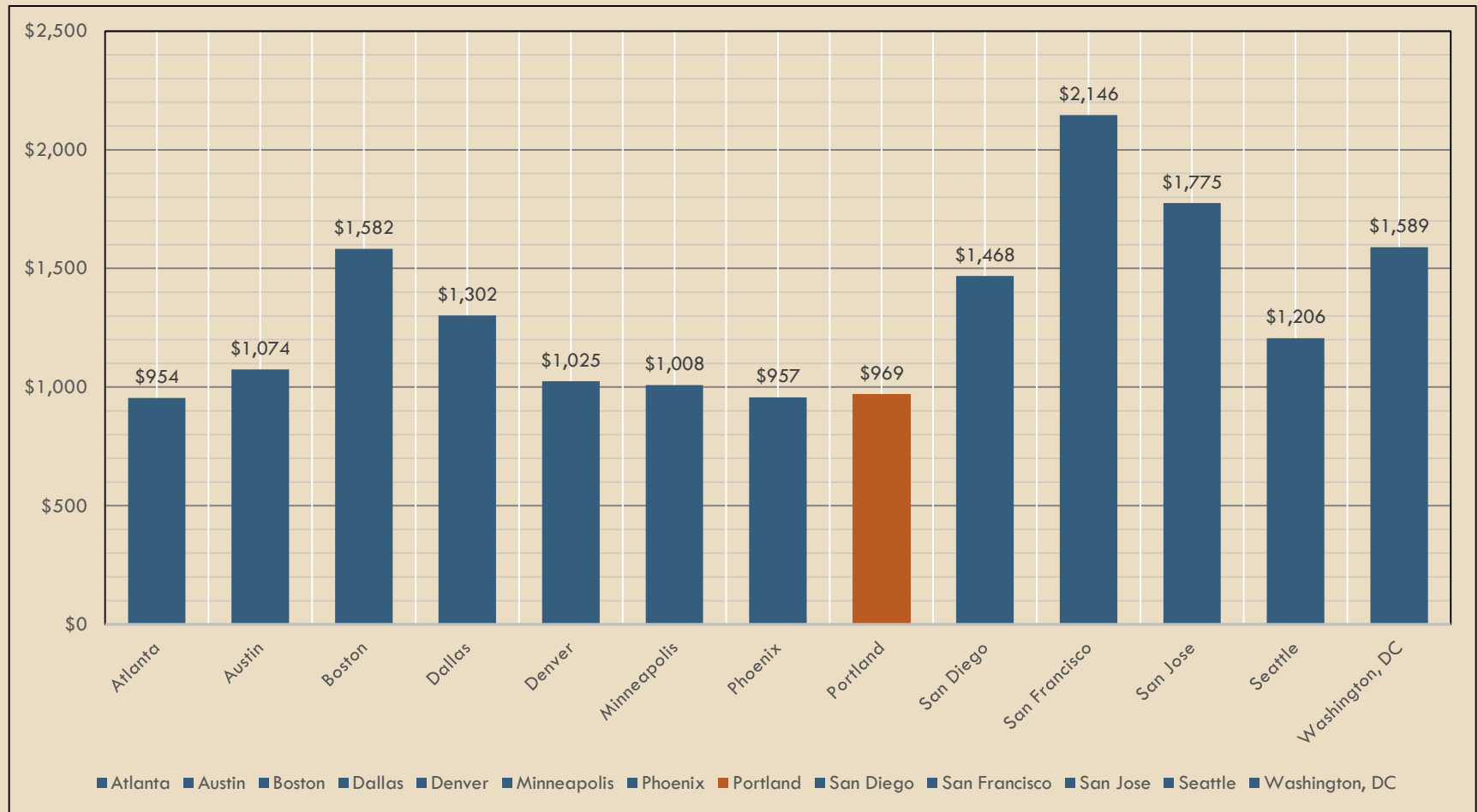
# Multi-Family Units as a Percent of Total Housing Units, 2008



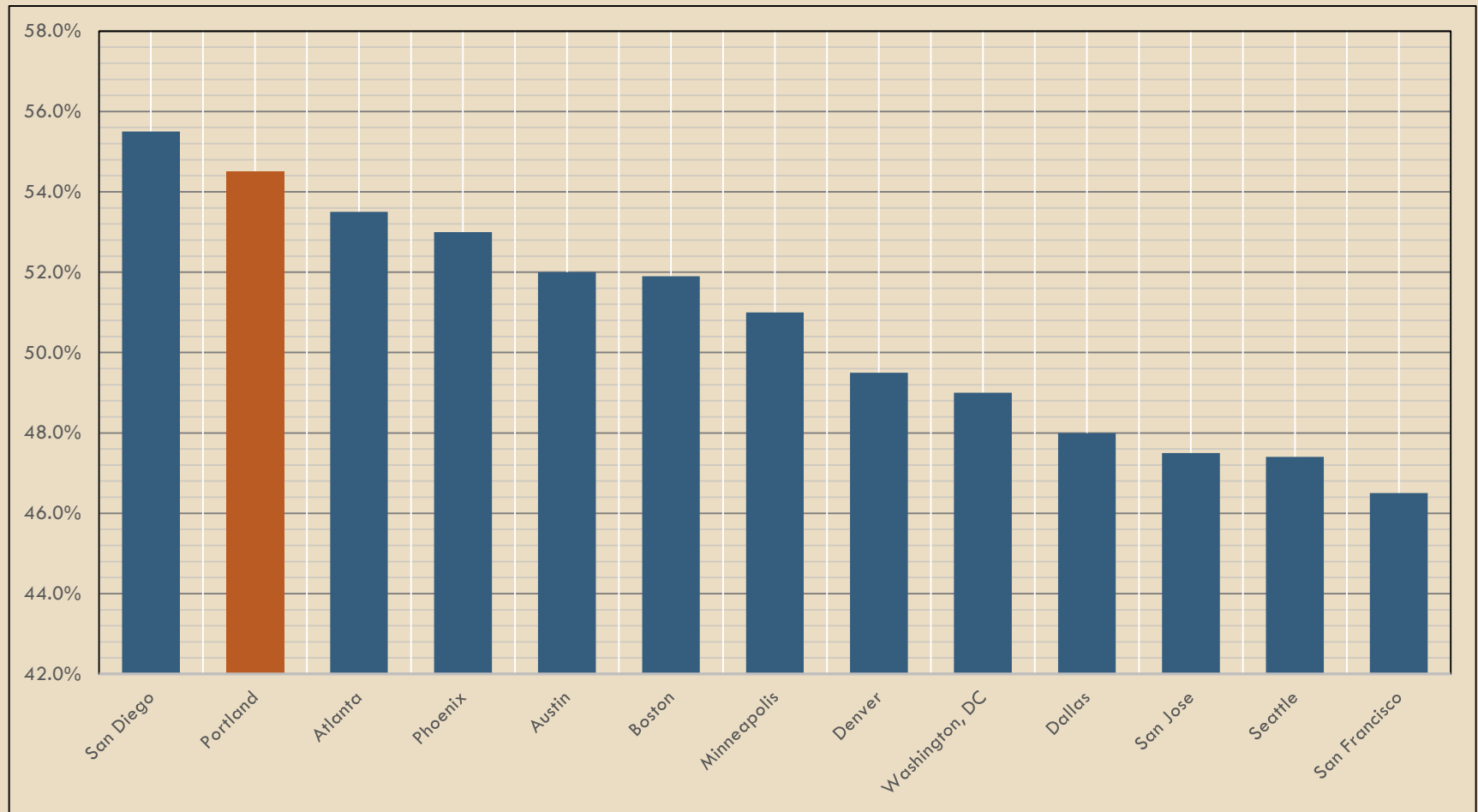
# Building Permits Issued, 2012



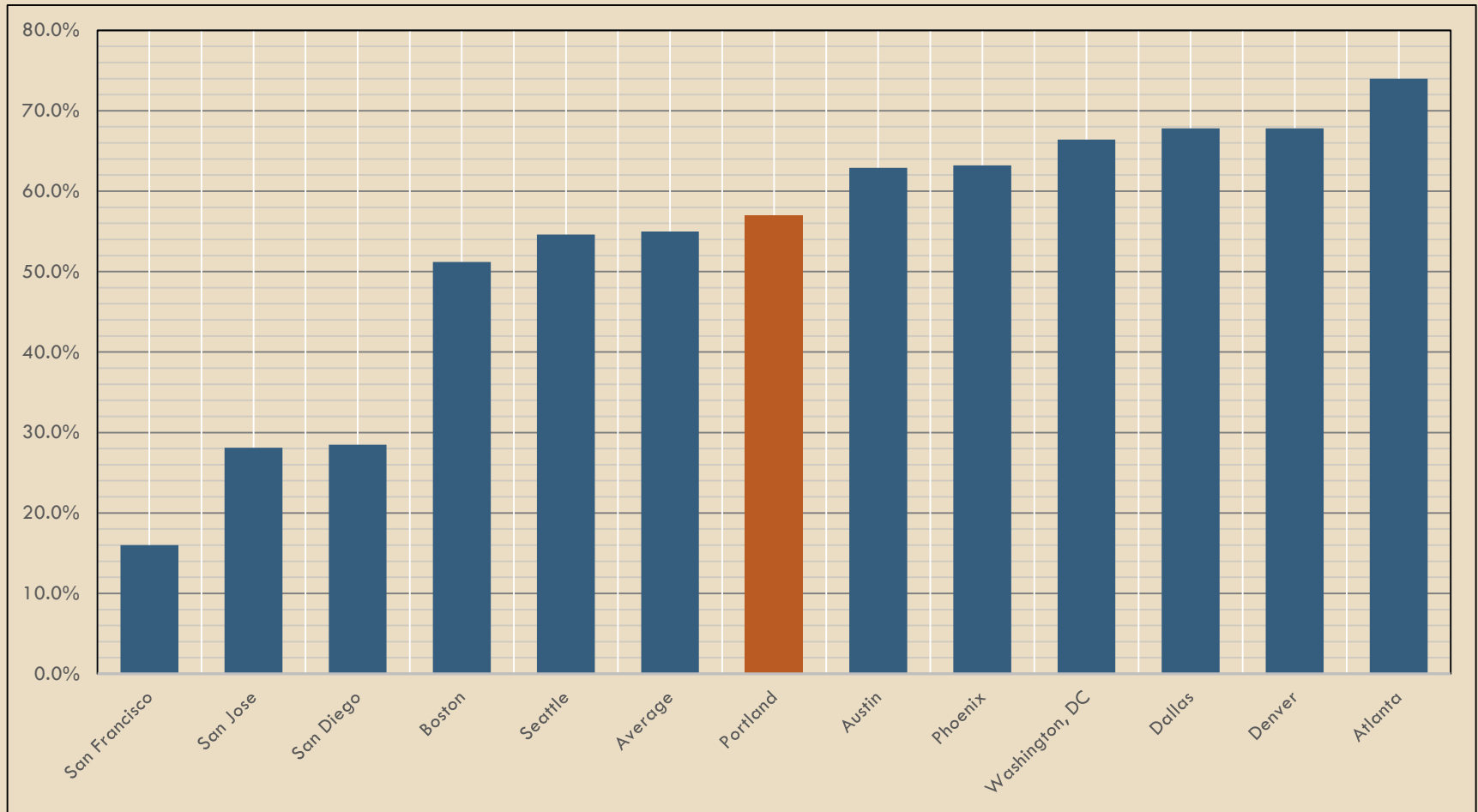
# Median Rent for 2 BR Apartment, 2014



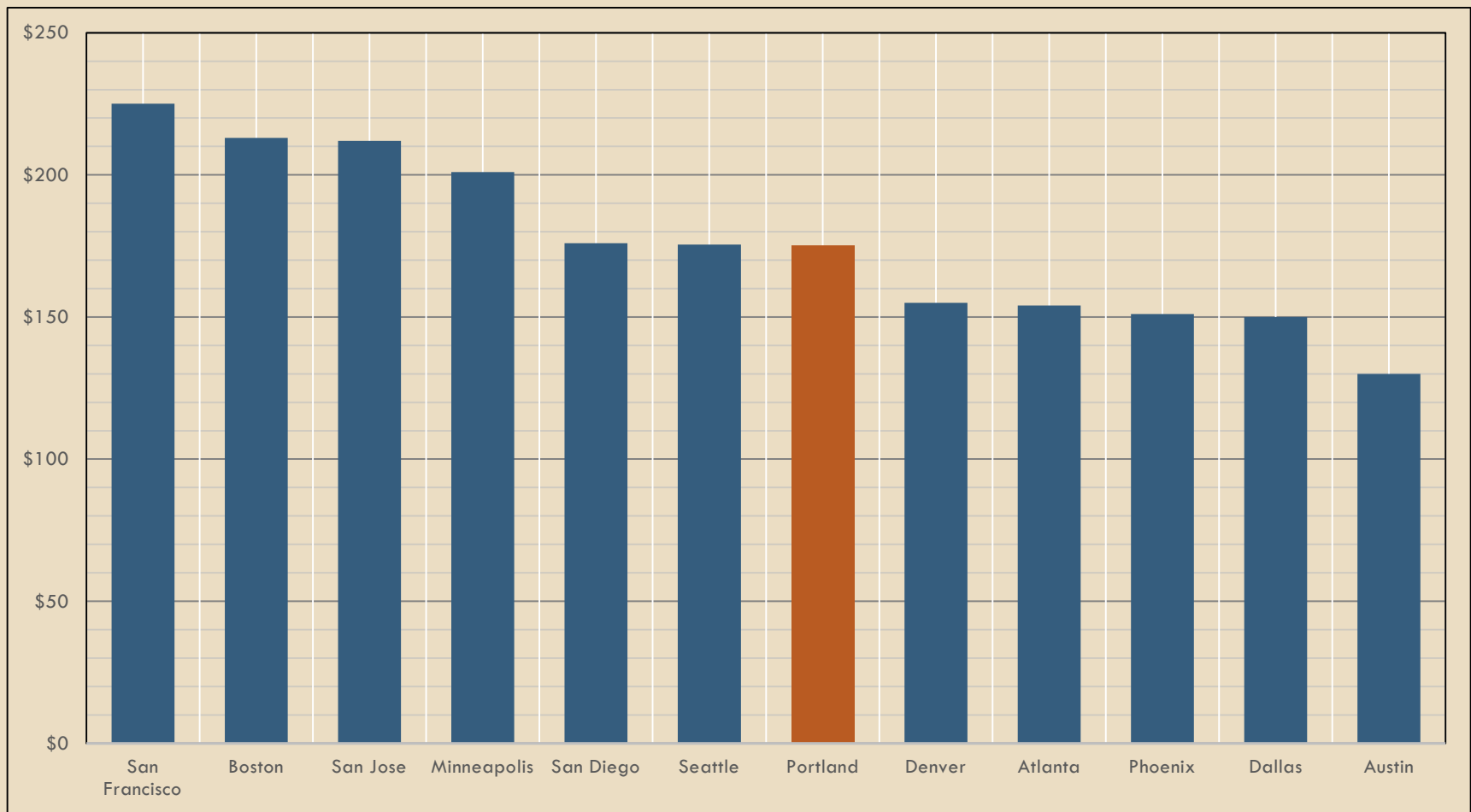
# Percent of Cost Burdened Renter Households, 2012



# NAHB Home Opportunity Index, 2013

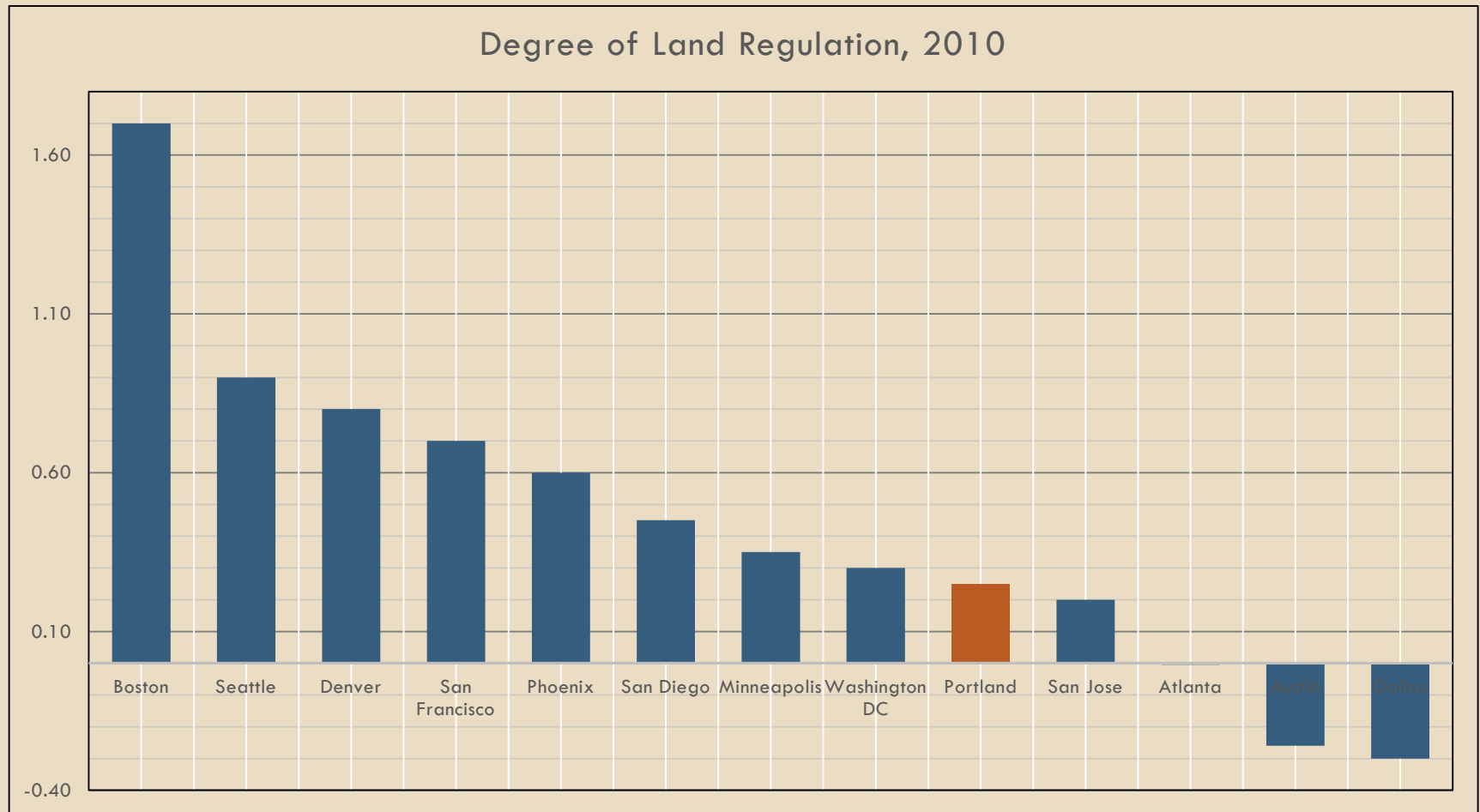


# Average Per Square Foot Costs for Apartment Buildings , 2014

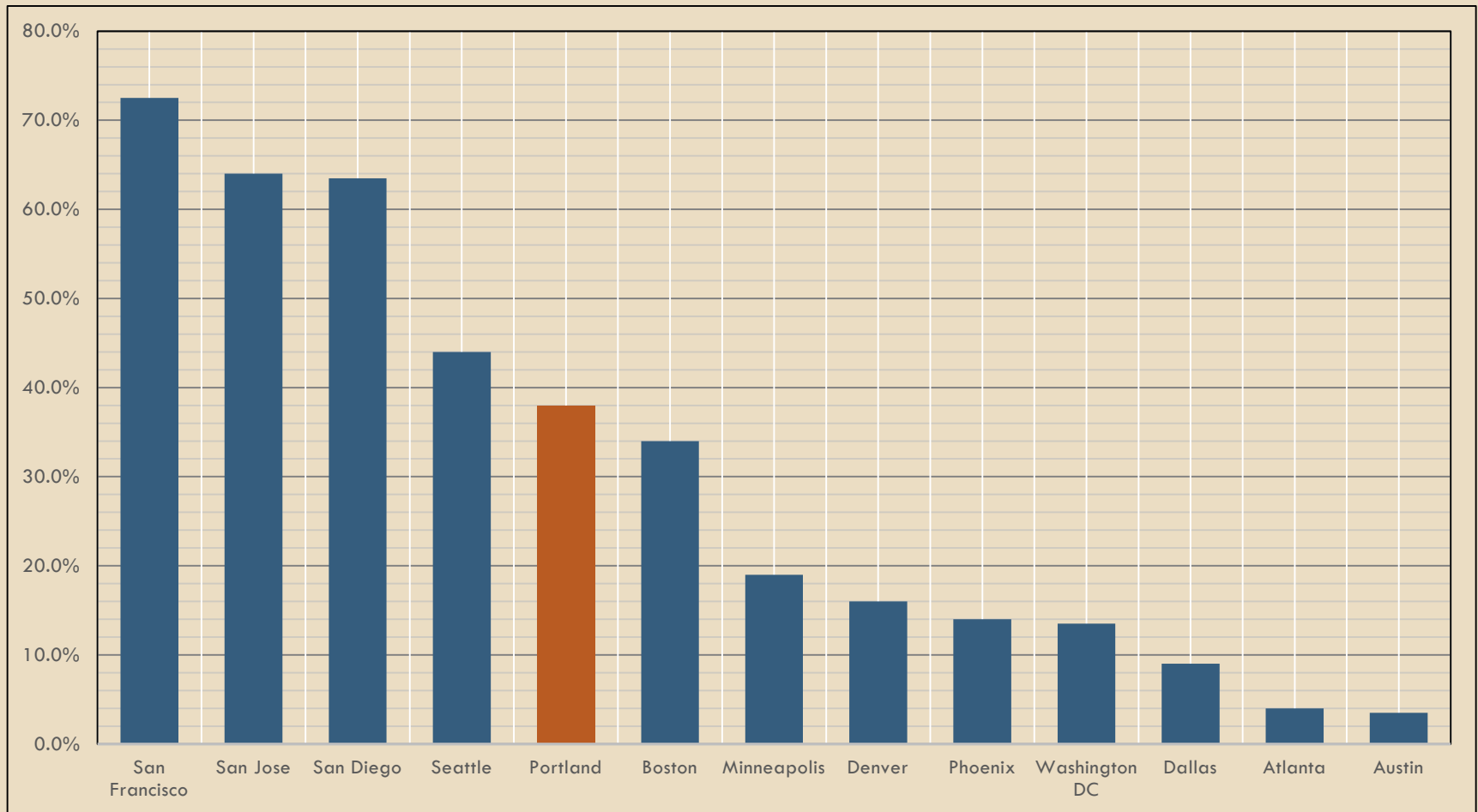




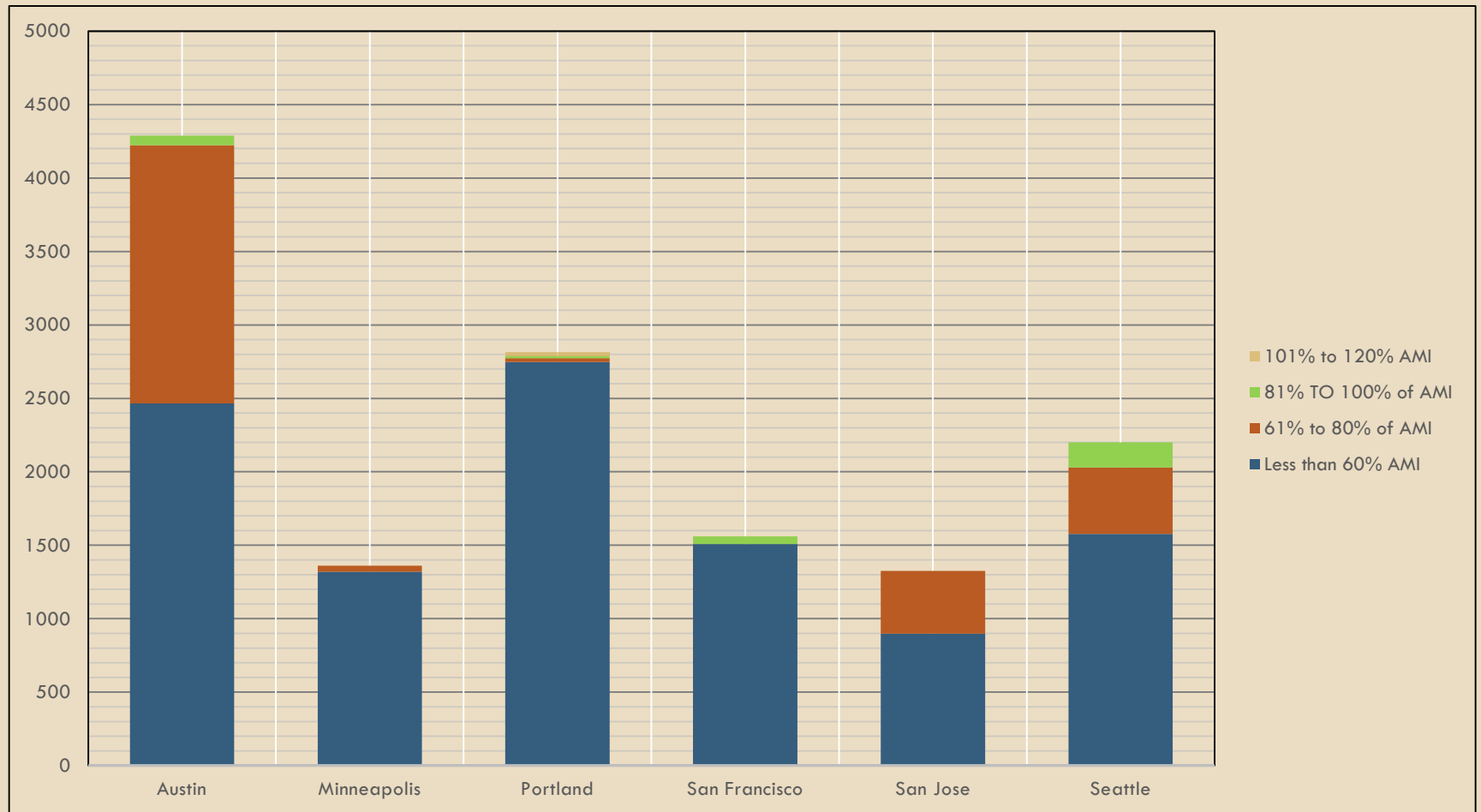
# Degree of Land Regulation, 2010



# Undevelopable Land Area Within 50 km of City Center, 2010



# Total Affordable Housing Units Produced by AMI Level, 2010-2013



# Summary and Key Findings

- 3<sup>rd</sup> fastest growing city after Austin and San Jose, increasing in population by 15% between 2000 and 2010.
- Portland has the fourth lowest median household income
- Highest median age at 37 years after San Francisco and Seattle
- At 2.3 persons per household, Portland's household size close to the mean for all of the comparison cities
- Portland has slightly more owners than renters, in the middle of the comparison cities

# Summary and Key Findings

- 2<sup>nd</sup> second highest rent burden after San Diego
- Portland ranks near the lower end of the comparison cities in terms of rental rates and sale prices
- Moderately older housing stock compared to the comparison cities
- Despite high multifamily production since 2000, very high percentage of detached units compared to the other cities at 35%, only Phoenix and San Jose lower
- Costs near the middle of psf construction costs compared to other cities and regulatory constraints are relatively low

# Discussion

Given this initial profile of the existing conditions and need in Portland, should policy objectives be to:

- Help low-income renter households?
- Increase apartment supply in general to bring down rents?
- Improve the quality of the rental housing stock?
- Or reduce the cost burden on renters who otherwise might be forced to spend an outsized share of their incomes on rent?
- Other priorities?