



Jeffery Apartments

2008 Central City Housing Inventory

Final Report
2008 Central City Housing Inventory

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EXECUTIVE SUMMARY

Results of this inventory show clearly that residential development is continuing in the Central City and that the Central City continues to provide a range of housing options for Portlanders. However, the lack of affordability of ownership units and the loss of very-low and low-income rental units may signal reduced housing options for Portlanders earning less than the median income and a loss in the diverse character of Central City residents.

Inventory Purpose

Every three years the Portland Development Commission conducts an inventory of all residential properties within the Central City as a data collection effort to assist in city-wide decision making and policy development. The Central City Housing Inventory (CCHI) provides a snapshot of the current stock of Central City for-sale and rental housing. Included in this report is information regarding the amount of housing, the type of housing, and the affordability of housing. This information is a critical component in effectively developing and evaluating city policies and initiatives related to housing preservation and development. The last comprehensive Central City Housing Inventory was published by PDC in October 2005.



For the 2008 CCHI, Central City refers to the Central City Plan Area as defined by the City of Portland. This area comprises the subdistricts Central Eastside, Downtown, Goose Hollow, Lloyd District, Lower Albina, River District, South Waterfront, and University District.¹ The subdistrict boundaries may overlap with, but are not congruent to, urban renewal area boundaries or neighborhood boundaries.

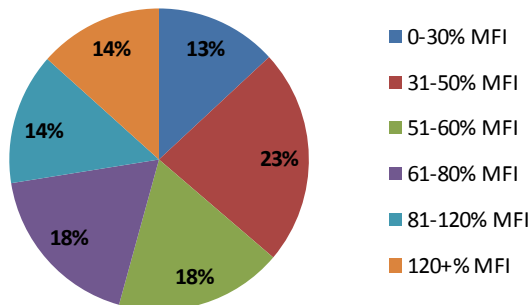
Total Housing Units

This recent inventory shows that the Central City has 22,994 units, an increase of 4,080 units from 2005 to 2008.² Of the total units, 68% are rental and 32% are ownership. This represents a shift of 13%, as the 2005 CCHI reported 81% of all Central City units as rental. Additionally, an estimated 4,635 units were constructed

¹“Central City” refers to the Central City Plan Area as defined by the City of Portland (33.510) as updated on November 9, 2007 (Ord. No. 181357).

² Discrepancy between the surveyed result and the accounting of new construction is due to miscalculation in the 2005 CCHI. See p. 8 for further explanation.

**2008 Central City Rental Units
Affordability by Median Family Income**



from 2006 to 2008, and another 1,867 units have either been finished and occupied in 2009 or are currently under construction. The River District, South Waterfront, and Downtown subdistricts have experienced the most new construction activity over the past three years.

Rental Inventory

Central City residential units contain a range of affordability. While the percentage of rental units affordable to very-low- and low-income households has decreased since

2005, rental units affordable to households at or below 60% median family income (MFI) still comprise over half of all rental units. The loss in units affordable to lower incomes has been mirrored by an increase in units affordable to households earning more than 120% MFI. This increase is likely due to the development of the South Waterfront as well as the recent conversion of planned condo developments to high-end rental.

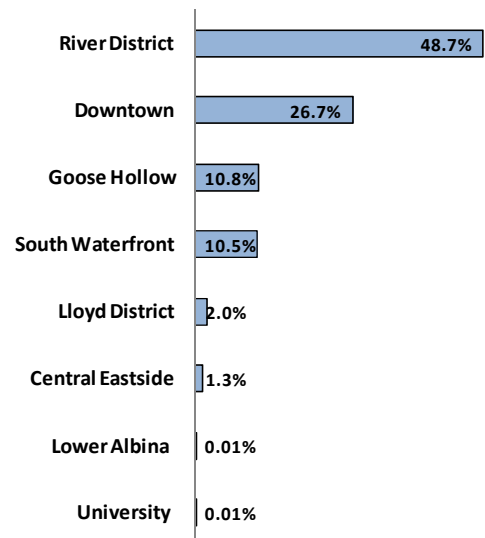
During analysis of the inventory data, the following became clear:

- **Unit Type:** Rental units within the Central City continue to be primarily smaller studio and one-bedroom units. Two- and three-bedroom units account for only 11.4% of all rental units.
- **Affordable Subdistricts:** Subdistricts east of the Willamette remain more affordable than those on the west side. Rents per square foot for east side rental units are \$.10 to \$.20 cheaper than comparable units on the west side.
- **No Net Loss Units:** The City continues to meet the No Net Loss Policy established in 2002. An estimated 8,473 rental units are classified as being within the No Net Loss affordability category. The benchmark established in 2002 was 8,286 units.

Ownership Inventory

Ownership housing within the Central City continues to exhibit a very limited affordability for households earning at or below the median income. Of the 7,326 ownership units identified in this inventory, only 7% would be within the purchasing power of a household earning below 120% MFI. The bulk of ownership units remain concentrated in the River District subdistrict. However, the South Waterfront subdistrict saw new development of 760 condo units in the past three years, and it now contains 10.4% of the Central City’s total ownership units. The subdistricts east of the Willamette continue to see very little development of ownership housing. Combined, they account for only 3.4% of the total.

**Distribution of Ownership
Housing**



INVENTORY METHODOLOGY

The Central City Housing Inventory is an effort to take a “snap shot” view of residential conditions within the Central City plan area. This includes calculating the total number of rental and ownership units as well as gathering data on rents, demographics, sales prices, and distribution of housing. The Central City Plan District is divided into eight subdistricts. For consistency, the CCHI reports housing data is based on these subdistricts to allow for more detailed geographic analysis. These subdistricts are:

- Central Eastside
- Downtown
- Goose Hollow
- Lloyd District
- Lower Albina
- River District
- South Waterfront
- University District

The South Waterfront and University District subdistricts are new to the 2008 CCHI. The South Waterfront subdistrict was not included in the 2005 CCHI due to the absence of housing within its boundaries, and housing within the University District subdistrict was included within the Downtown subdistrict numbers. A map of each subdistrict is available in Appendix A.

Rental Housing Inventory

Due to a lack of specific unit and rent data within available databases, the majority of rental data in the 2008 CCHI comes from a rental property survey process.

Survey Methodology

In early 2008, the CCHI team created a comprehensive rental survey and mailed it to rental property owners and/or managers. The team worked to increase the survey response rate by ensuring that the survey was both concise and easy to understand and fill out. A copy of the survey can be found in Appendix B.

The survey consists of 4 sections and is focused on collecting information related to building type, utilities, building amenities, rents, unit types, total number of units, income restrictions, and funding subsidy sources. The survey was designed to simplify its completion by property owners but also collect all of the desired information.

Using the city’s GIS database, PDC GIS staff identified all rental properties within the Central City boundary. A number of Central City properties had vague designation as “Office with Store/Apartment Above”; these properties were included in the survey group to ensure all rental properties were accounted for. Based on the database, paper surveys were mailed to all known addresses of rental property owners and/or managers. If no address was indicated for the owner/manager, surveys were mailed to the physical address.

Of the 456 properties originally identified as potentially containing rental housing units, the first mailing resulted in survey responses from 94 properties. Another 103 properties returned information

indicating they contained no residential units. Due to the poor initial response rate, the team re-mailed surveys and followed up with phone calls and emails to property owners/managers. This effort resulted in the return of another 51 surveys. In winter 2008, the team contracted Right of Way Assoc. to conduct door-to-door visits to the remaining unresponsive properties. Following this effort, the team was able to collect surveys for 201 total rental properties and 11,764 total rental units. Based on eliminating properties that returned surveys indicating they were non-residential, the estimated total number of Central City rental properties is 293. The 201 returned surveys indicate a response rate of 68.6%.

To ensure that the 2008 CCHI captured the full universe of Central City rental properties, the property list was compared against Portland building permit data, internal PDC asset management records, and the 2005 CCHI list of rental properties. After multiple checks, the CCHI team determined that the database contained all known rental properties.

Estimating Total Central City Rental Units

Unit data for the 85 properties that failed to complete surveys was collected from four external sources. Unresponsive properties were first compared against Portland building permit data for 2005-2008. If property data was not available from this source, the property was compared against the internal PDC asset management database followed by information collected by PDC through the Westside Housing Study. If no unit data for a property was available from either of these sources, the unit data for the property from the 2005 CCHI was used. If unit data for a property was available from multiple external sources and the data conflicted, the figure from the most reliable data source was used.

Following this method, the team was able to estimate that the additional 85 properties contain an estimated 3,937 units. This accounts for the total rental unit count of 15,601, as of January 31, 2009.

Confidence Interval

Based on an estimated inventory of 15,601 rental units and a survey sample size of 11,764, the team calculated that the collected data was accurate to within .5% at a 99% confidence level. This confidence interval provides assurance that survey data collected accurately reflects the full inventory of Central City rental units. A review of the survey responses showed that there was no disparity between the number of responses received from non-profit and for-profit owners.

Calculating Rental Affordability Levels

Following survey collection, the team analyzed the rent data and calculated the affordability level for each unit according to the percent of median family income (MFI) a household would need to earn so that the rent and utility costs were no greater than 30% of gross monthly income.

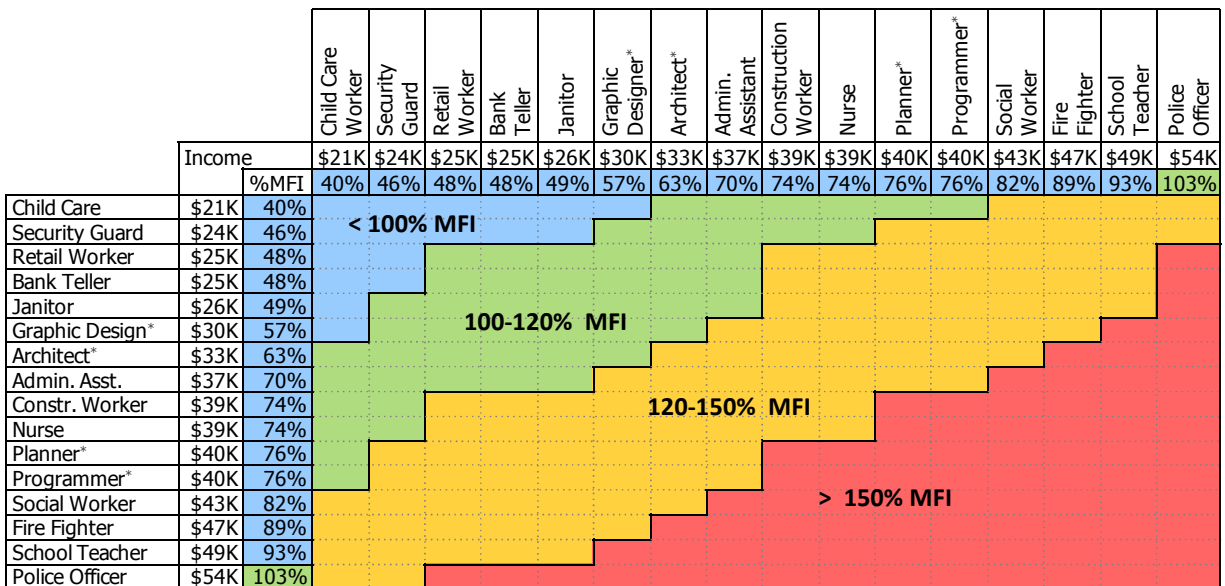
To ensure consistency, team used the highest reported rent for each unit. Additionally, based on what type of heat source is used (gas, electric, oil) and what utilities are covered in the rent payment, a monthly utility cost for each unit was calculated using the HUD utility cost chart. The highest rent and calculated utility cost were combined to determine the total monthly cost for each unit.

The following table shows the maximum rents plus utilities that are affordable for unit types and household sizes based on MFI. For example, a household of three earning 60% MFI would be able to afford \$916/month in housing costs.

# of Bedrooms	Household Size	Percent of Median Family Income				
		30%	50%	60%	80%	120%
0	1	\$356	\$593	\$712	\$950	\$1,417
1	1.5	\$381	\$636	\$763	\$1,018	\$1,620
2	3	\$458	\$763	\$916	\$1,222	\$1,822
3	4.5	\$529	\$882	\$1,059	\$1,412	\$2,025

(Based on 2008 HUD Portland Area Median Income: \$67,500 for family of four)

To illustrate MFI levels in practical terms, the following graph shows average wages for a variety of jobs and how they relate to total MFI level.³ For example, a single bank teller making \$25,000/year would earn 48% MFI, and therefore would be able to afford up to \$636 in total monthly household costs. If a nurse were married to a security guard, their combined incomes would put them in the 100-120% MFI category. Presumably, they would be able to afford to monthly household costs in the range of \$1,200 to \$1,620.



*Entry level position

Ownership Housing Inventory

The full inventory of for-sale residential units within the Central City is available from the Portland GIS database; each for-sale property is assigned a specific number. As a first step, the PDC GIS team pulled all for-sale property records for the Central City. This list was culled by the CCHI team to remove non-residential property listings, including parking spaces, condo storage spaces, and vacant lots. This initial list included 6,500 units. Following this initial data gathering, several for-sale housing projects were developed and approved for occupancy. If city GIS data were not available for these new properties, unit information was pulled from Portland building permit data. This combination resulted in a count of 7,393 units, as of January 31, 2009.

³ This chart uses an assumed household size of 1.75 as the majority of Central City rental units are 1-bedroom or less.

To ensure that the full inventory of for-sale residential units had been counted, this list of properties was compared against the 2005 CCHI properties list, Portland building permit data, and internal PDC databases. This comparison indicated no missing properties.

Using this list, the team pulled information on each property including interior unit square footage, assessed value, real market value, property address, and owner address.

Calculating Ownership Affordability Levels

Calculating the affordability of for-sale units involved formulating an assumed monthly housing cost for each unit. For owned units, monthly housing costs include principal and interest payments, property taxes, home insurance, and utilities/HOA fees.

To best determine the current value of for-sale properties, the team used the current market value rates assigned in the property assessor database. It is understood that these market values may not reflect actual current market value given declines in the overall market, but on average they provide a fair look at housing purchase prices.

Cost calculation included the following assumptions:

- Monthly housing costs as 33% of gross monthly income
 - 25% of housing costs dedicated to principal and interest loan payments
 - 8% of housing costs to taxes, insurance, utilities
- 30 year fixed mortgage at 6.25%
- 5% down payment

As an example, a household of two earning 100% MFI of \$54,000/year would be able to afford \$1,485 in monthly housing costs. Using the assumptions above, they would be able to afford a mortgage of \$182,714.

After calculating monthly housing costs and purchase prices, the information was compared to the market value of each unit. For example, a one-bedroom unit with a market value of \$235,000 would be affordable to a two-person household earning more than 120% MFI.

Issues of Continuity between 2005 CCHI and 2008 CCHI

Data collected through the 2008 CCHI is compared in this report with data from the 2005 CCHI. This comparison provides a greater understanding of changes in the Central City Housing market than if the report were to only provide 2008 data. However, there are continuity issues that need to be noted.

Despite the information in the 2005 CCHI methodology, the 2005 CCHI chose to include shelter and student beds as units within the total unit count. This is made clear in the chart on p.9. It is this team's opinion that counting beds as units is inconsistent and serves to inflate the total unit count. For the 2008 CCHI, both shelter and student beds are counted separately from actual rental and ownership units. Also, for comparison of total unit counts in 2005 and 2008, shelter and student beds were removed from the total unit count reported in the 2005 CCHI. This reduces the 2005 CCHI total unit count from 20,016, as originally reported, to 18,914. Additionally, general review of the 2005 CCHI

shows that data sourcing for the total unit count was inconsistent and leads the reviewer to conclude that the 2005 CCHI total unit count was over reported.

Additionally, within the 2005 CCHI, particularly the rental unit inventory section, there are conflicting reports of unit numbers and conflicting calculation methods. Most at odds is the MFI calculations. The 2005 CCHI was consistent in the reported rent levels that were chosen to calculate MFI. For a portion of units the lowest reported rent was used, whereas on other the highest rent reported was used. The 2008 CCHI is consistent in using only the highest reported rents, which may affect some comparisons. It is also unclear how or if the 2005 CCHI used external data sources to supplement survey results in estimating the total unit count.

Finally, there are consistency issues concerning calculation of ownership unit affordability. The 2005 CCHI used last sale amount for each ownership unit for the affordability calculation. Therefore, if a unit was last sold in 1985 for 105,000, the 2005 CCHI used \$105,000 as the unit's cost if it were to have been sold in 2005. This method does not reflect appreciation, and thus undervalues the cost of ownership units. Furthermore, the 2005 CCHI makes no mention of the assumptions used to calculate ownership affordability, so the team was unable to compare mortgage rate and tax cost assumptions.

TOTAL HOUSING INVENTORY

The Central City has a varied residential character, ranging from single-family homes in the Central Eastside and Goose Hollow to condominium towers in Downtown, River District, and South Waterfront. At the conclusion of 2008, the Central City contained a total 22,994 housing units. The table below shows the distribution of residential units by tenure and location within subdistricts.

**2008 Estimated Total Number of Housing Units In the Central City
by Tenure and Subdistrict**

Tenure	Central Eastside	Downtown	Goose Hollow	Lloyd District	Lower Albina	River District	South Waterfront	University	Central City Total
Rental	863	4,940	2,162	1,017	86	4,573	503	1,457	15,601
Owner	94	2,002	798	148	1	3,582	767	1	7,393
CC Total	957	6,942	2,960	1,165	87	8,155	1,270	1,458	22,994
% of CC Units	4.2%	30.2%	12.9%	5.1%	0.4%	35.5%	5.5%	6.3%	

Sources: 2008 CCHI Surveys, Property Tax Rolls

Each of the subdistricts contributes differently to the overall Central City housing market. As can be expected, the Downtown and the River District subdistricts account for the majority of housing units; however, due to the subdivision of the University District from the Downtown subdistrict and the growth experienced in the Pearl (River) District, the River District subdistrict now contains the largest proportion of housing units.

The subdistricts east of the Willamette River combine for a much smaller portion of the housing market with a total of 2,209 units. This represents only 9.7% of all Central City housing.

Housing Increase Since 2005

Comparing 2008 CCHI total unit count with the 2005 CCHI shows that housing in the Central City increased by over 4,000 units in the past three years.⁴ This increase is slightly lower, but consistent with, the number of residential new construction projects completed over the same time period.

As shown in the table on the following page, the River District and South Waterfront subdistricts saw the greatest increase in units over the past three years, increasing by 2,889 and 1,270 units respectively. In the 2005 CCHI, the University District subdistrict was included as part of the Downtown subdistrict, which accounts for the large difference in this comparison. However, when the 2008 unit counts for the Downtown and University subdistricts are combined and compared with the 2005 CCHI Downtown unit count, there appears to have been a modest decline of 286 units.

⁴ The 2005 CCHI includes shelter beds and special needs beds in the total unit count. For purposes of comparison in this report, shelter beds and special needs beds were removed from the 2005 CCHI total unit count as these were not included as units in the 2008 CCHI. In the 2008 CCHI, shelter beds and special needs beds are calculated and reported separately from residential units.

Changes in Rental versus Ownership

Over the past three years, the Central City has experienced a shift in the tenure make up of residential units. In 2005, 81% of Central City residential units were rental. Rental units now make up 68% of the total. This 13% shift is likely a result of new condo construction as an estimated 3,168 new units have been built over the past three years. The small increase in rental units would indicate that if condo conversions took place, it was not widespread.

**Comparison of Total Housing Units
2005 to 2008 by Subdistrict**

	Rental	Owner	Total
Central Eastside			
2005	852	60	912
2008	863	94	957
Difference	11	34	45
Downtown			
2005	7,785	901	8,686
2008	4,940	2,002	6,942
Difference	(2,845)	1,101	(1,744)
Goose Hollow			
2005	2,620	248	2,868
2008	2,162	798	2,960
Difference	(458)	550	92
Lloyd District			
2005	1,038	121	1,159
2008	1,017	148	1,165
Difference	(21)	27	6
Lower Albina			
2005	22	1	23
2008	86	1	87
Difference	64	0	64
River District			
2005	2,926	2,340	5,266
2008	4,573	3,582	8,155
Difference	1,647	1,242	2,889
South Waterfront			
2005	0	0	0
2008	503	767	1,270
Difference	503	767	1,270
University District			
2005	n/a	n/a	n/a
2008	1,457	1	1,458
Difference	1,457	1	1,458
Central City Total			
2005	15,243	3,671	18,914
2008	15,601	7,393	22,994
Difference	358	3,722	4,080

Further analysis of the total unit counts shows that the ratio of rental units to ownership units for most subdistricts stayed constant. Other than South Waterfront, which contained no units in 2005, Goose Hollow was the only subdistrict to experience a shift from rental to ownership. Over the past three years, Goose Hollow has lost an estimated 458 rental units and gained 550 ownership units. The 554 new ownership units in the Civic, Jefferson, and Westerly Condominium development may account for a portion of this shift, but the loss of rental units signals the likelihood of condo conversions. The largest conversion of rental units to condos took place in the Downtown subdistrict at the Harrison property (1720 SW 4th Ave) where 354 rental units were converted to ownership.

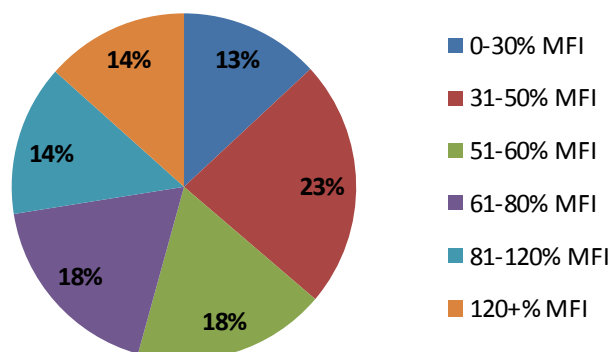
RENTAL HOUSING INVENTORY RESULTS

The Central City includes an estimated 15,601 rental units ranging in size from duplexes to large developments like the newly constructed 323-unit Ardea in South Waterfront. Rental survey data was obtained for 11,764 units, or 75% of the estimated total. This large sample size provides a high confidence interval of +/- .5% which allows the data user to make accurate assumptions based on survey results.

Income Affordability

The collected survey data classifies the units by the median family income (MFI) of renters for which they would be considered affordable. The study infers residents' incomes from the gross rent and number of bedrooms in a unit as described in the methodology. This does not represent the actual income of the resident. The rental units are categorized in income ranges that assume a maximum gross rent of 30% of the tenant's gross monthly income. The income ranges are based on HUD's MFI estimates, as detailed in the methodology.

**2008 Central City Rental Units
Affordability by Median Family Income**



Source: 2008 CCHI Survey Result

Confidence Interval: +/- .5%

According to survey results, over half (54%) of all Central City rental units are affordable to households earning at least 60% MFI, while the large majority (72%) are affordable to households at 80% MFI.

At a more detailed level, survey results show that the Central Eastside subdistrict contains the highest proportion of rental units affordable at 60% MFI or below, followed by Lower Albina, Downtown and the

River District. In contrast, the South Waterfront, Lloyd District, and University subdistricts contain the highest concentrations of units priced at 80% MFI and above. The South Waterfront and the Lloyd District are the only two subdistricts with no units affordable at 50% MFI or below.

The River District subdistrict, which includes both the Pearl and Old Town/China Town neighborhoods, appears to have the most balanced range of affordability in its rental units. It is the only subdistrict where no single MFI level comprises more than 30% of the total units within the subdistrict.

**2008 Surveyed Rental Housing Units
by Median Family Income**

Central City Subdistricts	Income Affordability by MFI Range							Total Units
	0-30%	31-50%	51-60%	61-80%	81-120%	120% +	Unknown	
Central Eastside	46	393	125	94	28	0	6	692
% of Units	6.6%	56.8%	18.1%	13.6%	4.0%	0.0%	0.9%	5.9%
Downtown	640	1282	424	704	330	458	0	3,838
% of Units	16.7%	33.4%	11.0%	18.3%	8.6%	11.9%	0.0%	32.6%
Goose Hollow	161	177	466	620	40	24	0	1,488
% of Units	10.8%	11.9%	31.3%	41.7%	2.7%	1.6%	0.0%	12.6%
Lloyd District	0	0	56	72	226	0	0	354
% of Units	0.0%	0.0%	15.8%	20.3%	63.8%	0.0%	0.0%	3.0%
Lower Albina	0	0	42	24	0	0	0	66
% of Units	0.0%	0.0%	63.6%	36.4%	0.0%	0.0%	0.0%	0.6%
River District	689	798	812	149	392	951	0	3,791
% of Units	18.2%	21.0%	21.4%	3.9%	10.3%	25.1%	0.0%	32.2%
South Waterfront	0	0	0	0	101	79	0	180
% of Units	0.0%	0.0%	0.0%	0.0%	56.1%	43.9%	0.0%	1.5%
University	3	75	194	476	546	61	0	1,355
% of Units	0.2%	5.5%	14.3%	35.1%	40.3%	4.5%	0.0%	11.5%
CC Total	1,539	2,725	2,119	2,139	1,663	1,573	6	11,764
	13.1%	23.2%	18.0%	18.2%	14.1%	13.4%	0.1%	
Central City No Net Loss Units								
54.3% of surveyed units								

Source: 2008 CCHI Surveys

Confidence Interval: +/- .5%

Affordability Changes 2005 to 2008

Affordability of Central City rental units has shifted away from very-low and low-income units since 2005. The percentage of total rental units in the 0-30% and 31-50% MFI categories decreased by a combined 22.5% in the last three years. This decrease was mirrored by an 11.8% increase in units affordable to households earning at or above 120% MFI.

Comparison of All Rental Units 2005 to 2008

Includes Restricted and Open Market Rental Units

	Income Affordability by MFI Range						
	0-30%	31-50%	51-60%	61-80%	81-120%	120% +	Unknown
2005	19.8%	39.0%	15.2%	14.9%	9.5%	1.6%	0.0%
2008	13.1%	23.2%	18.0%	18.2%	14.1%	13.4%	0.1%
Difference	-6.7%	-15.8%	2.8%	3.3%	4.6%	11.8%	0.1%
No Net Loss Units							

Sources: 2005 CCHI, 2008 Rental Surveys

Affordability and Distribution of Open Market Rental Units

Of the survey responses, 5,135 units (43.7%) indicated as having no tenant or income restrictions. The table below displays the affordability of surveyed, open-market rental units by subdistrict.

**2008 Surveyed Open Market Rental Housing Units
by Median Family Income**

Central City Subdistricts	Income Affordability by MFI Range						Total Units
	0-30%	31-50%	51-60%	61-80%	81-120%	120% +	
Central Eastside	2	235	131	94	28	0	490
% of Units	0.4%	48.0%	26.7%	19.2%	5.7%	0.0%	
Downtown	18	117	220	298	326	458	1,437
% of Units	1.3%	8.1%	15.3%	20.7%	22.7%	31.9%	
Goose Hollow	2	83	200	512	40	24	861
% of Units	0.2%	9.6%	23.2%	59.5%	4.6%	2.8%	
Lloyd District	0	0	56	72	226	0	354
% of Units	0.0%	0.0%	15.8%	20.3%	63.8%	0.0%	
Lower Albina	0	0	42	24	0	0	66
% of Units	0.0%	0.0%	63.6%	36.4%	0.0%	0.0%	
River District	0	93	0	0	343	951	1,387
% of Units	0.0%	6.7%	0.0%	0.0%	24.7%	68.6%	
South Waterfront	0	0	0	0	101	79	180
% of Units	0.0%	0.0%	0.0%	0.0%	56.1%	43.9%	
University	0	0	14	121	164	61	360
% of Units	0.0%	0.0%	3.9%	33.6%	45.6%	16.9%	
CC Total	22	528	663	1,121	1,228	1,573	5,135
% of Total Units	0.4%	10.3%	12.9%	21.8%	23.9%	30.6%	
Central City No Net Loss Units 23.6% of open market units							

Source: 2008 CCHI Surveys

Confidence Interval: +/- .5%

As is evident, the majority of open-market rental units are priced above 80% MFI with 76% priced above 60% MFI. Only the Central Eastside and Lower Albina subdistricts contain a large percentage of open-market units affordable at 60% MFI and below. Of the westside subdistricts, Downtown and Goose Hollow are the only subdistricts to have more than 10% of their open-market units with rents affordable at 60% MFI and below. On the opposite side of the spectrum, the River District and South Waterfront have the largest proportions of open-market units priced at 120% MFI and above.

Affordability Changes 2005 to 2008

The shift toward higher costs reflected in all rental units is primarily due to increasing costs of open-market rental units. The percentage of rental units priced at or below 80% MFI has decreased markedly over the last three years. The proportion of open-market rental units priced above 120% MFI increased by 27.1%, while the proportion of open-market units affordable below 50% MFI decreased by 21.1%.

Comparison of Open Market Rental Units 2005 to 2008

Does not Include Restricted Units

	Income Affordability by MFI Range					
	0-30%	31-50%	51-60%	61-80%	81-120%	120% +
2005	5.2%	26.6%	19.7%	28.3%	16.6%	3.5%
2008	0.4%	10.3%	12.9%	21.8%	23.9%	30.6%
Difference	-4.8%	-16.3%	-6.8%	-6.5%	7.3%	27.1%
No Net Loss Units						

Sources: 2005 CCHI, 2008 Rental Surveys

Distribution of Tenant and/or Income Restricted Rental Units

The balance of the survey responses, 6,629 units (56.3%) indicated the units were restricted by tenant or income.⁵ The table below displays the affordability of surveyed, restricted rental units by subdistrict.

2008 Surveyed Restricted Rental Housing Units by Median Family Income

Central City Subdistricts	Income Affordability by MFI Range						Total Units
	0-30%	31-50%	51-60%	61-80%	81-120%	120% +	
Central Eastside	44	158	0	0	0	0	202
% of Units	21.8%	78.2%	0.0%	0.0%	0.0%	0.0%	
Downtown	622	1165	204	406	4	0	2,401
% of Units	25.9%	48.5%	8.5%	16.9%	0.2%	0.0%	
Goose Hollow	159	94	266	108	0	0	627
% of Units	25.4%	15.0%	42.4%	17.2%	0.0%	0.0%	
Lloyd District	0	0	0	0	0	0	0
% of Units	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
Lower Albina	0	0	0	0	0	0	0
% of Units	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
River District	689	705	812	149	49	0	2,404
% of Units	28.7%	29.3%	33.8%	6.2%	2.0%	0.0%	
South Waterfront	0	0	0	0	0	0	0
% of Units	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
University	3	75	180	355	382	0	995
% of Units	0.3%	7.5%	18.1%	35.7%	38.4%	0.0%	
CC Total	1,517	2,197	1,462	1,018	435	0	6,629
% of Total Units	22.9%	33.1%	22.1%	15.4%	6.6%	0.0%	
Central City No Net Loss Units							
78.1% of restricted units							

Source: 2008 CCHI Surveys

Confidence Interval: +/- .5%

⁵ Restricted occupancy applies to any unit in which there are occupancy requirements other than basic tenant screening. Restrictions are most commonly tied to public funding such as Low Income Housing Tax Credits, HUD subsidies, other Federal funds, or Tax Increment Financing gap loans.

While the Downtown and River District subdistricts contain the largest number of restricted rental units, the South Waterfront, Lloyd District and Lower Albina subdistricts contain few or no restricted rental units. Additionally, the majority of surveyed rental units in the University, Downtown, and River District subdistricts have some type of restriction (73%, 63%, and 63% respectively).

The large majority of restricted units are made affordable at 60% MFI and below, primarily due to the availability of tax credits and public financing products for units at these affordability levels.

Tenant-Based Section 8 Vouchers

Of the 201 rental properties surveyed, 31 indicated that they currently accept HUD Section 8 vouchers⁶ for individual tenants and 323 Section 8 vouchers are in use. Applied to the full inventory of rental properties, this survey data would indicate that 15% of Central City rental properties, or 44 properties, accept Section 8 vouchers.

2008 Surveyed Rental Properties Accepting Tenant-Based Section 8 Vouchers by Subdistrict

Central City Subdistrict	Tenant-Based Section 8 Properties	
	Total Buildings	# of Vouchers in Use
Central Eastside	3	31
Downtown	9	94
Goose Hollow	3	14
Lloyd District	1	1
Lower Albina	0	0
River District	13	180
South Waterfront	0	0
University	2	3
CC Total	31	323

Source: 2008 CCHI Surveys

Project-Based Section 8 Properties

In addition to tenant-based assistance, the Section 8 program also awards vouchers to specific projects that enter into assistance contracts with the local housing authority. The rental assistance is tied to a specific number of units within the project and the housing authority pays the owner the difference between 30 percent of family income and the gross rent for the unit. Project-based assistance contracts are generally in place for 10 years and are dependent on continued federal funding.

2008 Surveyed Rental Properties with Project-Based Section 8 by Subdistrict

Central City Subdistrict	Project Based Section 8 Properties		
	Total Buildings	Subsidized Units	Total Units
Central Eastside	1	57	58
Downtown	12	1,171	1,231
Goose Hollow	3	137	185
Lloyd District	0	0	0
Lower Albina	0	0	0
River District	6	433	491
South Waterfront	0	0	0
University	0	0	0
CC Total	22	1,798	1,965
<i>Non-Profit/Gov't Owned</i>	13	1,121	1,237
<i>For-Profit Owned</i>	9	677	728

Source: 2008 CCHI Surveys

Twenty-two of the surveyed properties indicated that they currently have project-based assistance contracts with the local housing authority covering a total of 1,798 units. Over half of the properties receiving assistance and over 60% of these subsidized units are government or non-

⁶ Through the Section 8 Rental Voucher Program, the administering housing authority issues a voucher to an income-qualified household, which then finds a unit to rent. If the unit meets the Section 8 quality standards, the PHA then pays the landlord the amount equal to the difference between 30 percent of the tenant's adjusted income and the PHA-determined payment standard for the area. The rent must be reasonable compared with similar unassisted units. (From hud.gov)

profit owned, the remainder being privately owned. This is important to note, as units with expiring Section 8 contracts are in jeopardy of losing their affordability if federal assistance is not continued. The City of Portland is currently assessing the future funding options for all Central City project-based Section 8 properties.

No Net Loss Units

The “No Net Loss” Resolution (#36021) passed by City Council in August 2001 establishes the policy that either through preservation or replacement, the City will maintain the number of units that were affordable at 60% MFI and below in 2002, according to the baseline established in the 2002 CCHI. The 2002 CCHI estimated there were 8,286 rental units affordable at 60% MFI and below in the Central City.

The 2008 CCHI rental surveys indicate that 6,389 (54.3%) surveyed rental units currently meet the designation as No Net Loss units. Projections of these survey results to the estimated total inventory of Central City rental units would indicate that approximately 8,473 Central City rental units are affordable at 60% MFI and below. Consequently, the No Net Loss policy is currently being met.

As shown in the table below, the bulk of No Net Loss units (81%) have attached tenant or income restrictions. Only 19% of No Net Loss units are being provided by the unrestricted, private market, the majority of which are in the Central Eastside, Downtown, and Goose Hollow subdistricts.

**2008 Surveyed No Net Loss Rental Units
by Subdistrict and Restriction**

Central City Subdistricts	No Net Loss Units				Total NNL Units	% of Total NNL Units
	Restricted		Open Market			
	Units	%	Units	%		
Central Eastside	202	35%	368	65%	570	9%
Downtown	1,991	85%	355	15%	2,346	37%
Goose Hollow	519	65%	285	35%	804	13%
Lloyd District	0	0%	56	100%	56	1%
Lower Albina	0	0%	42	100%	42	1%
River District	2,206	96%	93	4%	2,299	36%
South Waterfront	0	-	0	-	0	0%
University	258	95%	14	5%	272	4%
CC Total	5,176	81%	1,213	19%	6,389	

Source: 2008 CCHI Surveys

Confidence Interval: +/- .5%

While the distribution of No Net Loss units varies throughout the Central City, the Central Eastside, Downtown, and River District each have a higher proportion of No Net Loss units compared to their proportion of total number of rental units. The University subdistrict is the most out of proportion when comparing No Net Loss units to total units.

- 0-30% MFI Rental Housing:** Housing units affordable to very low-income households account for 13% of the total, surveyed rental units. The Downtown subdistrict has the majority of the open-market 0-30% MFI units; while the Downtown and River District contain the majority of restricted 0-30% MFI units.

- **31-50% MFI Rental Housing:** Over 43% of surveyed no net loss units are affordable at 31-50% MFI, making this the largest affordability tranche. More than half of the total surveyed units in the Central Eastside subdistrict are priced in this range; at the same time, only 22% of all surveyed rental units in subdistricts west of the river are affordable at 31-50% MFI.

- **51-60 % MFI Rental Housing:** Units in this category account for 55% of all surveyed, open-market no net loss units. A lower percentage of 51-60% MFI rental units have restrictions compared to the lower-income categories. The River District subdistrict has the highest percentage of surveyed 51-60% MFI units, although all units at this income are restricted and none is open-market.

Central City Subdistricts	% of Total NNL Units	% of Total Rental Units	Difference
Central Eastside	9%	6%	3%
Downtown	37%	33%	4%
Goose Hollow	13%	13%	0%
Lloyd District	1%	3%	-2%
Lower Albina	1%	1%	0%
River District	36%	32%	4%
South Waterfront	0%	2%	-2%
University	4%	12%	-7%

Source: 2008 CCHI Surveys

Confidence Interval: +/- .5%

No Net Loss Rental Unit Ownership

Survey data indicate that over half of all no net loss units are owned by public or non-profit entities, as well as the majority of no net loss units in the Downtown, River District, and University subdistricts. Lloyd District, Lower Albina, Goose Hollow and Central Eastside subdistricts all have a majority of privately-owned no net loss units.

**2008 Surveyed No Net Loss Units
by Owner Type and Subdistrict**

Ownership Type & Restriction	Central City Sub Areas								Total Units	% of Total Units
	CES	DT	GH	Lloyd	Low Alb	RD	SW	Univ		
Public/Non-Profit Owned	241	1,307	173	0	0	1,678	0	255	3,654	57.2%
Privately Owned/Restricted	50	684	346	0	0	528	0	3	1,611	25.2%
Privately Owned/Unrestricted	279	355	285	56	42	93	0	14	1,124	17.6%
Total Units	570	2,346	804	56	42	2,299	0	272	6,389	

Source: 2008 CCHI Surveys

Confidence Interval: +/- .5%

No Net Loss Rental Units Sizes

Survey results show that single resident occupancy and studios account for the large majority (77%) of all surveyed no net loss units. Remarkably, only 3% of all no net loss units are two- or three-bedroom units and virtually all of those larger units are located within the River District subdistrict.

**2008 Surveyed No Net Loss Units
by Unit Type, MFI Level and Subdistrict**

# of Bedrooms MFI Level	Central City Subareas								Total
	CES	DT	GH	Lloyd	LA	RD	SW	Univ	
SRO									
0-30% MFI	0	239	2	0	0	577	0	0	818
31-50% MFI	159	385	30	0	0	284	0	29	887
51-60% MFI	0	86	0	0	0	0	0	145	231
<i>Total</i>									1,936
Studio									
0-30% MFI	14	333	85	0	0	43	0	0	475
31-50% MFI	140	741	75	0	0	374	0	46	1,376
51-60% MFI	84	242	341	13	42	386	0	49	1,157
<i>Total</i>									3,008
One Bedroom									
0-30% MFI	29	67	73	0	0	53	0	0	222
31-50% MFI	93	156	72	0	0	121	0	0	442
51-60% MFI	36	73	112	38	0	313	0	0	572
<i>Total</i>									1,236
Two Bedroom									
0-30% MFI	2	0	1	0	0	7	0	3	13
31-50% MFI	1	0	0	0	0	19	0	0	20
51-60% MFI	5	23	11	3	0	113	0	0	155
<i>Total</i>									188
Three Bedroom									
0-30% MFI	0	0	0	0	0	9	0	0	9
31-50% MFI	0	0	0	0	0	0	0	0	0
51-60% MFI	0	0	0	2	0	0	0	0	2
<i>Total</i>									11

Source: 2008 CCHI Surveys

Confidence Interval: +/- .5%

Moderate, Middle and High Income Rental Housing

- 61-80% MFI Rental Housing:** Housing serving moderate-income residents makes up 18% of the total surveyed units. The highest concentrations of moderate income rental units are in the Downtown, Goose Hollow, and University subdistricts. In the River District, 61-80% MFI units comprise only 3% of the subdistrict's total rental units; outside of the South Waterfront, which contains no 61-80% MFI units, the River District is the subdistrict with the lowest percentage of moderate income units. For contrast, 61-80% MFI units make up 18% and 35% of the units in Downtown and University subdistricts respectively.

Middle and High Income

All told, rent levels affordable to households at or above 80% MFI make up 28% of the total surveyed rental units, but account for over 54% of total, open-market surveyed rental units.

- **81-120% MFI Rental Housing:** The majority of surveyed units in both the Lloyd District and South Waterfront subdistricts fall within this income range; while units in this range account for less than 10% of surveyed units in the Central Eastside, Downtown, and Goose Hollow subdistricts.
- **120% + MFI Rental Housing:** This income category contains 13% of all surveyed rental units and 31% of all surveyed open-market rental units. The highest number and highest proportion of units priced at or above 120% MFI are found in the River District, with units at this price level accounting for a quarter of the River District subdistrict's total units. None of the eastside subdistricts has units in this range. The inventory of units in this income category is likely to increase in the coming year as several large condo projects have converted to high-end rental.

Open Market Rental Rates

The table on this page displays the average rent costs (not including utilities or parking costs) by square foot for open-market rental units according to surveyed properties. As would be expected, eastside subdistricts all have lower square foot costs than westside subdistricts. The River District and University subdistricts have the highest costs, with both topping \$2/ft². The Central City as a whole averages approximately \$1.49/ft².

Compared with averages from the 2005 CCHI, it appears rent averages have increased slightly overall, with the largest increases occurring in the River District and Central Eastside subdistricts.

Average Rent per Square Foot for Surveyed Central City Rental Units

Central City Subdistricts	All Open-Market Rental Units		
	2005 Average	2008 Average	Difference
Central Eastside	\$1.17	\$1.26	\$0.09
Downtown	\$1.68	\$1.62	(\$0.06)
Goose Hollow	\$1.29	\$1.30	\$0.01
Lloyd District	\$1.32	\$1.09	(\$0.23)
Lower Albina	n/a	\$1.21	-
River District	\$1.89	\$2.08	\$0.19
South Waterfront	n/a	\$1.44	-
University	n/a	\$2.06	-
Central City	\$1.47	\$1.49	\$0.02

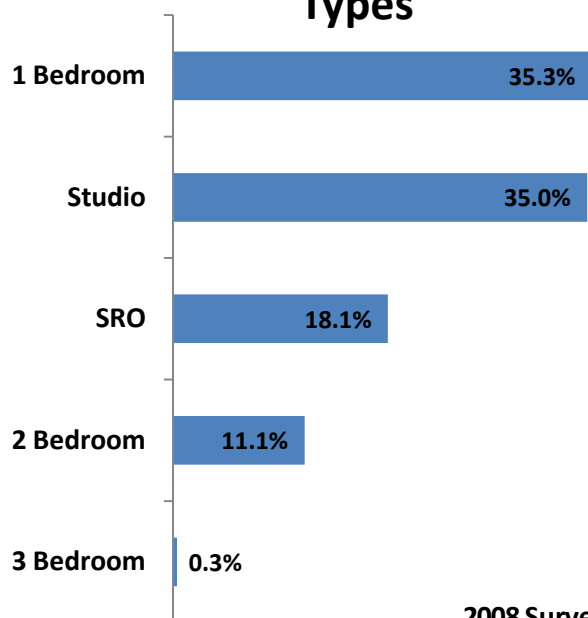
Source: 2008 CCHI Surveys

Additional Entry Costs

Of the 201 surveyed rental properties, 121 indicated that they charged entry costs to new tenants beyond standard application fees and security deposits. This is important to track, as any additional costs to rent a unit may create an additional barrier for low- and moderate-income residents in finding a place to rent. These additional charges are often described as move in/move out fees, cleaning fees, or apartment preparation fees. Fees associated with pets are not included in this analysis.

The additional costs ranged from \$10 to \$800, with the average being \$145 and the median \$50. The difference between average and median costs shows that there are a few properties that charge high fees, but that the majority of charges are in the range of \$25 to \$100.

Prevalence of Rental Unit Types



Unit Types

Survey results clearly indicate that the vast majority of Central City rental units are small units aimed at individuals and couples. Over 88% of all surveyed rental units were one-bedroom or less, with the majority being studios or single resident occupancy units. The chart and table below display the rental survey results by unit type and subdistrict.

While the River District has the greatest number of larger units (two- and three-bedroom)⁷ with 595, large units make up a larger percentage of the South Waterfront’s rental stock.⁸ SRO and studio units comprise over 67% of the University subdistrict; however, the Downtown subdistrict has the largest number of surveyed small units with 2,392.

2008 Surveyed Rental Housing Units by Unit Type

Central City Subdistricts	Unit Type						Total Units
	SRO	Studio	1 Bed	2 Bed	3 Bed	Manager	
Central Eastside	159	239	254	34	3	3	692
% of Units	23.0%	34.5%	36.7%	4.9%	0.4%	0.4%	
Downtown	908	1484	1096	334	9	7	3,838
% of Units	23.7%	38.7%	28.6%	8.7%	0.2%	0.2%	
Goose Hollow	32	683	677	88	5	3	1,488
% of Units	2.2%	45.9%	45.5%	5.9%	0.3%	0.2%	
Lloyd District	0	19	213	120	2	0	354
% of Units	0.0%	5.4%	60.2%	33.9%	0.6%	0.0%	
Lower Albina	0	42	24	0	0	0	66
% of Units	0.0%	63.6%	36.4%	0.0%	0.0%	0.0%	
River District	861	888	1446	576	19	1	3,791
% of Units	22.7%	23.4%	38.1%	15.2%	0.5%	0.0%	
South Waterfront	0	22	79	79	0	0	180
% of Units	0.0%	12.2%	43.9%	43.9%	0.0%	0.0%	
University	174	735	369	75	2	0	1,355
% of Units	12.8%	54.2%	27.2%	5.5%	0.1%	0.0%	
CC Total	2134	4112	4158	1306	40	14	11,764

Source: 2008 CCHI Surveys

Confidence Interval: +/- .5%

7 Overall, only 40 3-bedroom units were indentified in the survey (.3% of the total surveyed units).

8 In the South Waterfront subdistrict, only 180 rental units were constructed and occupied at the time of the survey and included in the unit size data. More rental units have since been completed and may or may not reflect the sizes of the initial 180.

Comparison of Unit Type 2005 to 2008

When looking at 2005 CCHI data compared with the current inventory, it is clear that there has not been a significant change in the unit type make up of Central City rental units. It is likely that the decrease in percentage in one-, two-, and three-bedroom units is due to the construction of smaller units and not the loss of existing larger units. (The 2008 CCHI does not categorize shelter beds as units but does account for manager units. This creates some differences with the 2005 CCHI.)

Comparison of Rental Unit Types 2005 to 2008

	Unit Types						
	SRO	Studio	1-bedroom	2-bedroom	3-bedroom	Manager	Shelter
2005	16.5%	32.8%	35.8%	11.9%	1.0%	-	2.0%
2008	18.1%	35.0%	35.3%	11.1%	0.3%	0.1%	-
Difference	1.6%	2.2%	-0.5%	-0.8%	-0.7%	-	-

Sources: 2005 CCHI, 2008 Rental Surveys

Student Housing

Included in the overall unit count are 1,663 private rental units which are dedicated to student housing. There are currently 14 rental properties that serve students, the majority being in the University subdistrict near Portland State University. A number of the student units are double or triple occupancy, which accounts for the higher number of available student beds.

Portland State University and the City of Portland have been working together to formulate a plan to address the growing need for student housing in the Central City, specifically near PSU.

Comparison of student units in this inventory with the 2005 CCHI is difficult because the 2005 CCHI did not delineate between student units and beds. Even so, the 2005 CCHI showed a total student unit count of 1,997 (which is presumed to also include beds), which would reflect minor growth in student housing over the past three years.

2008 Surveyed Student Housing Rental Properties by Subarea

Central City Sub Areas	Student Housing Properties		
	Total Buildings	# of Student Units	# of Student Beds
Central Eastside	0	0	0
Downtown	3	96	96
Goose Hollow	1	221	221
Lloyd District	0	0	0
Lower Albina	0	0	0
River District	0	0	0
South Waterfront	0	0	0
University	10	1,346	1,967
CC Total	14	1,663	2,284

Source: 2008 CCHI Surveys

Shelter Beds

In this inventory, shelter beds have not been included in the overall unit count. However, it is important to note that the Central City currently has 446 year-round shelter beds, the majority of which are in the Old Town/China Town Neighborhood of the River District subdistrict. Also, as need dictates, the City of Portland routinely opens cold-weather shelters throughout the Central City to accommodate increased need for shelters during cold weather events.

**Year-Round Shelter Beds in the Central City
by Subdistrict**

Central City Subareas	# of Shelter Beds
Central Eastside	72
Downtown	0
Goose Hollow	60
Lloyd District	0
Lower Albina	0
River District	314
South Waterfront	0
University	0
Central City	446

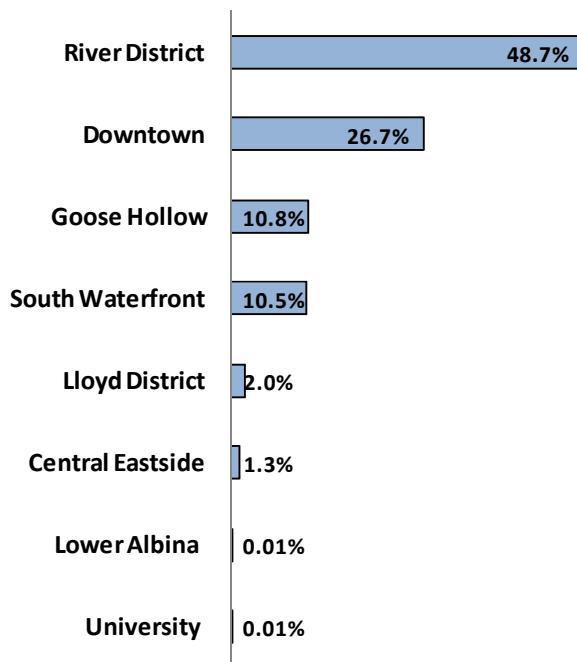
Source: Bureau of Housing and Community Development

OWNERSHIP HOUSING INVENTORY RESULTS

Ownership housing within the Central City is made up of 7,326 units and contains a variety of types and sizes of units. Since 2005, public investment in infrastructure, private development investment, and demand for ownership units have converged to create a boom in high-rise, for-sale condominium development, particularly in the River District and South Waterfront subdistricts. This increase in new construction has doubled the amount of for-sale homes in the Central City since 2005. (The 2005 CCHI reported 3,671 existing ownership units.)

As seen in the chart below, the River District subdistrict now contains close to half of all Central City ownership units. The proportion of ownership units within the River District has decreased since 2005

Distribution of Ownership Housing



due primarily to the development of the South Waterfront subdistrict which now accounts for over 10% of Central City ownership units. South Waterfront contained no for-sale units prior to 2005. The Downtown and Goose Hollow subdistricts were the only subdistricts to increase their percentage of ownership housing since 2005; both increased by 2%.

Homeownership Rate

The 2005 CCHI indicated that the homeownership rate within the Central City was around 19%.⁹ The review of 2008 tax rolls shows that the homeownership rate has increased by 14% to 33% overall. Surprisingly, the greatest changes in homeownership were found in the Goose Hollow and Lloyd District subdistricts. For Lloyd District, this change may be in part to conversion of rental units to ownership, as there was not a notable amount of new, ownership construction in the last three years. Also of note, the ownership

rate in River District has decreased even as total ownership units have increased by 1,200 units. In fact, River District is the only subdistrict where rental unit development outpaced for-sale unit development. At the time of this inventory, the South Waterfront had an 81% ownership rate; however, this will even out as 808 new rental units are scheduled to come online in South Waterfront in 2009.

⁹ Analysis of the homeownership rate does not reflect the rate of owner-occupancy. It is assumed that a portion of owned units in the Central City are rented to second parties. The owner-occupancy rate for the Central City was not calculated as a part of this report.

Change in Ownership Rate 2005 to 2008

Central City Subdistricts	2005		2008		Percent Change
	# of Units	Ownership Rate	# of Units	Ownership Rate	
Central Eastside	60	2%	94	12%	10%
Downtown	901	25%	1,954	34%	9%
Goose Hollow	248	8%	792	35%	27%
Lloyd District	121	3%	148	30%	27%
Lower Albina	1	-	1	2%	-
River District	2,340	64%	3,557	48%	-16%
South Waterfront	-	-	767	81%	-
University	-	-	1	0.1%	-
Central City	3,671	19%	7,314	33%	14%

Source: 2005 CCHI and Property Tax Rolls

Income Affordability

The following table indicates affordability ranges of Central City ownership units by subdistrict. The purchase affordability was calculated using real market values from the Portland property assessor database. 2008 real estate value data shows that ownership options for households at or below the area median income are very limited; 90% of for-sale, Central City units are affordable only to those making more than 120% of the median, which reflects no significant change since 2005.

2008 Ownership Housing Units
by Median Family Income

Central City Subdistricts	Income Affordability by MFI Range							Total Units
	0-30%	31-50%	51-60%	61-80%	81-120%	120% +	Unknown	
Central Eastside	0	0	0	13	60	21	0	94
% of Units	0.0%	0.0%	0.0%	13.8%	63.8%	22.3%	0.0%	1.3%
Downtown	0	0	0	0	42	1909	3	1,954
% of Units	0.0%	0.0%	0.0%	0.0%	2.1%	97.7%	0.2%	26.7%
Goose Hollow	0	0	0	0	343	449	0	792
% of Units	0.0%	0.0%	0.0%	0.0%	43.3%	56.7%	0.0%	10.8%
Lloyd District	0	0	0	0	8	140	0	148
% of Units	0.0%	0.0%	0.0%	0.0%	5.4%	94.6%	0.0%	2.0%
Lower Albina	0	0	0	0	1	0	0	1
% of Units	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%
River District	0	0	0	0	24	3517	28	3,569
% of Units	0.0%	0.0%	0.0%	0.0%	0.7%	98.5%	0.8%	48.7%
South Waterfront	0	0	0	0	11	543	213	767
% of Units	0.0%	0.0%	0.0%	0.0%	1.4%	70.8%	27.8%	10.5%
University	0	0	0	0	0	1	0	1
% of Units	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%
CC Total	0	0	0	13	489	6580	244	7,326

Source: Property Tax Rolls

- **Moderate Income Ownership Housing (61-80% MFI):** The Central City provides extremely limited, if any, opportunity for affordable homeownership. The Central Eastside is the only subdistrict with homes potentially affordable below 80% MFI.
- **Middle Income Ownership Housing (81-120% MFI):** More opportunity for homeownership is found for households earning at or just above median, but opportunities remain limited. Seven percent of ownership units were determined to be affordable between 81-120% MFI, with the majority of these units trending toward the high end of the category. Again, Central Eastside and Goose Hollow are the subdistricts that provide the most homeownership opportunities for middle income homebuyers.
- **High Income Ownership Housing (120% + MFI):** As would be expected, the vast majority of ownership homes in the Central City are priced above the median affordability level. Close to all for-sale units in Downtown (97.7%), Lloyd District (94.6%), and the River District (98.5%), are only affordable to households earning above 120% MFI.

Comparison of Affordability 2005 to 2008

Comparison of the affordability of ownership units between the current data and the 2005 CCHI is difficult as the 2005 CCHI used original purchase prices for calculating present affordability and did not take into account appreciation or the 2005 market value. Affordability calculations for this CCHI are based on 2008 market values drawn from the City tax database. This change in methodology is likely the reason for the differences in the following chart, particularly in the 51-60% and 61-80% MFI categories.

Regardless, the comparison of current data with 2005 shows that, overall, there has been little shift in the opportunity for lower- or middle-income homeownership in the Central City.

	Income Affordability by MFI Range						
	0-30%	31-50%	51-60%	61-80%	81-120%	120% +	Unknown
2005	0.0%	0.0%	0.1%	0.6%	10.4%	88.9%	0.0%
2008	0.0%	0.0%	0.0%	0.2%	6.7%	89.8%	3.3%
Difference	0.0%	0.0%	-0.1%	-0.4%	-3.7%	0.9%	3.3%

Sources: 2005 CCHI, City Property Tax Database

Unit Size and Type

A review of ownership units with interior square footage available in the city GIS database shows that the Central City has a healthy range of for-sale unit sizes; with the River District and Downtown subdistricts having the most even spread of units sizes. Over one half of the ownership units with available size data are smaller than 1,000 square feet (SF). The Lloyd District is the subdistrict with the highest portion of its units under 1,000 SF. On the flip side, the large majority of units in both the Central Eastside and South Waterfront subdistricts are greater than 1,000 SF.

**2008 Ownership Housing Units
by Unit Size**

Central City Subdistricts	Unit Size by Ft ²					Total Units
	0-600	601-800	801-1,000	1,001-1,200	1,200+	
Central Eastside	0	10	2	1	81	94
% of Units	0.0%	10.6%	2.1%	1.1%	86.2%	
Downtown	338	333	376	149	757	1,953
% of Units	17.3%	17.1%	19.3%	7.6%	38.8%	
Goose Hollow	52	255	117	61	154	639
% of Units	8.1%	39.9%	18.3%	9.5%	24.1%	
Lloyd District	41	59	18	6	24	148
% of Units	27.7%	39.9%	12.2%	4.1%	16.2%	
Lower Albina	0	0	0	0	1	1
% of Units	0.0%	0.0%	0.0%	0.0%	100.0%	
River District	66	824	632	502	873	2,897
% of Units	2.3%	28.4%	21.8%	17.3%	30.1%	
South Waterfront	0	155	101	45	466	767
% of Units	0.0%	20.2%	13.2%	5.9%	60.8%	
University	0	0	0	0	1	1
% of Units	0.0%	0.0%	0.0%	0.0%	100.0%	
CC Total	497	1,636	1,246	764	2,357	6,500

Source: Property Tax Rolls (Not all properties had size data available at time of review)

RECENT HOUSING DEVELOPMENT

Housing Constructed Since 2005 CCHI

From January 1, 2006 through the end of 2008, 4,635 for-sale and rental units were developed within the Central City boundary. The table on the following page outlines the new projects by type, subdistrict, and number of units. None of the eastside subdistricts saw new residential development over the past three years; however, the Downtown, River District, and South Waterfront all experienced significant growth with the construction of over 1,000 new units in each subdistrict. Given its smaller size, the addition of 554 new units in the Goose Hollow subdistrict also represents significant growth.

The amount of new residential development from 2006 to 2008 was substantially greater than the previous three year period. From 2003 to 2005, 3,100 new units were constructed, 1,535 fewer than in the last three years.

Development of for-sale units made up 68% of the new development, a third of which occurred within the River District subdistrict. The largest proportion of new rental unit development also occurred within the River District with 592 units or 40% of new rental construction. The largest new-construction projects, in terms of number of units, are generally found in the South Waterfront. The Ladd Tower on the South Park Blocks in the Downtown subdistrict has the distinction of being the largest new rental development during 2006 to 2008.

Three affordable rental projects came online between 2006 and 2008. The Jeffery, Musolf Manor, and Morrison projects combined for 315 new units which replaced or rehabbed functionally obsolete or dilapidated buildings. The Morrison was part of a larger, mixed income project with the Civic that reinvigorated a large stretch of land on West Burnside.

Only one major condo-conversion project, the Harrison Condominiums, took place in 2006-2007. This project originally was intended to convert all three towers (561 units) from rental to for-sale. At the time of this report, 354 units remain as for-sale with the remainder being renovated and re-opened as rental units.

**New Housing Development
Projects Occupied 2006-2008**

Central City Subdistricts	Project Name/Address	Units	Year
Central Eastside	-	-	-
Downtown	Rental		
	Ladd Tower/1300 SW Park Ave	332	2008
	The Jeffery/1201 SW 11th Ave*	80	2008
	For-Sale		
	Riverplace-The Strand/2100 SW River Prkwy	216	2006
	Harrison Condominiums (Conversion)/1720 SW 4th	354	2007
	The Benson/1500 SW 11th Ave	150	2007
	The Eliot/1221 SW 10th Ave	223	2006
	Total	1,355	
Goose Hollow	Rental		
	The Morrison/1959 SW Morrison St*	140	2007
	For-Sale		
	The Civic/1926 W Burnside St	261	2007
	Jefferson/1234 SW 18th St	49	2007
	The Westerly/2351 NW Westover	104	2007
	Total	554	
Lloyd District	-	-	-
Lower Albina	-	-	-
River District	Rental		
	The Crane Building/710 NW 14th Ave*	30	2007
	The Wyatt/1200 NW Marshall St	231	2008
	The Asa/1303 NW Lovejoy St	236	2008
	Musolf Manor/216 NW 3rd Ave	95	2008
	For-Sale		
	The Pinnacle/NW 9th and NW Overton	179	2006
	Riverscape Townhomes/NW Naito Prkwy	104	2006
	Block 90/322 NW 14th Ave	12	2007
	The Metropolitan/1001 NW Lovejoy St	136	2007
	The Encore/949 NW Overton St	177	2008
	The Casey/311 NW 12th Ave	61	2008
	Pacifica Tower/1830 NW Riverscape	74	2008
	937 Condos/937 NW Glisan St	114	2008
Waterfront Pearl/1300 NW Naito Parkwy	194	2008	
	Total	1,643	
South Waterfront	Rental		
	The Ardea/3720 SW Bond	323	2008
	For Sale		
	The Merriwether/3570 SW River Prkwy	245	2006
	The John Ross/3601 SW River Prkwy	303	2008
	Atwater Place/0841 SW Gaines St	212	2008
	Total	1,083	
University	-	-	-
Central City		4,635	

Source: City of Portland Building Permits and Property Tax Rolls

*Contains income-restricted rental units

Housing Recently Occupied or Under Construction

Ten development projects either have been occupied in early 2009 or are currently under construction. Due to the surplus of un-sold for-sale units in the Central City and the slowdown of the real estate market, all ten are rental projects. The South Waterfront is significantly expanding its rental stock with the development of 808 new market-rate rental units, and the Downtown subdistrict is also seeing growth, particularly with the Cyan and 12W projects.

Two new affordable rental projects are already under construction in 2009. Rose Quarter Housing and University Place will each provide units to very-low, and low-income residents, with Permanent Supportive Housing units reserved for chronically homeless individuals. Permanent Supportive Housing units also provide in-house direct services for residents to be successful in a permanent housing environment.

Several, new construction affordable rental projects are in development throughout the Central City, and depending on financing should be constructed within the next two years. Included in these projects are a new family-sized affordable development in the Pearl District and an affordable development in the South Waterfront focused on veteran's housing.

New Housing Development Projects Occupied or Under Construction in 2009

Central City Subdistricts	Project Name/Address	Units
Central Eastside	-	-
Downtown	Rental	
	12W/430 SW 13th Ave	273
	Esquire/620 SW Park	19
	Park Avenue West	85
	University Place/1510 SW 13th Ave*	48
	The Cyan/333 SW Harrison	354
	Total	779
Goose Hollow	-	-
Lloyd District	Rental	
	Rose Quarter Housing*	176
	Total	176
Lower Albina	-	-
River District	Rental	
	The Enso/1400 NW Marshall	152
	Total	152
South Waterfront	Rental	
	The Alexan/3732 SW Moody	294
	The Mirabella/3550 SW Bond	240
	0677 SW Lowell	274
	Total	808
University	-	-
Central City		1,915

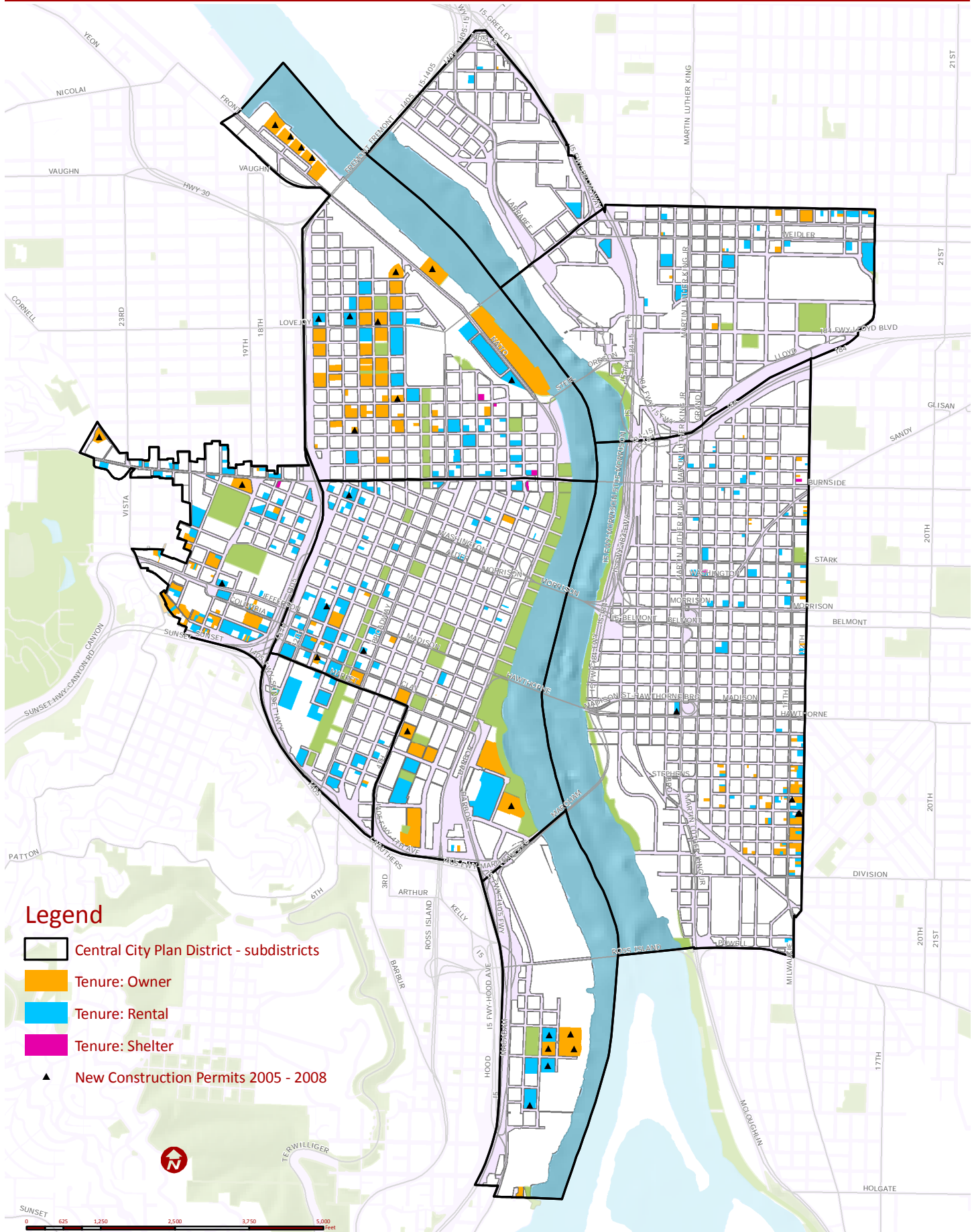
Source: City of Portland Building Permits

*Contains income-restricted rental units

APPENDICES

Appendix A: Maps

2008 Central City Housing Inventory

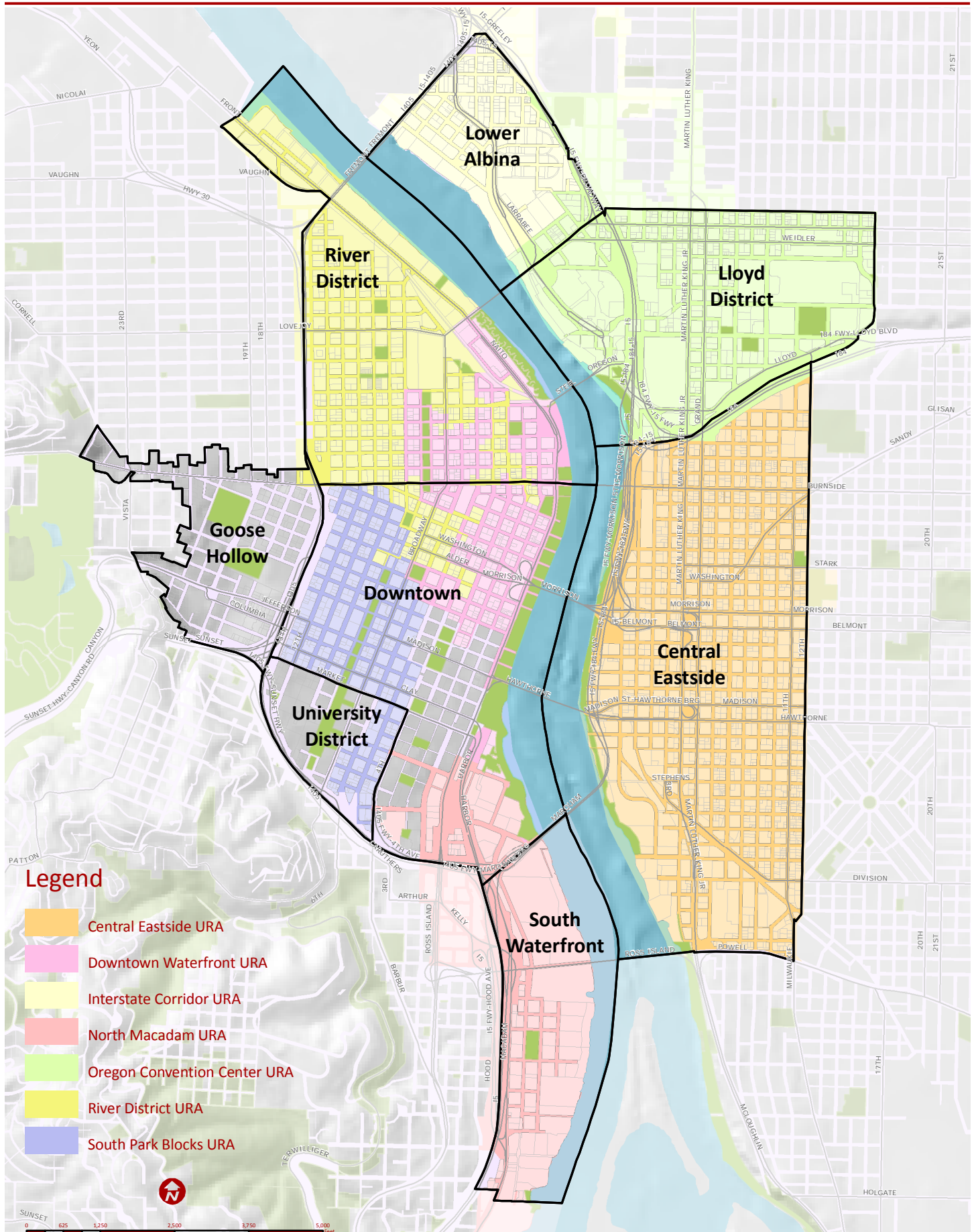


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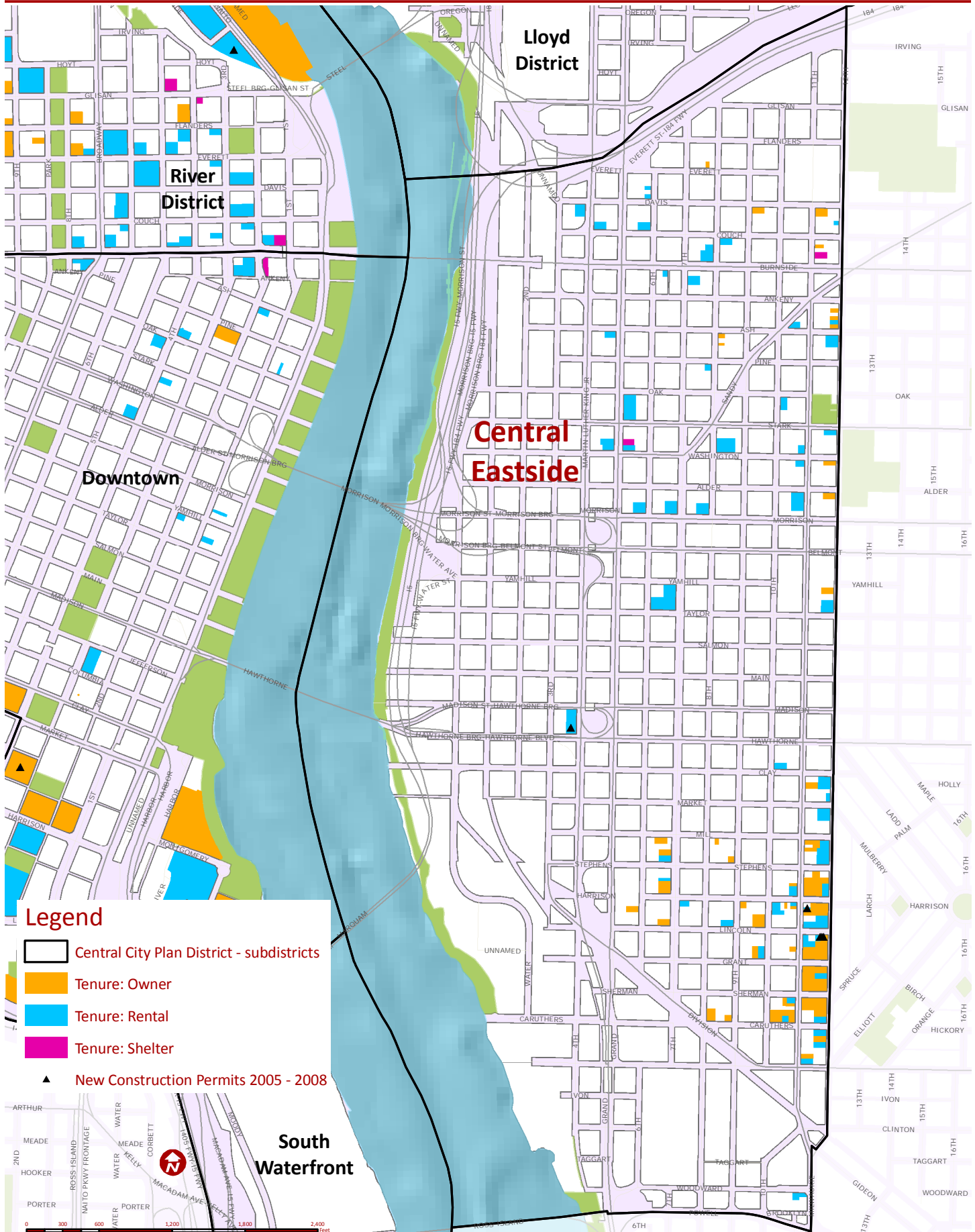
- Central City Plan District - subdistricts
- Tenure: Owner
- Tenure: Rental
- Tenure: Shelter
- New Construction Permits 2005 - 2008



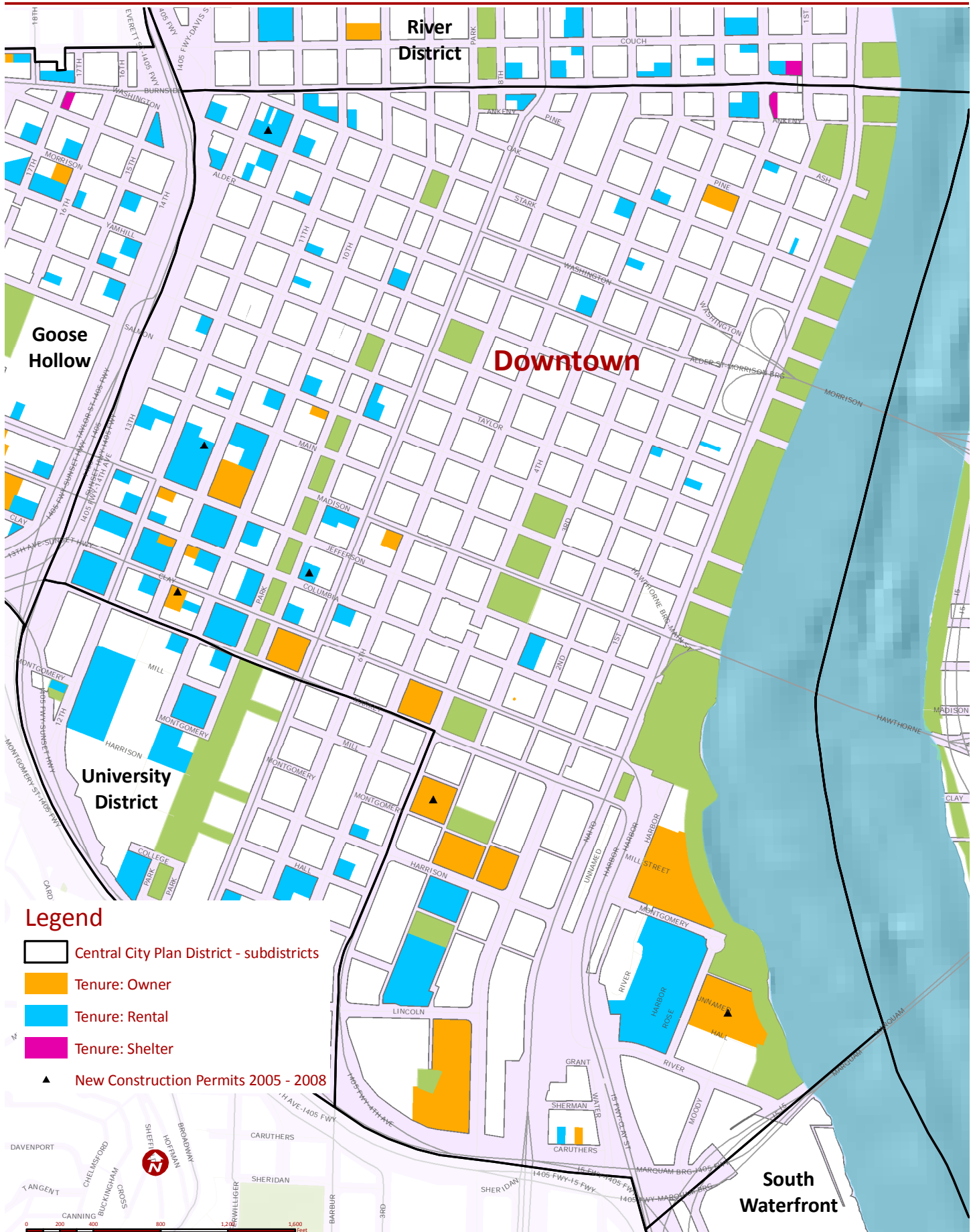
2008 Central City Housing Inventory: Subdistricts and Urban Renewal Areas



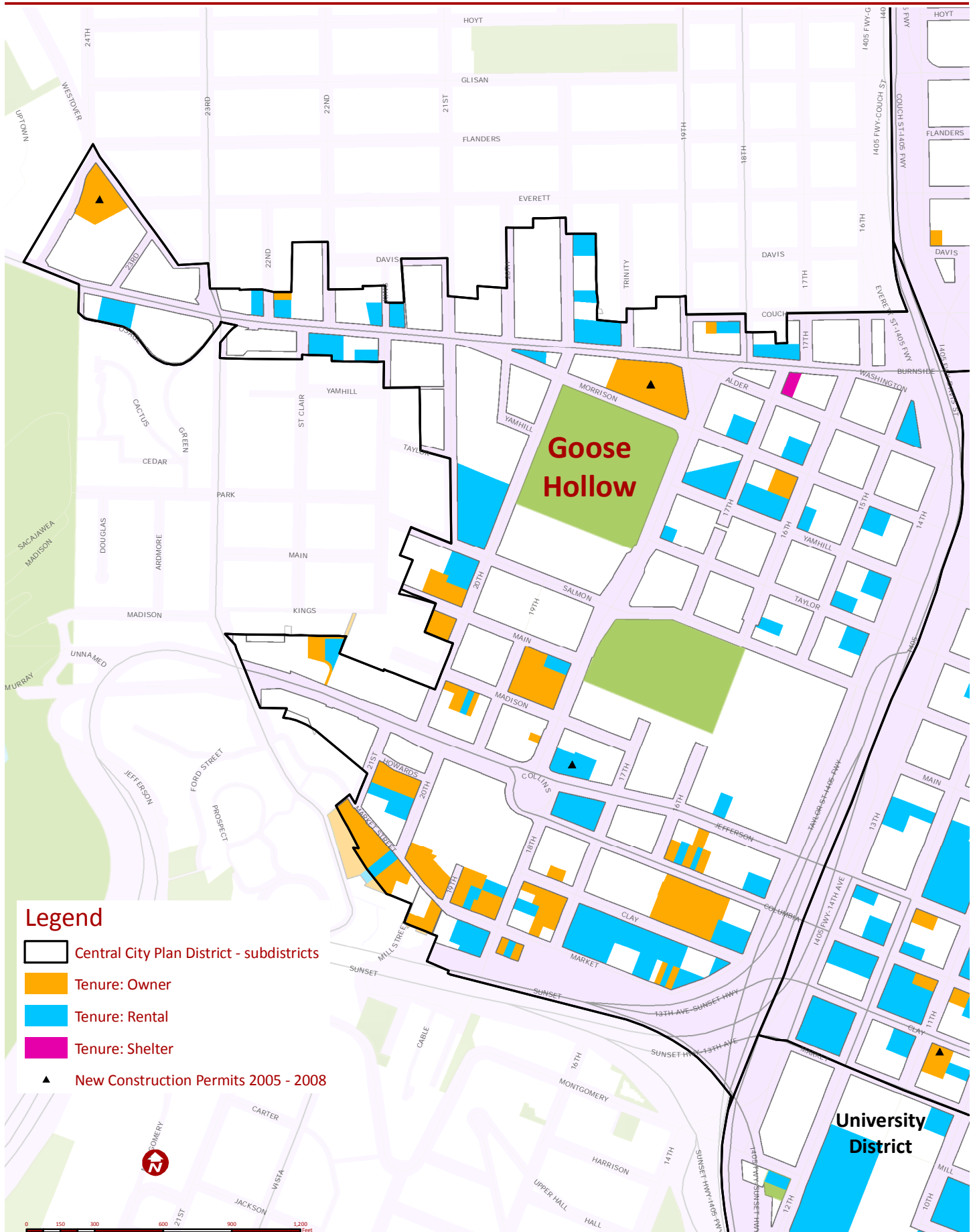
2008 Central City Housing Inventory: Central Eastside



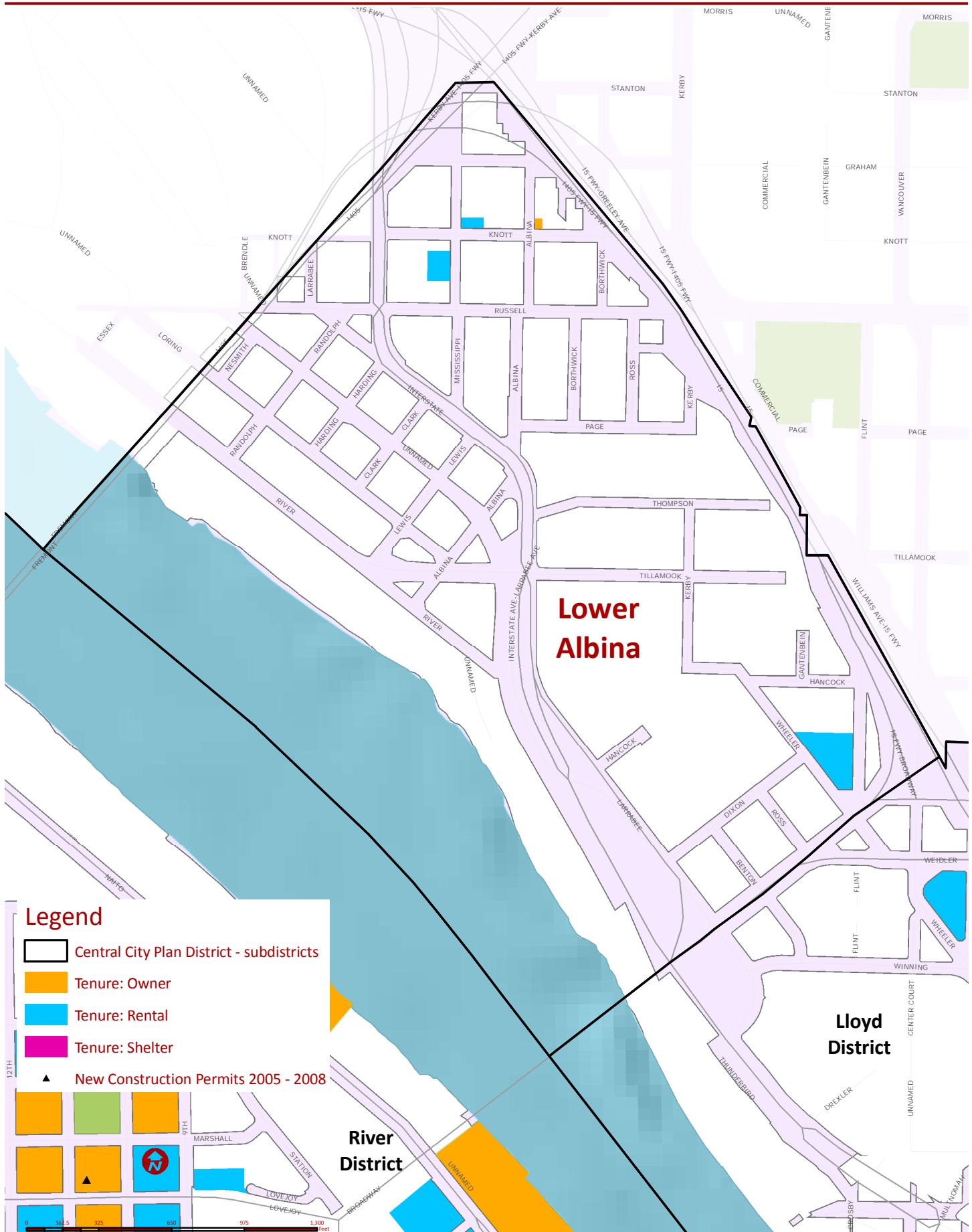
2008 Central City Housing Inventory: Downtown



2008 Central City Housing Inventory: Goose Hollow

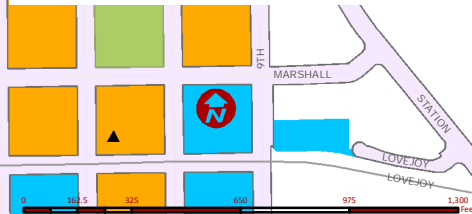


2008 Central City Housing Inventory: Lower Albina

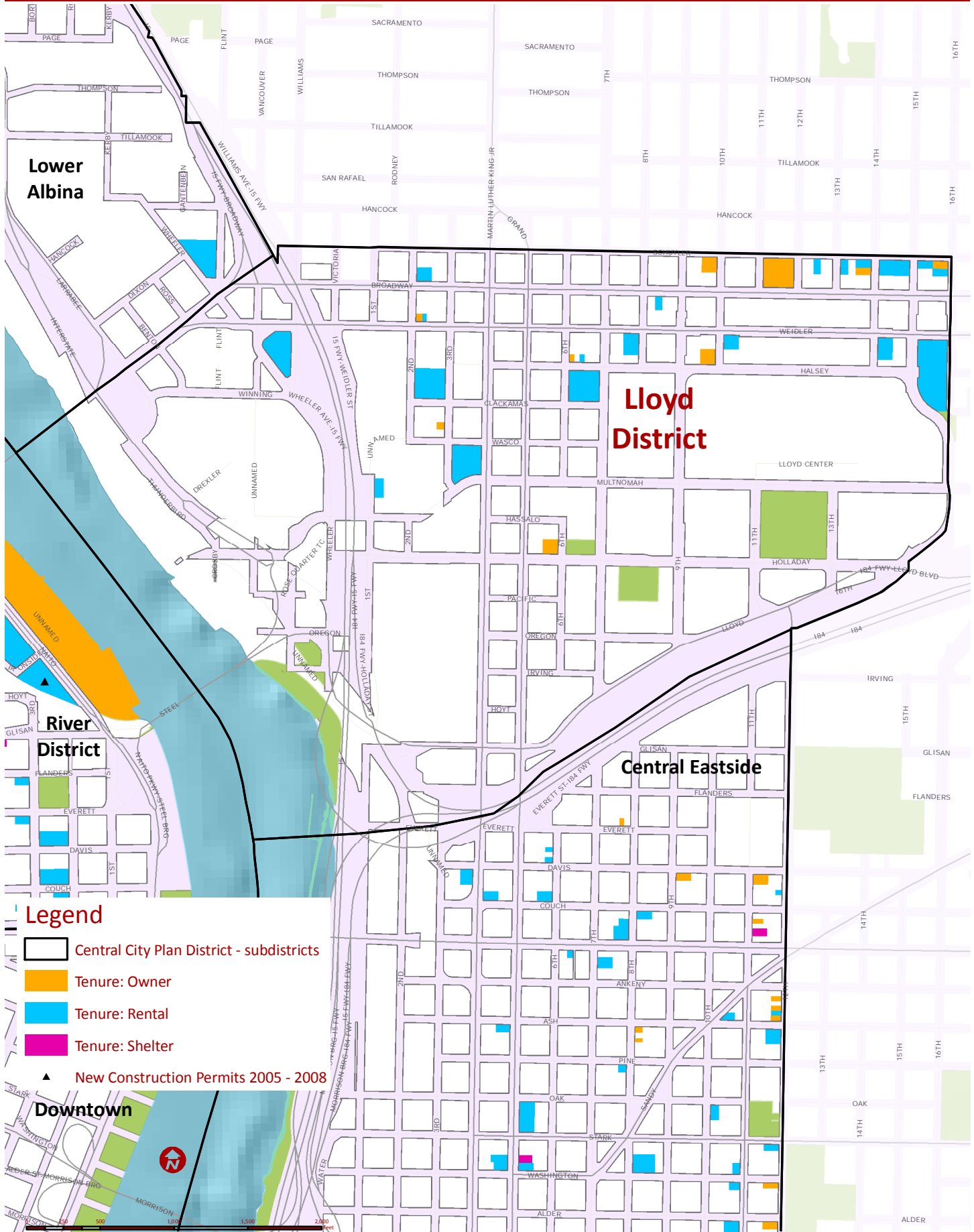


Legend

- Central City Plan District - subdistricts
- Tenure: Owner
- Tenure: Rental
- Tenure: Shelter
- ▲ New Construction Permits 2005 - 2008



2008 Central City Housing Inventory: Lloyd District



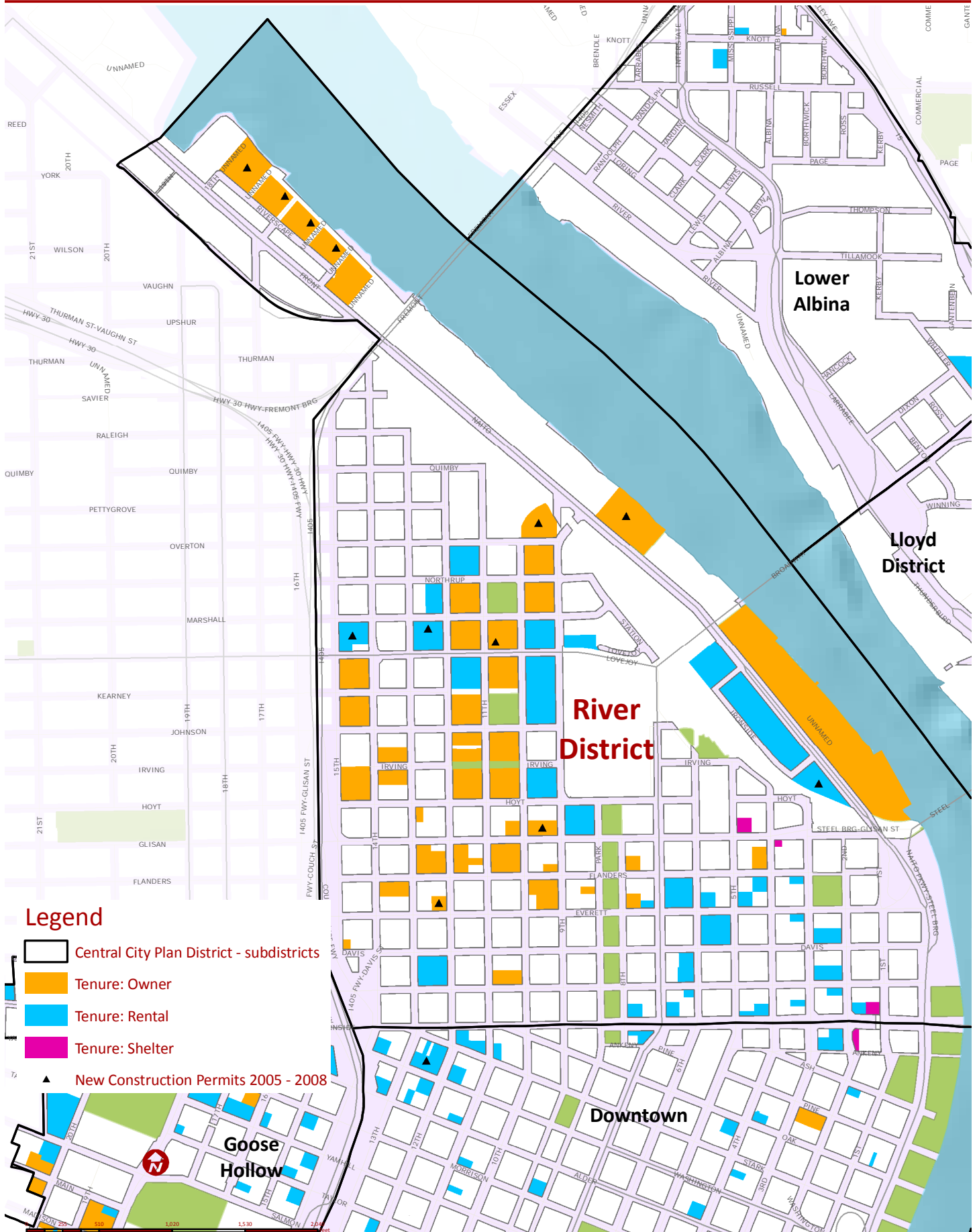
Legend

- Central City Plan District - subdistricts
- Tenure: Owner
- Tenure: Rental
- Tenure: Shelter
- ▲ New Construction Permits 2005 - 2008

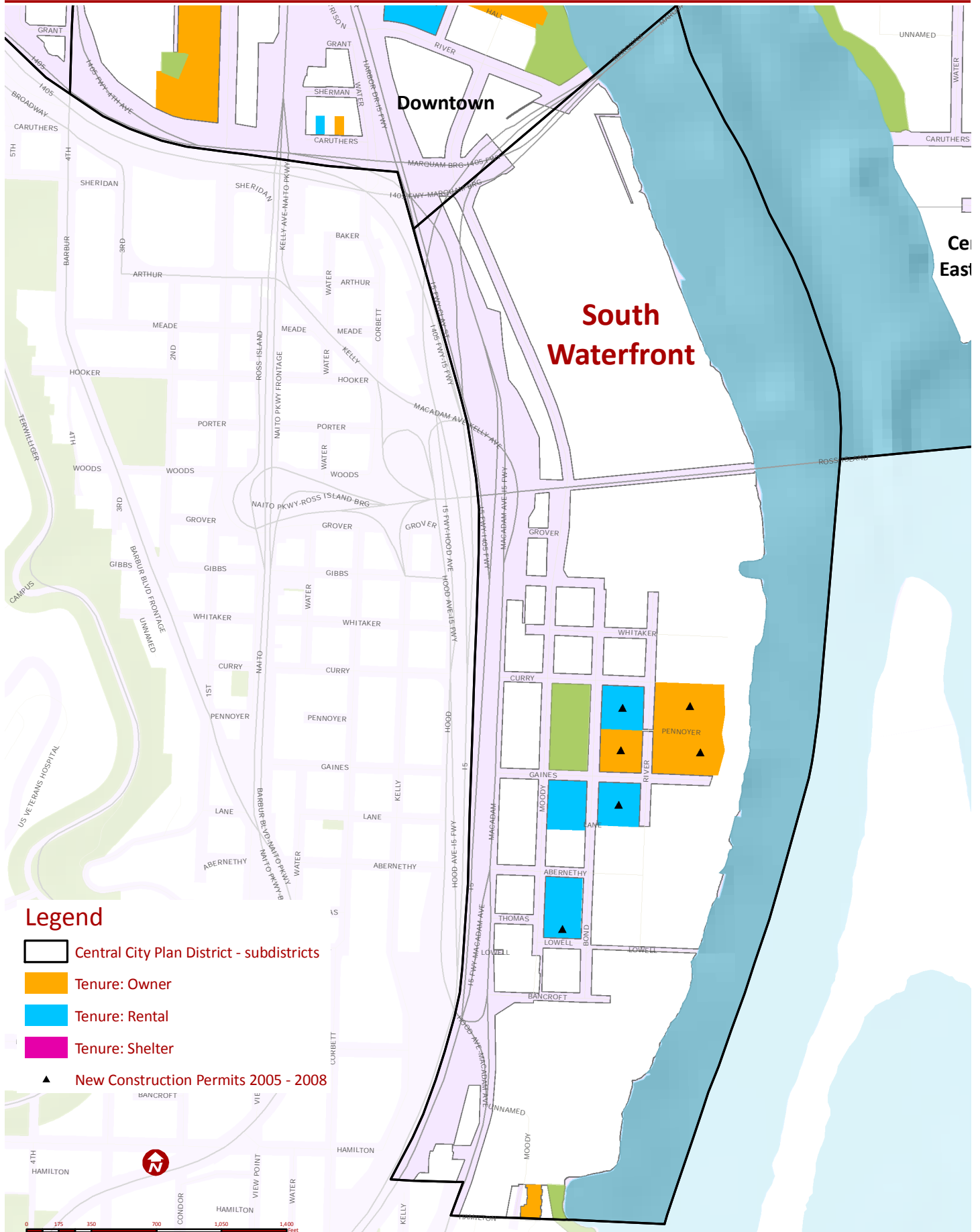
Downtown



2008 Central City Housing Inventory: River District



2008 Central City Housing Inventory: South Waterfront





CENTRAL CITY HOUSING INVENTORY

RENTAL HOUSING SURVEY

(FILL OUT ONE FORM PER BUILDING)

Property Address _____

Building Address (if different from above): _____

Date: _____ Years Owned by Current Owner: _____

Management Co.: _____

Person Completing Survey: _____

Title: _____

Phone: _____ Fax: _____

E-mail: _____

For an Electronic Version of this Survey, Please E-mail sheernd@pdc.us

Request to Receive Electronic Copy of Final Inventory Report

Is building part of larger complex? Yes No

If yes, Building # or letter this form pertains to _____

Total # of Buildings in Complex _____

Rental Building Type:

- Single-Family-detached
- Single-Family-attached (Row/Townhouse)
- Live-work
- Duplex (or Single Family with Accessory Dwelling Unit)
- Plex with 3-4 Units (Triplex or Four-plex)
- Apartment Building with at Least 5 Units
 - Low-rise (1-3) Stories- Garden Apts.
 - Low-rise (1-3) Stories
 - Mid-rise (4-6) Stories
 - High-rise (7+) Stories, with Elevator
- Residential Hotel
- Other _____

Special Housing Type/Use:

- Homeless Shelter
- Student Dormitory/Housing
- Group Home
- Other _____

of Above-Ground Stories: _____

of Below-Ground Stories: _____

Tenant-Based Section 8 Vouchers issued by Housing Authority of Portland (HAP), excluding Project-Based Section 8:

Not Accepted Accepted, # Currently in Use: _____

Lease Term:

Month-to-Month Lease, # of Months: _____ Other: _____

Utilities (check one box in each category):

Utilities	Included in Rent	Not Included in Rent
Electricity	<input type="checkbox"/>	<input type="checkbox"/>
Garbage	<input type="checkbox"/>	<input type="checkbox"/>
Water/Sewer	<input type="checkbox"/>	<input type="checkbox"/>
Heat	<input type="checkbox"/>	<input type="checkbox"/>
Hot Water	<input type="checkbox"/>	<input type="checkbox"/>

Source of Heat	
Heat Type	Hot Water Type
<input type="checkbox"/> Electric	<input type="checkbox"/> Electric
<input type="checkbox"/> Gas	<input type="checkbox"/> Gas
<input type="checkbox"/> Oil	<input type="checkbox"/> Oil
<input type="checkbox"/> Other (specify below)	<input type="checkbox"/> Other (specify below)

Building Amenities (check all that apply):

- Elevator
- Controlled Entry
- Door Person
- Play Area (Children)
- Outdoor Area (Courtyard, Rooftop Garden, Patio, etc.)
- Recreational Room / Pool
- Community Room
- Meal Service
- Community Kitchen
- Laundry Facilities
- Handicap Accessible (Communal Areas)
- Environmentally Sustainable Features

Standard Non-Refundable Fees \$ _____

(Move-in fees including application fee and cleaning fee)

Off-Street Parking Spaces:

Spaces Included in Rent _____

Spaces Not Included in Rent _____

Parking Cost to Tenant per Month \$ _____

Please enter unit details. Similar unit types may be grouped together. Enter N/A where not applicable. You are encouraged to include documentation (rent rolls, brochures) with your completed survey!

Unit Type		Tenant Rent			Rent Subsidy	Gross Rent	Regulated	Unit Size		
Unit Type Choices:	Total # Units	Rent Paid by Tenant Per Month (Excluding Any Subsidy)			Subsidy Per Month	Gross Rent Collected	Regulated Units	Range of Unit Sizes (in Square Feet)		
Group Together Similar Type of Units for Unit Count <u>Choices:</u> Beds in Shared Rooms (More than 1 Person per Room) Single Room Occupancy (SROs) Studio Loft Style (0 Bedrooms + >600 SF) 1 Bedroom (bdr) 2 Bedrooms (bdrs) 3 Bedrooms (bdrs) Manager/units type above Other (specify)		Lowest Rent Per Unit	Highest Rent Per Unit	Averaged Rent Paid by Tenant Per Unit	Averaged Subsidy Per Unit	Averaged Rent Paid by Tenant + Averaged Subsidy Per Unit	Restricted by Income Level as % of Median Family Income (MFI) <u>Choices:</u> 0-30% MFI 31-50% MFI 51-60% MFI 61-80% MFI 81-120% MFI None (no Restriction)	Smallest Unit Size	Largest Unit Size	Averaged Unit Size
<i>Example: 1 bdr</i>	5	450	500	480	200	680	None	500	650	575
<i>Example: SRO</i>	20	250	300	280	150	430	31-50% MFI	150	350	200
<i>Example: Manager/ 2 bdrs</i>	1	700	900	800	N/A	800	None	900	900	900
Total # Units in Building		Rent Subsidy Type: <input type="checkbox"/> Sec.8-Tenant Based <input type="checkbox"/> Sec. 8-Project Based <input type="checkbox"/> Tax Credit <input type="checkbox"/> Other (specify) _____								
Total # Subsidized Units		Source of Rent Subsidy: <input type="checkbox"/> HUD <input type="checkbox"/> HAP <input type="checkbox"/> Other (specify) _____								
Total # Vacant Units										

Use additional copies of sheets if needed for unit type list above

Building Program			# Units
Total # Permanent Supportive Housing (PSH) Units			
Total # Transitional Units			
Breakdown of # Transitional Units	Program Name	#Units	
# Units Not in Special Program	N/A		
# Units with Special Program (1)			
# Units with Special Program (2)			
<i>(Fill in both #Beds and #Units below)</i>			
	#Beds	#Units	
# Senior Housing			
#Group Housing			
# Student Housing			
# All Other Units			
Total # Units in Building (should match above table)			

Primary Unit Amenities	# Units
Private Bath/Toilet	
Private Kitchen	
Private Washer/Dryer or Hook-up	
ADA* Accessible	
*Meeting Americans with Disabilities Act (ADA) Standards for Accessible Design	
Homeless Shelter (Do Not Double Count Shelter Beds With Units Above)	
Type: M, W, Family	#Rooms #Beds

Plans to eliminate or convert rental units? Other comments?

Please Mail to:
 RE: Central City Housing Inventory
 Portland Development Commission
 222 NW 5th Ave Portland, OR 97209

or Fax to:
 503-865-3644
 ATTN: CCHI

For more information, please contact:
 David Sheern at 503-823-4103

Appendix C: Affordability Tables

Homeownership Affordability Summary

Affordable Sale Price Target by % of MFI *								
HH size	30%	50%	60%	70%	80%	100%	120%	150%
1	48,240	80,400	96,480	111,968	128,641	159,955	191,945	239,932
1.5	51,710	86,155	103,420	119,966	137,866	171,380	205,656	257,070
2	55,180	91,910	110,360	127,964	147,090	182,805	219,366	274,208
2.5	58,650	97,665	117,232	135,961	156,315	194,230	233,077	291,346
3	62,120	103,420	124,104	143,959	165,540	205,656	246,787	308,484
3.5	65,505	109,175	131,010	151,957	174,680	217,081	260,497	325,622
4	68,890	114,930	137,916	159,955	183,821	228,506	274,208	342,760

HUD 2008 Median Family Income (MFI)								
HH size	30%	50%	60%	70%	80%	100%	120%	150%
1	14,250	23,750	28,500	33,075	38,000	47,250	56,700	70,875
2	16,300	27,150	32,600	37,800	43,450	54,000	64,800	81,000
3	18,350	30,550	36,660	42,525	48,900	60,750	72,900	91,125
4	20,350	33,950	40,740	47,250	54,300	67,500	81,000	101,250
5	22,000	36,650	43,980	51,030	58,650	72,900	87,480	109,350
6	23,650	39,400	47,280	54,810	63,000	78,300	93,960	117,450

**SCHEDULE OF UTILITY ALLOWANCES
SECTION 8 PROPERTIES (April 2008)
COMBINED PGE and PP&L**

		500 SF 0-BD	700 SF 1-BD	900 SF 2-BD	1100 SF 3-BD	1300 SF 4-BD	1600 SF 5-BD	1700 SF 6-BD	1900 SF 7-BD	
A L L	ELECTRIC-MONTHLY SERVICE CHARGE	\$9	\$9	\$9	\$9	\$9	\$9	\$9	\$9	
	LIGHTS & REFRIG	\$11	\$16	\$19	\$23	\$29	\$33	\$38	\$44	
	FAN	\$2	\$2	\$3	\$4	\$4	\$5	\$5	\$6	
E L E C T	COOKING	\$4	\$6	\$8	\$9	\$12	\$13	\$16	\$18	
	HOT WATER	\$19	\$24	\$30	\$37	\$45	\$52	\$59	\$68	
	SPACE HEAT (EXIST. S/F DETACHED)		\$47	\$57	\$68	\$81	\$90	\$104	\$119	
	SPACE HEAT (NEW S/F DETACHED)		\$23	\$30	\$34	\$40	\$45	\$52	\$59	
	SPACE HEAT (EXIST. MULTIPLEX)	\$27	\$37	\$43	\$55	\$62				
	SPACE HEAT (NEW MULTIPLEX)	\$14	\$19	\$22	\$28	\$32				
G A B	GAS-MONTHLY SERVICE CHARGE	\$8	\$8	\$6	\$6	\$6	\$6	\$6	\$6	
	COOKING	\$8	\$8	\$10	\$12	\$16	\$18	\$21	\$24	
	HOT WATER	\$15	\$21	\$26	\$32	\$41	\$47	\$54	\$62	
	SPACE HEAT (EXIST. S/F DETACHED)		\$53	\$66	\$74	\$88	\$98	\$113	\$129	
	SPACE HEAT (NEW S/F DETACHED)		\$21	\$27	\$34	\$40	\$45	\$52	\$59	
	SPACE HEAT (EXIST. MULTIPLEX)	\$30	\$41	\$50	\$62	\$72				
	SPACE HEAT (NEW MULTIPLEX)	\$13	\$16	\$23	\$28	\$37				
O I L	HOT WATER	\$20	\$28	\$38	\$44	\$56	\$64	\$74	\$84	
	SPACE HEAT (EXIST. S/F DETACHED)		\$89	\$111	\$134	\$159	\$177	\$204	\$234	
	SPACE HEAT (NEW S/F DETACHED)		\$38	\$49	\$57	\$67	\$76	\$87	\$100	
	SPACE HEAT (EXIST. MULTIPLEX)	\$50	\$68	\$85	\$104	\$120				
		SPACE HEAT (NEW MULTIPLEX)	\$23	\$31	\$38	\$47	\$55			
W T R	INSIDE PORTLAND	\$5	\$7	\$9	\$11	\$14	\$16	\$18	\$21	
	INSIDE GRESHAM	\$17	\$19	\$21	\$23	\$26	\$28	\$29	\$31	
	OTHER AREAS	\$8	\$8	\$12	\$14	\$18	\$21	\$24	\$27	
S W R	SEWER-SINGLE FAMILY DWELLING	\$32	\$38	\$44	\$49	\$58	\$64	\$64	\$65	
	SEWER-S/F GRSHM/OTHER	\$29	\$29	\$29	\$29	\$29	\$29	\$29	\$29	
	SEWER-MULTI-FAMILY DWELLING	\$14	\$20	\$26	\$31	\$40	\$46			
GAR	GARBAGE/SOLID WASTE (WEEKLY PAU; USE SAME RATE FOR GRESHAM AND OTHER AREAS)	\$20	\$20	\$20	\$20	\$20	\$20	\$20	\$20	
A P P L	TENANT OWNED									
	APPLIANCES									
	CREDIT									
										TOTAL

EXISTING SINGLE FAMILY DETACHED OR MULTIPLEX ARE UNITS NOT WEATHERIZED AND CONSTRUCTED IN OR BEFORE 1980
WEATHERIZED (3 OF 4) WINDOWS _____ OF INS _____ FLOOR _____ WALLS _____

NEW SINGLE FAMILY DETACHED OR MULTIPLEX DOUBLE GLASS ARE UNITS WEATHERIZED OR CONSTRUCTED AFTER 1980

SERVICE CHARGES ARE FIXED FOR GAS AND WATER/SEWER

ALL CHARGES FOR ELECTRIC ARE AVERAGE BETWEEN PP&L AND PGE

4527 KCD USED IN COMPUTATIONS

1-GAS INCLUDE REFRIGERATOR, OVEN/STOVE LIGHTS, LAMPS, AND OUTLETS

REFERENCE HUD-52667 FOR ALLOWANCE TABLES

FMR	
-UA	
MAX	