City of Portland Analysis Shows Legalizing Fourplexes Would Lower Housing Costs and Reduce Displacement. Additional Policies Should Be Pursued to End Displacement and Expand Housing Affordability

Portland, OR | March 12, 2019 – This afternoon, the City of Portland Planning and Sustainability Commission voted 5-4 to recommend the residential infill project for a Portland City Council vote. The City of Portland's February 2019 report on demolition-related displacement associated with the residential infill project, the first such analysis under the city's new comprehensive plan, revealed several valuable insights about reforms to its low-density zoning code:

1. Re-legalizing fourplexes, while also minimizing one-for-one demolitions by setting a lower size cap for one- and two-unit buildings, reduces the risk of demolition-related displacement of cost-burdened renters in Portland by an estimated 28 percent compared to the current code.

Re-legalizing fourplexes also provides other benefits: reversing decades-old exclusionary zoning that continues to deepen long-term segregation patterns based on wealth and race; creating more below-market homes by making nonprofit developers' dollars go further; allowing more lower-cost family-size homes, particularly rentals, including in some currently exclusive areas; lowering the bar to middle-class homeownership; and increasing the number and variety of potential homes citywide.

2. Allowing the third and fourth homes on lots, and incentivizing them with more building size than a one-unit building, is a crucial factor that allows this drop in demolition-related displacement. The city's Buildable Lands Inventory (BLI) model predicts that each new market-rate triplex or fourplex absorbs the demand for two or three market-rate duplexes elsewhere, reducing the number of demolitions needed per additional home as the city grows.

3. The BLI model predicts that 3% of census tracts in Portland would face "more significant" demolition-related displacement risk than under the status quo. Of these five tracts, two tracts (in the Brentwood-Darlington neighborhood) are whiter in racial makeup than the citywide average and three (in the Lents and Montavilla neighborhoods) have more people of color than the citywide average. (Tract 6.02, in south Lents, ranks 20th citywide for Portlanders of color; tract 87, in south Brentwood-Darlington, ranks 95th.)

These findings support the conclusion that failing to enact reforms currently proposed for the residential infill code will further exacerbate our city’s housing problems, even though this reform will not single-handedly solve the city’s problems. Even for a zoning reform expected to create a net benefit for renters burdened with high housing costs, the perverse history of zoning laws in Portland and elsewhere demands attention to communities that might be disproportionately affected, particularly Portlanders of color.
During its nine months of deliberation, the Planning and Sustainability Commission concluded that the residential infill project is an opportunity to improve support for below-market housing and reduce involuntary displacement from low-density areas. Commissioners have recommended amendments to the residential infill project and raised critical questions in these deliberations about potential funding and policy solutions to address indirect displacement. Because the commission oversees only planning and zoning matters, many other possible housing solutions are beyond its scope.

Complementary policy and funding decisions are not, however, beyond the scope of the next body to review this plan: Portland City Council. With that in mind, the Portland for Everyone coalition is renewing its commitment to work with many of our local housing justice advocates to cultivate a list of actions that the council should consider in conjunction with the residential infill code reform.

Portland for Everyone continues this work by reflecting back upon our May 2018 letter, urging our City “to adopt a citywide anti-displacement strategy... and work with the Anti-Displacement PDX Coalition to ensure that this Comprehensive Plan Implementation Project will a) mitigate increased displacement pressures for people of color and low-income residents, and b) create racially and economically equitable outcomes.”

###

Housed at 1000 Friends of Oregon, Portland for Everyone is a coalition of community organizations, individuals, and local businesses that support land use policies that will help provide abundant, diverse, and affordable housing options in all of Portland’s neighborhoods.