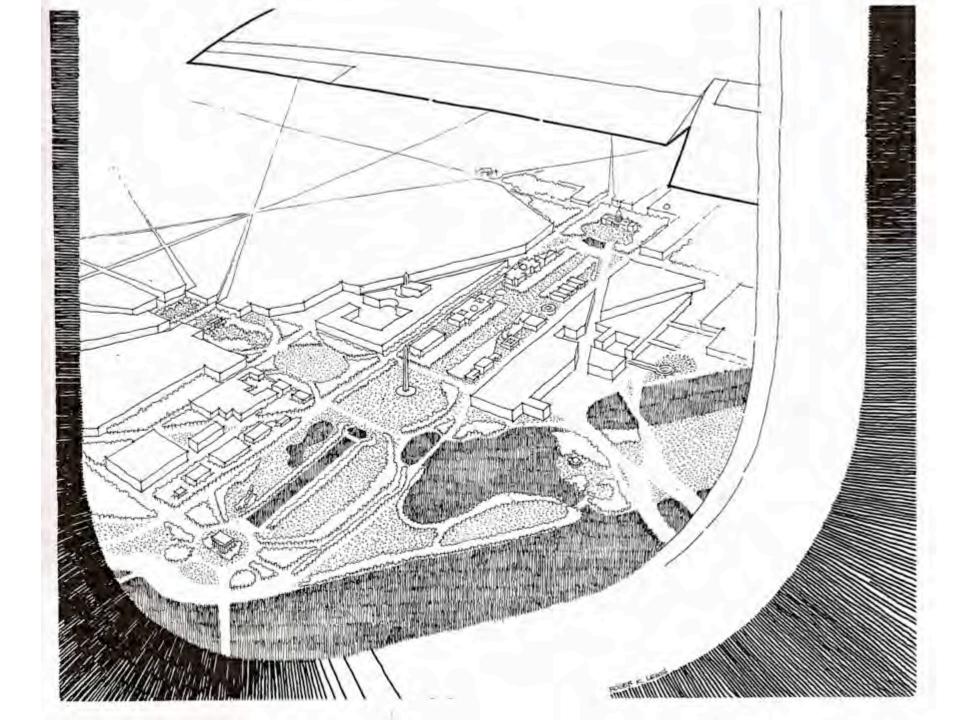
NAIOP The Impact of Culture on Design

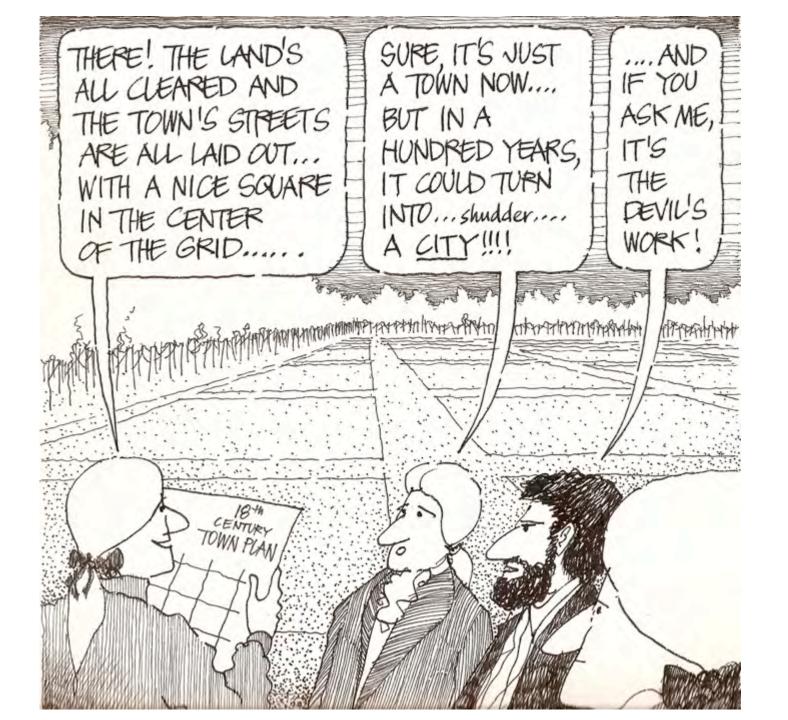
February 9, 2017

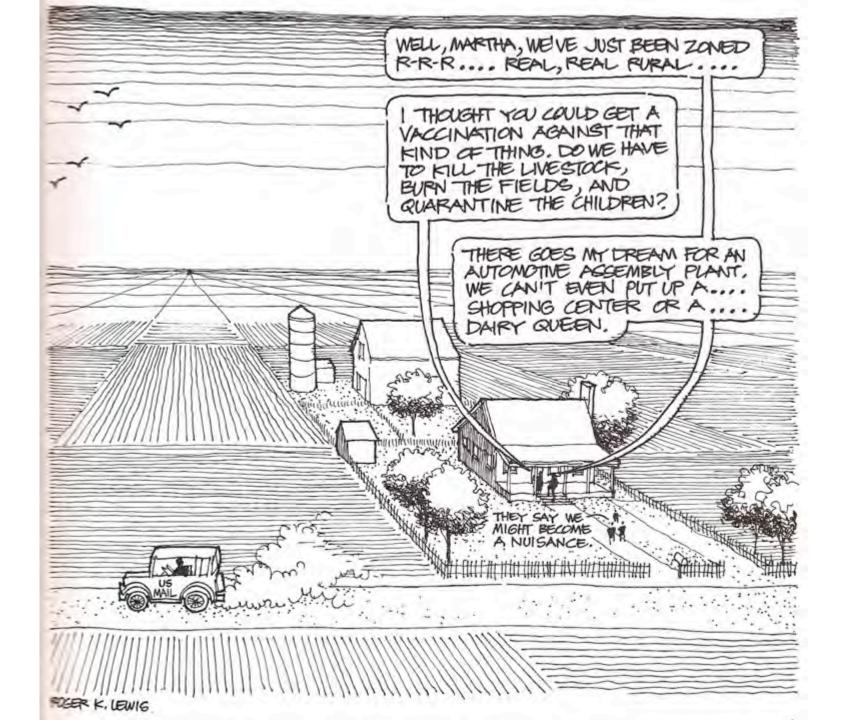
Roger K. Lewis, FAIA

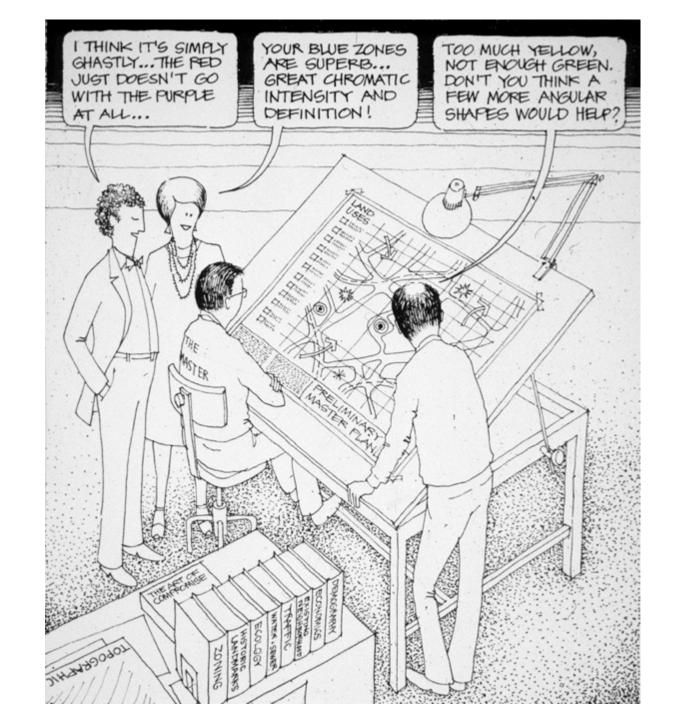
Architect and Planner
Professor Emeritus
University of Maryland School of Architecture, Planning and Preservation
Columnist, The Washington Post
Guest Commentator, The Kojo Nnamdi Show, WAMU-FM

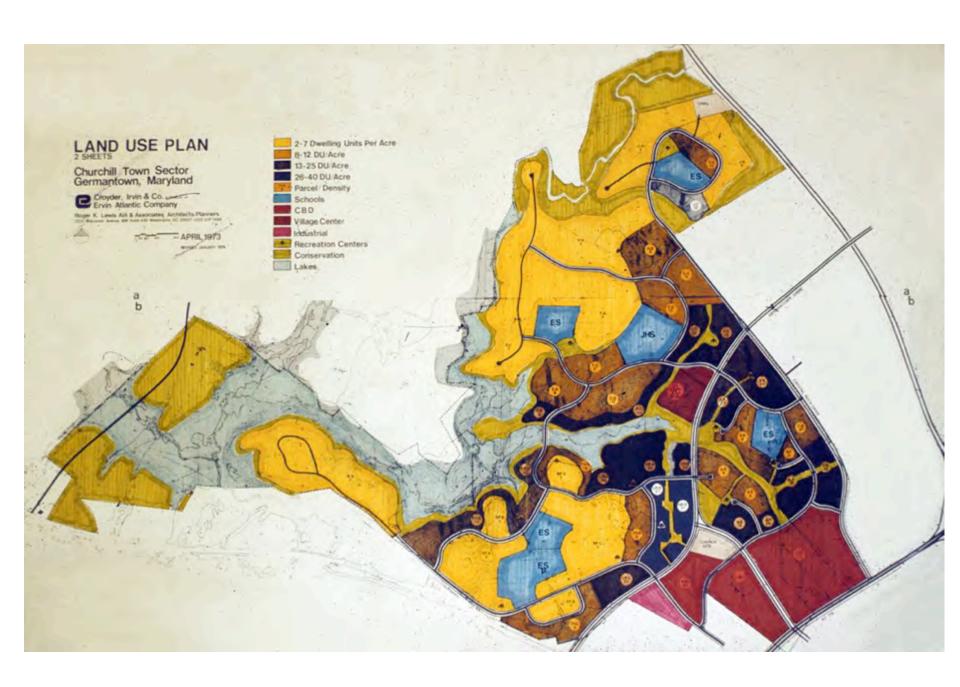


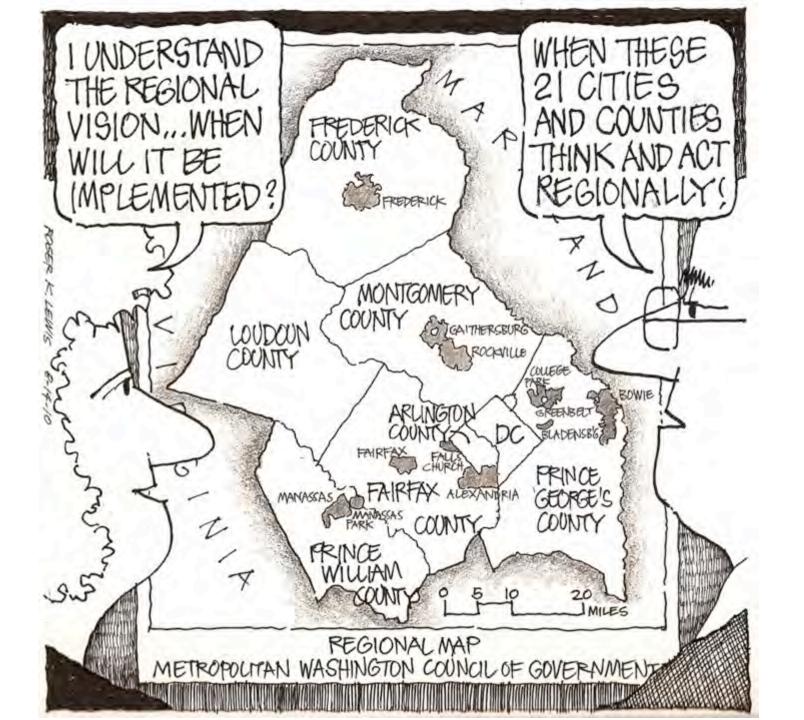


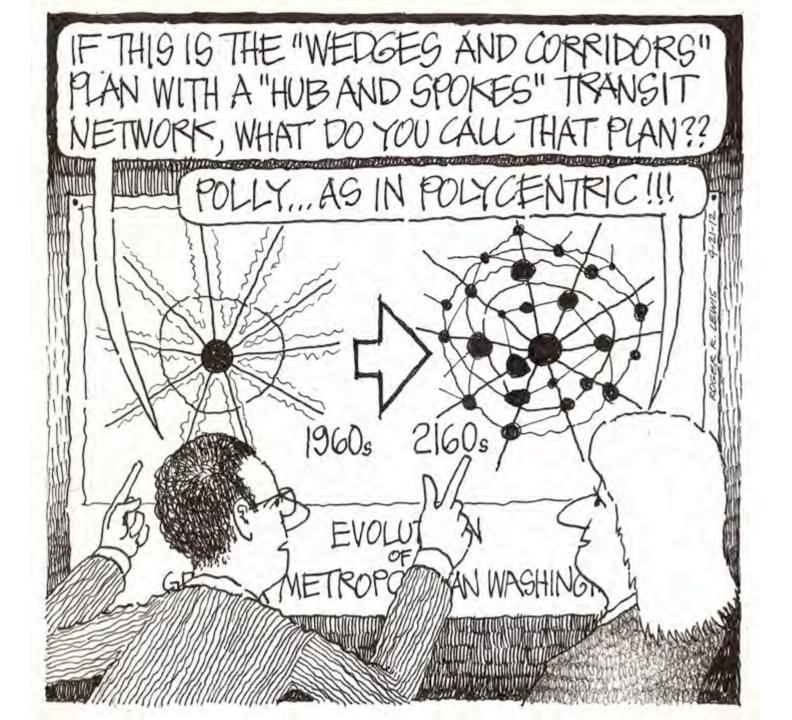


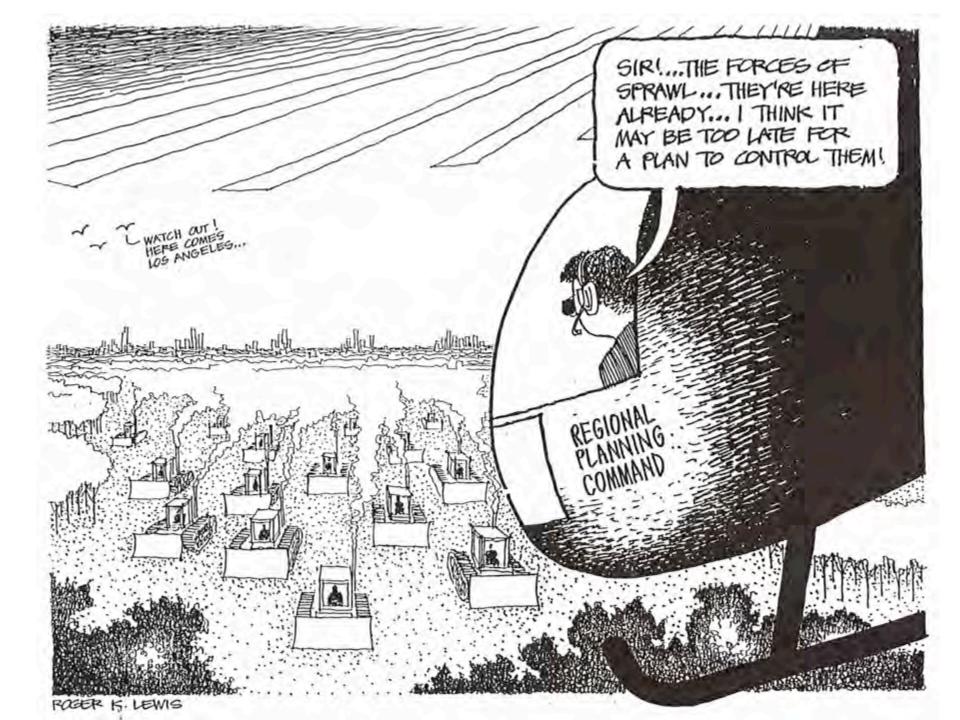


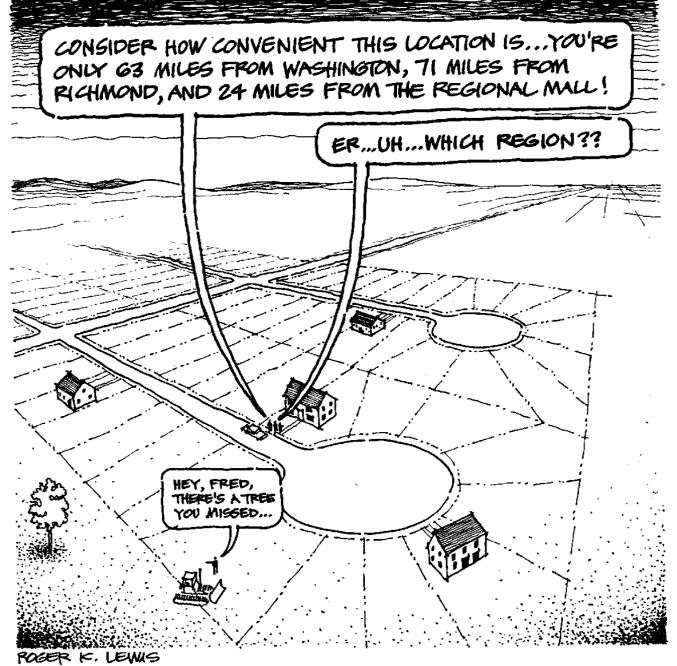




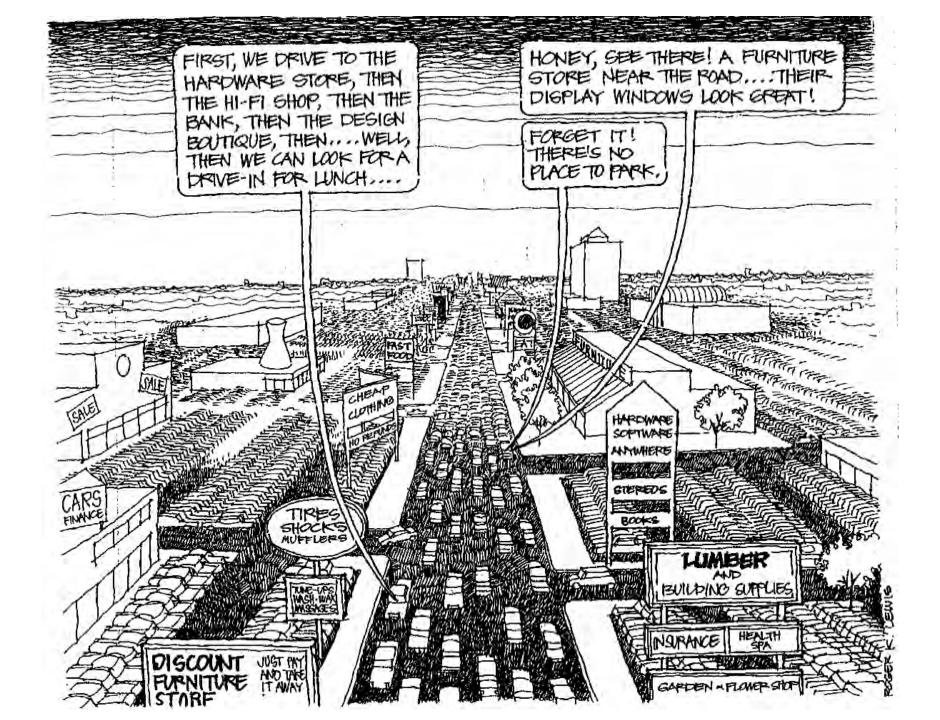






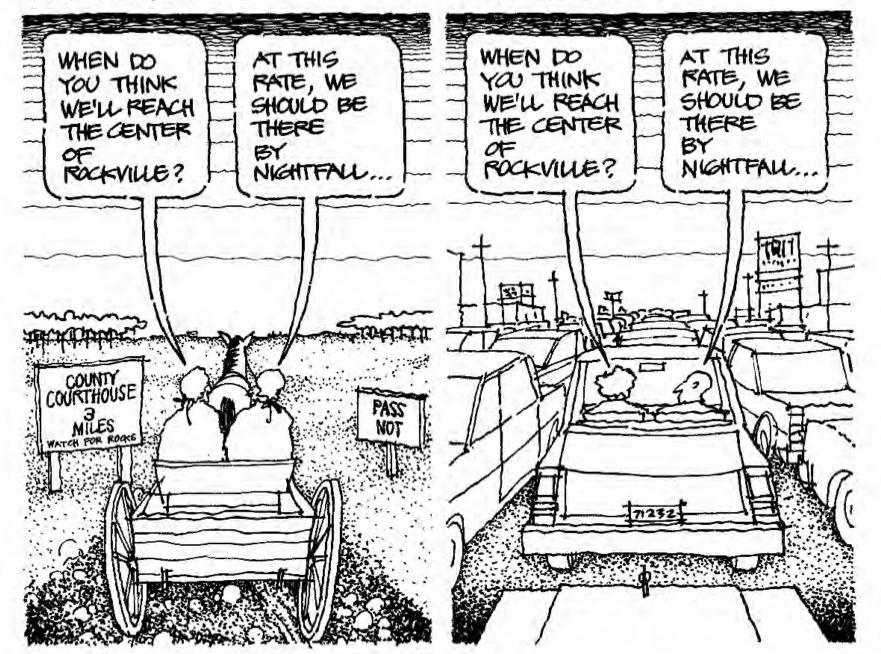


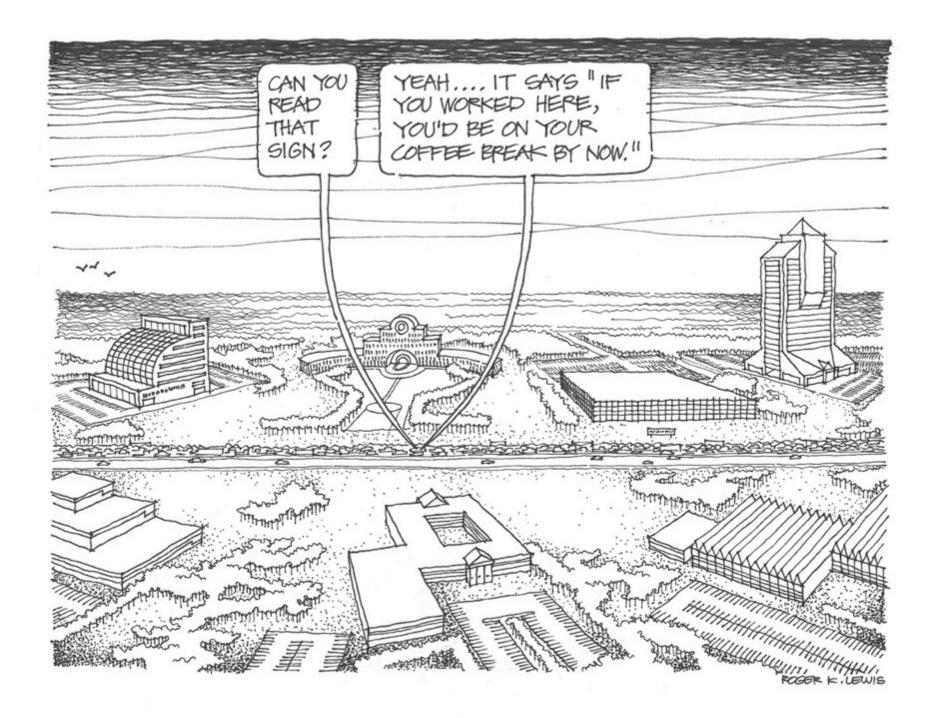
POSER K. LEWIS

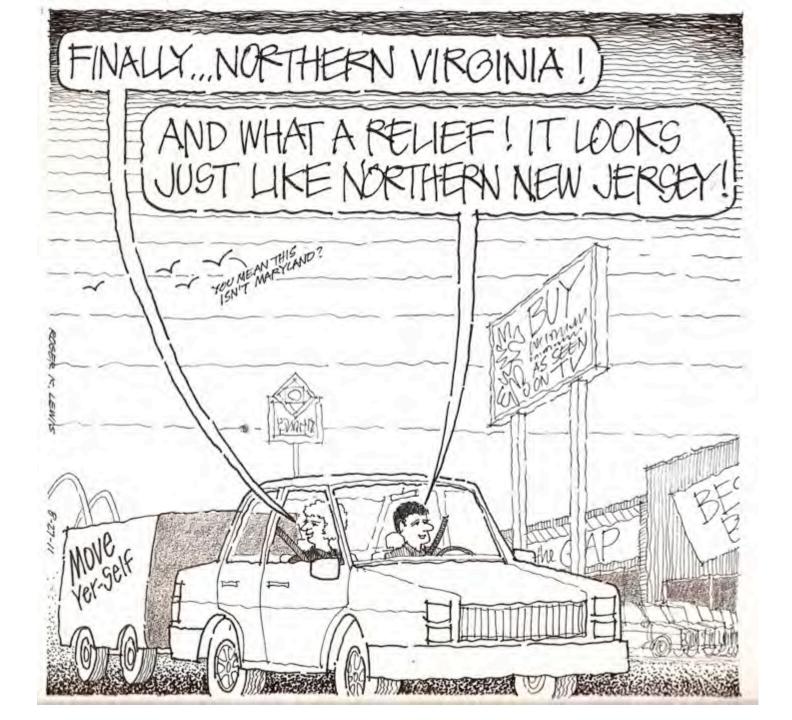


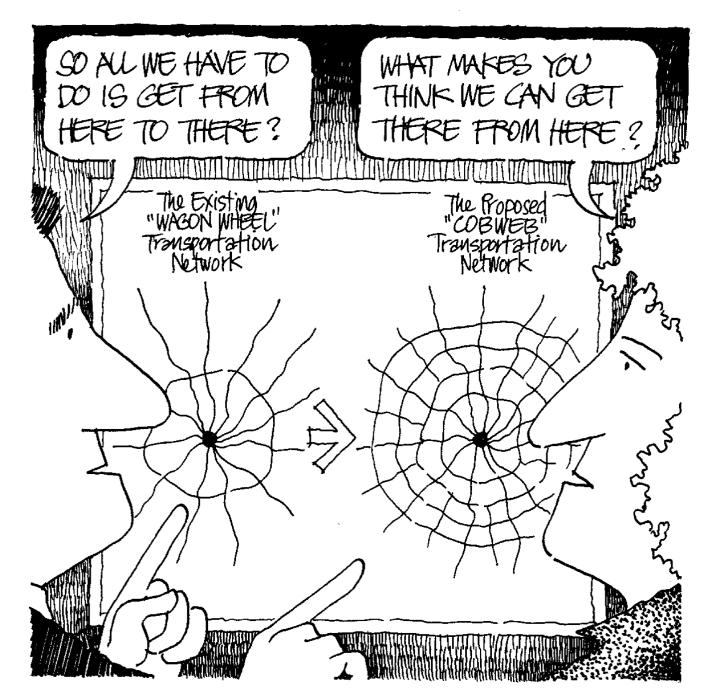
The Pike in 1789

The Pike in 1989











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-Rush-Only Service:

Monday-Friday 6:30am - 9:00am

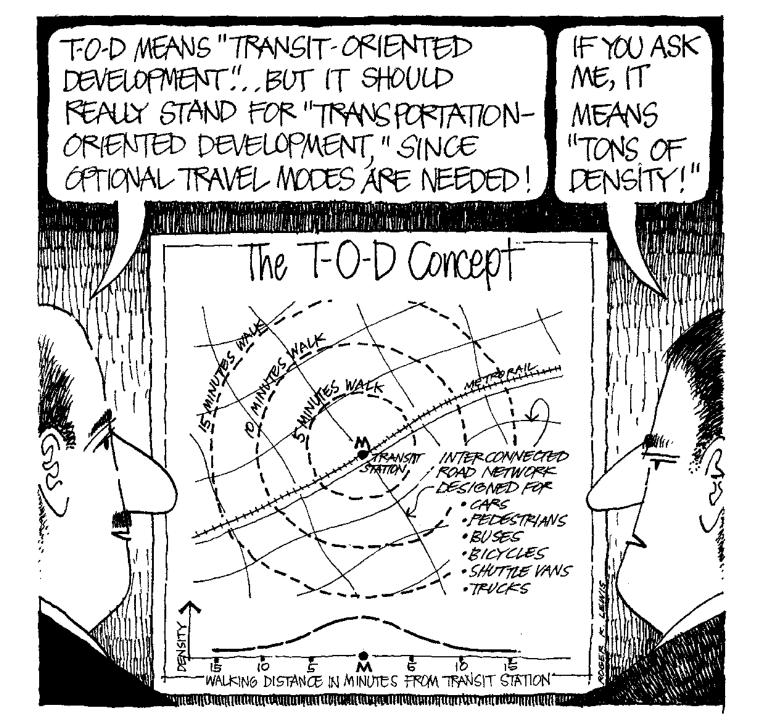
3:30pm - 6:00pm

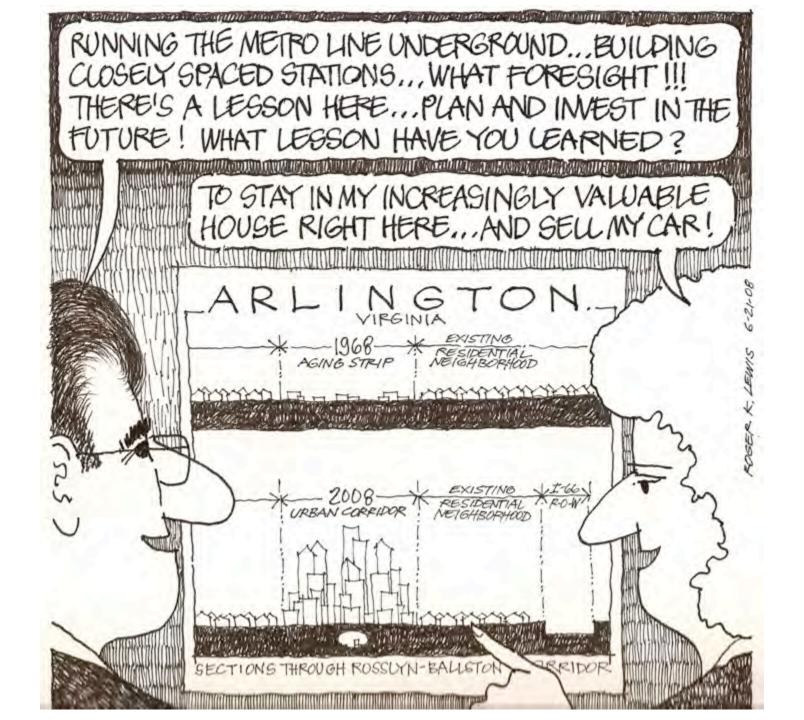


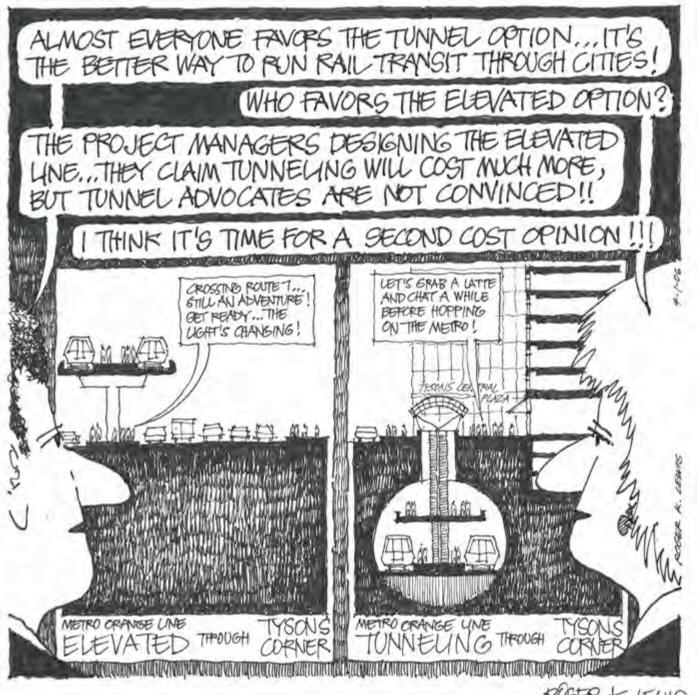




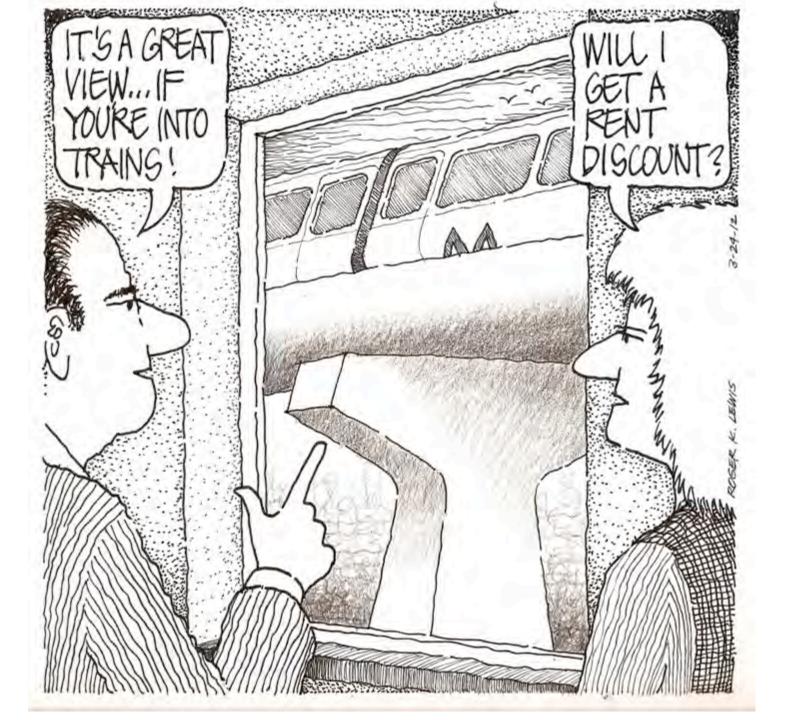




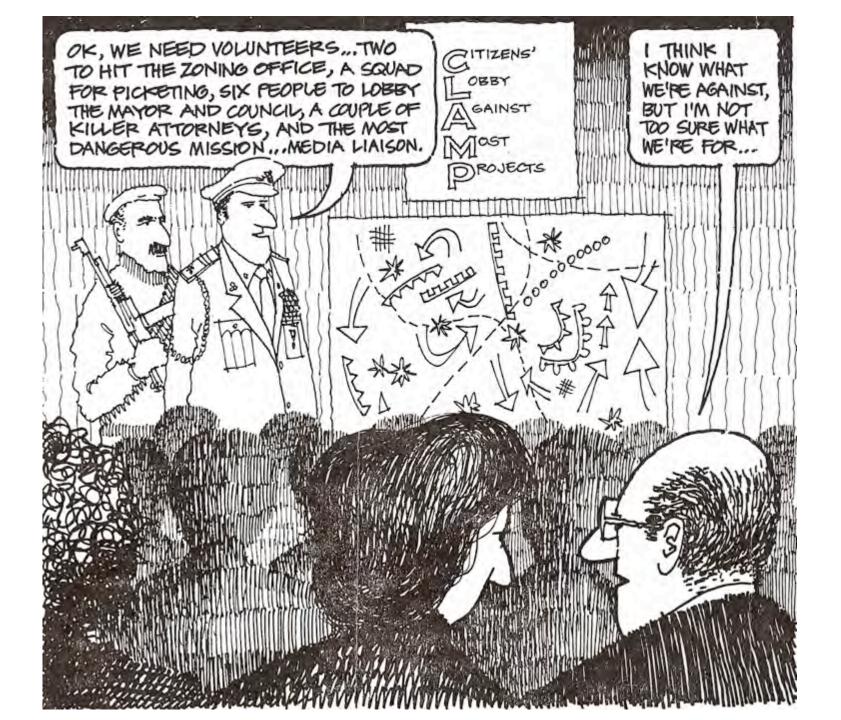




POER KIEWIS











SINGLE SINGLE PARENT WITH CHILDREN



SINGLE











TRADITIONAL ONE-INCOME FAMILY

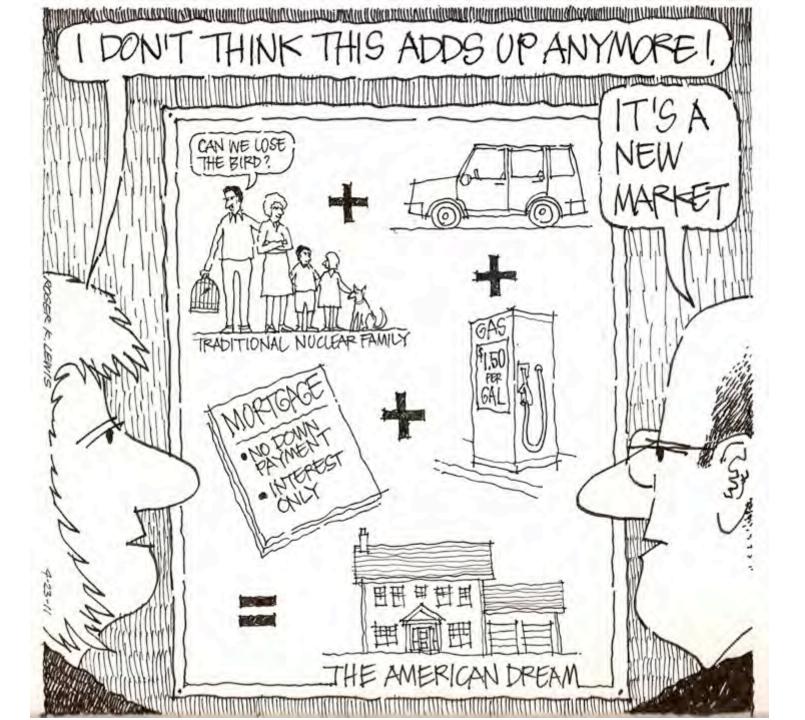


COUPLE WITH CHILD (REN)



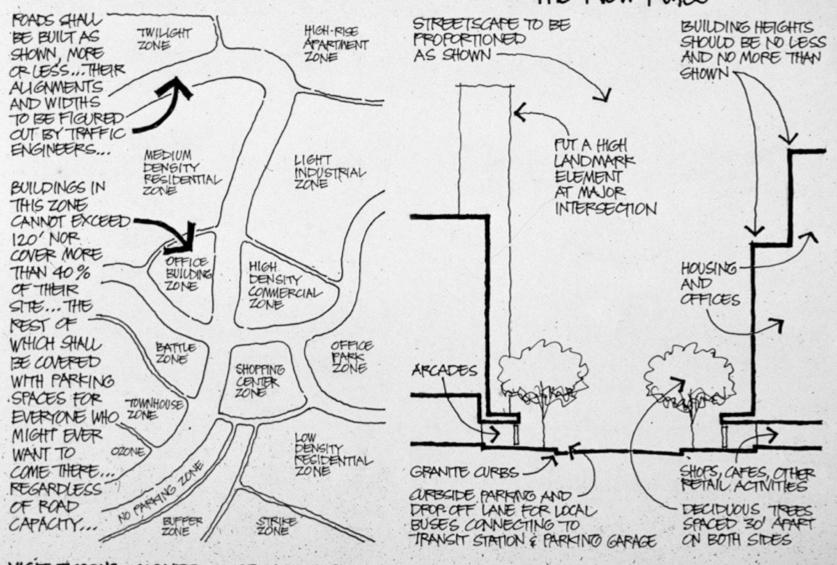
TWO-INCOME FAMILY





The Old Rules

The New Rules



VISIT TYSONS CORNER TO SEE WHAT THIS MIGHT LOOK LIKE ... MAY BE ...

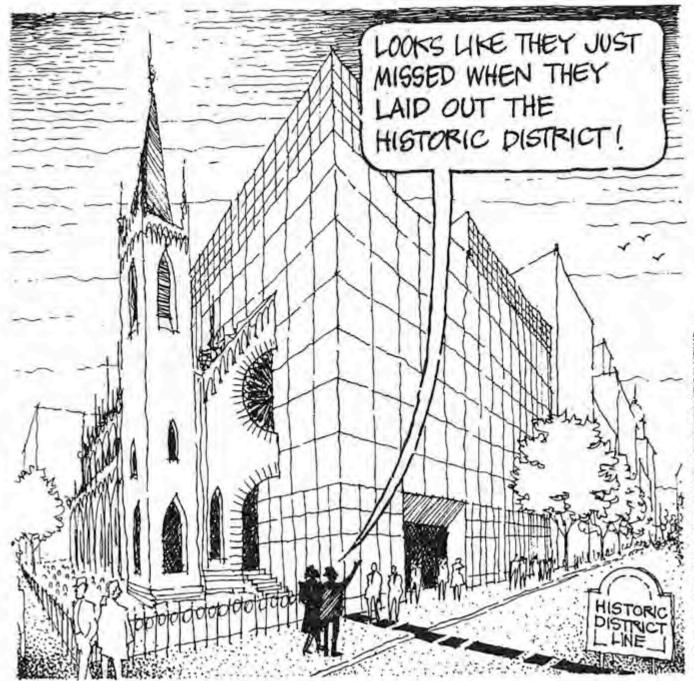
URBAN DESIGN INTENTIONS FOR STREET SPACES IN HIGH DENSITY NEIGHBORHOODS...



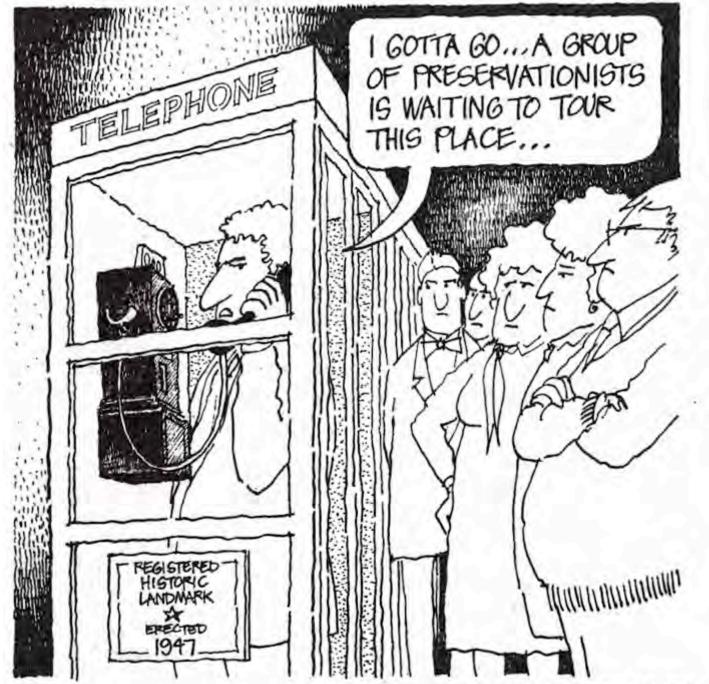




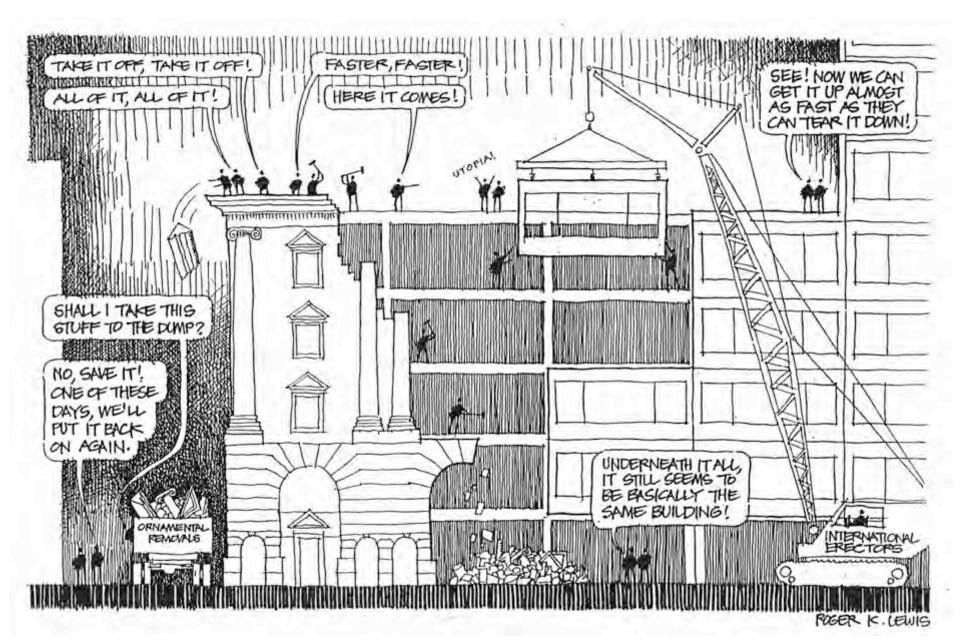


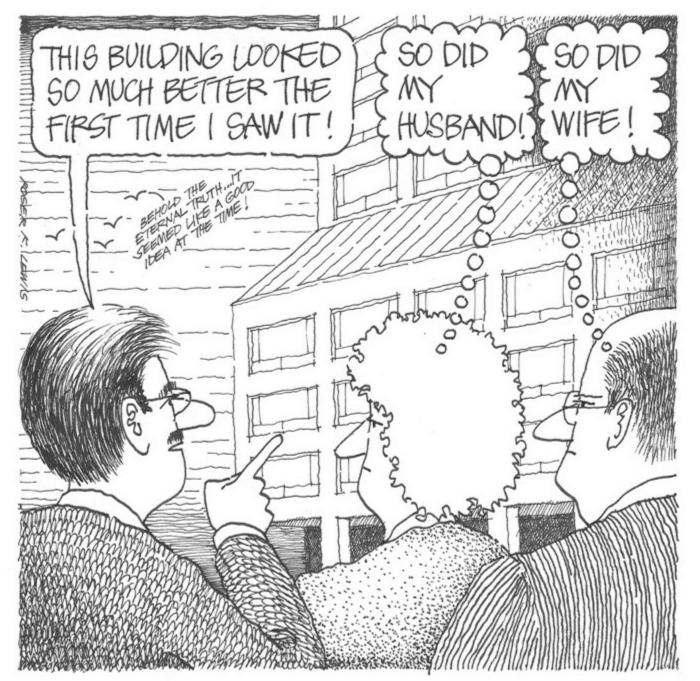


ROGER K. LEWIS, FAIA, FOR HISTORIC PRESERVATION NEWS

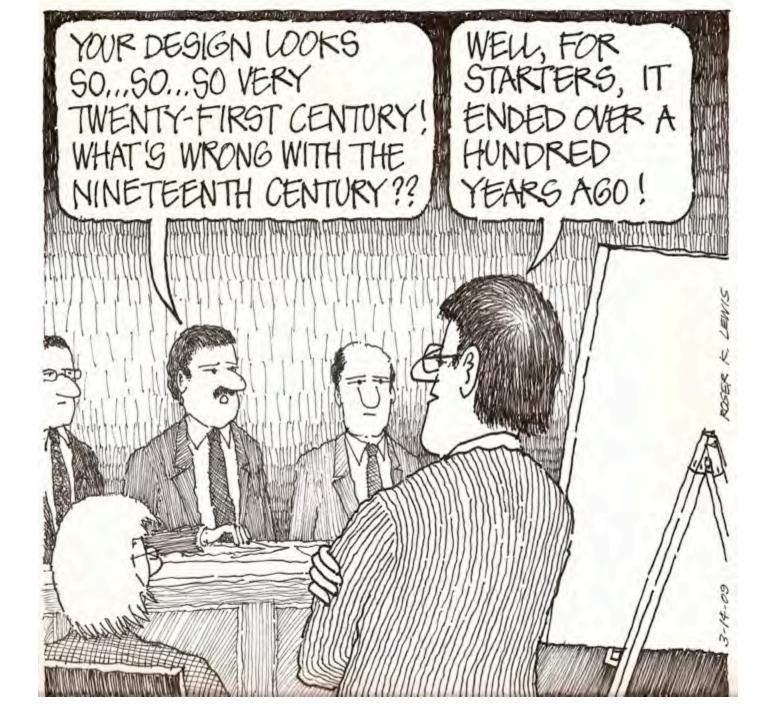


ROGER K. LEWIS, FAIA FOR HISTORIC PRESERVATION NEWS



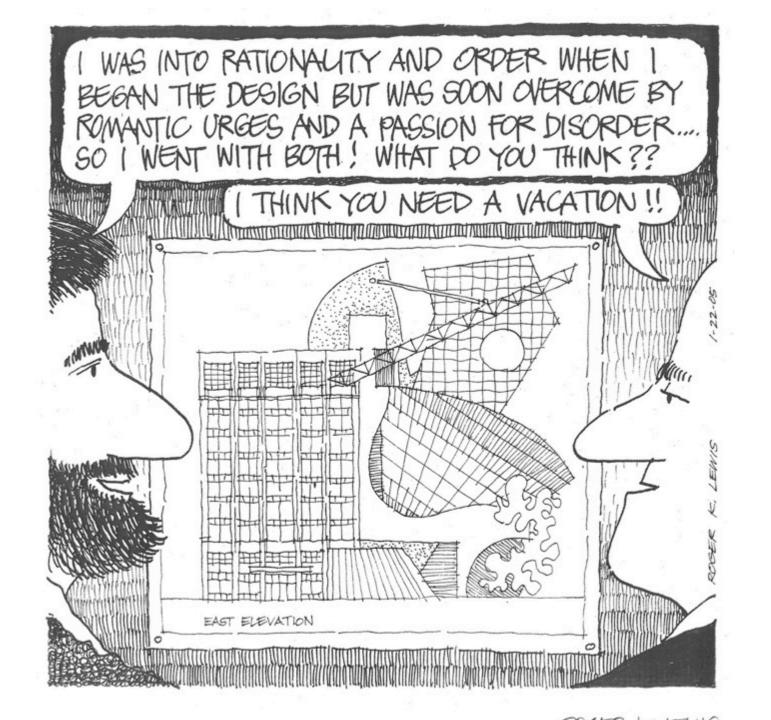


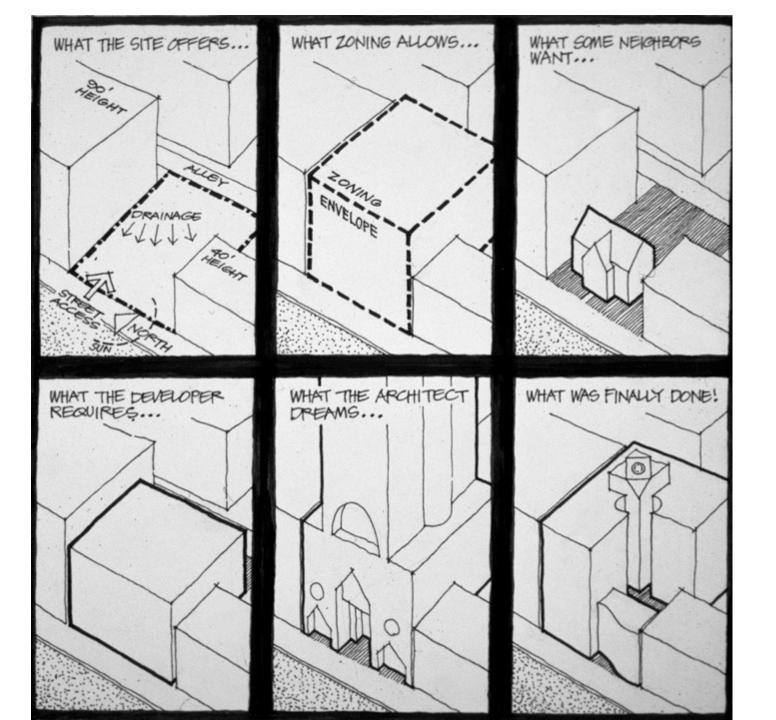
ROGER K, LEWIS





































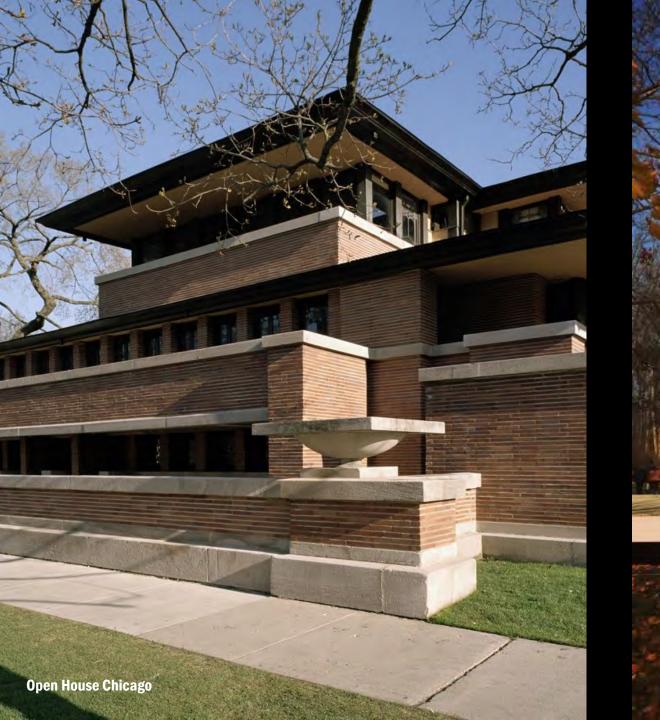






























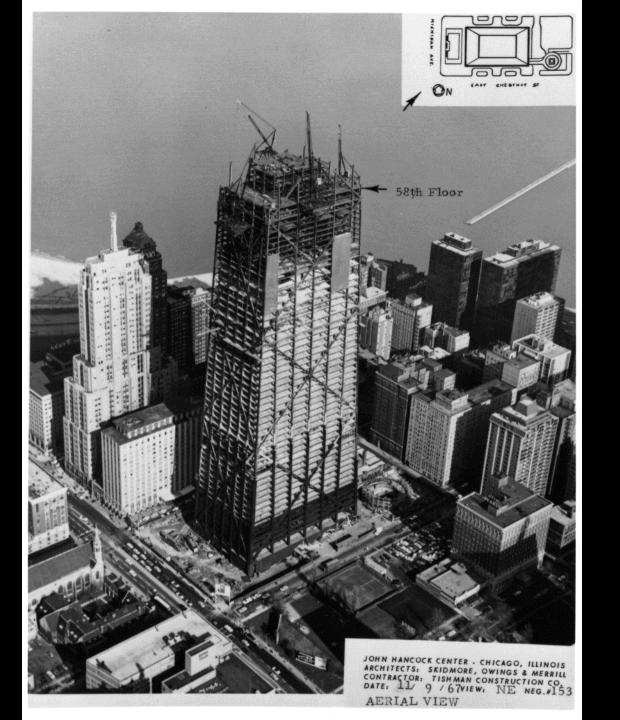




We inspire people to discover why design matters.

CHICAGO AR EHITECTURE FOUNDATION

```
50 years old
643,000 annual audience
 25,000 youth + teachers served
    420 volunteer docents/guides
     85 different tours
     70 staff
 11,000 members
  $20M operating budget
        largest cultural org in Chicago
```











CAF's five guiding principles: engaging the public with architecture

The better informed citizens are about their built environment...

the more <u>they</u> will advocate for the highest standards in architecture and urban design.

Humanize architecture







Orient and direct visitors to the city's architecture





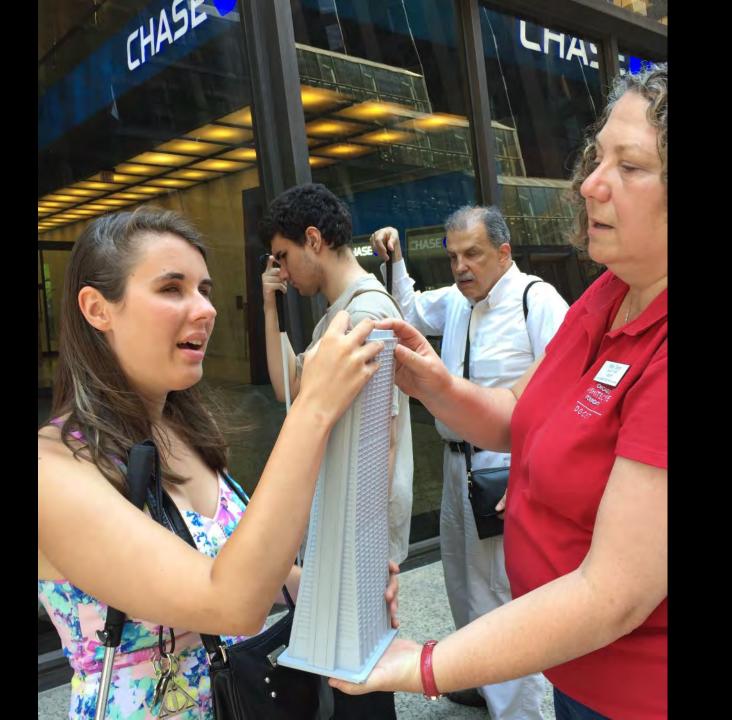












Refresh Chicagoans' view of their city



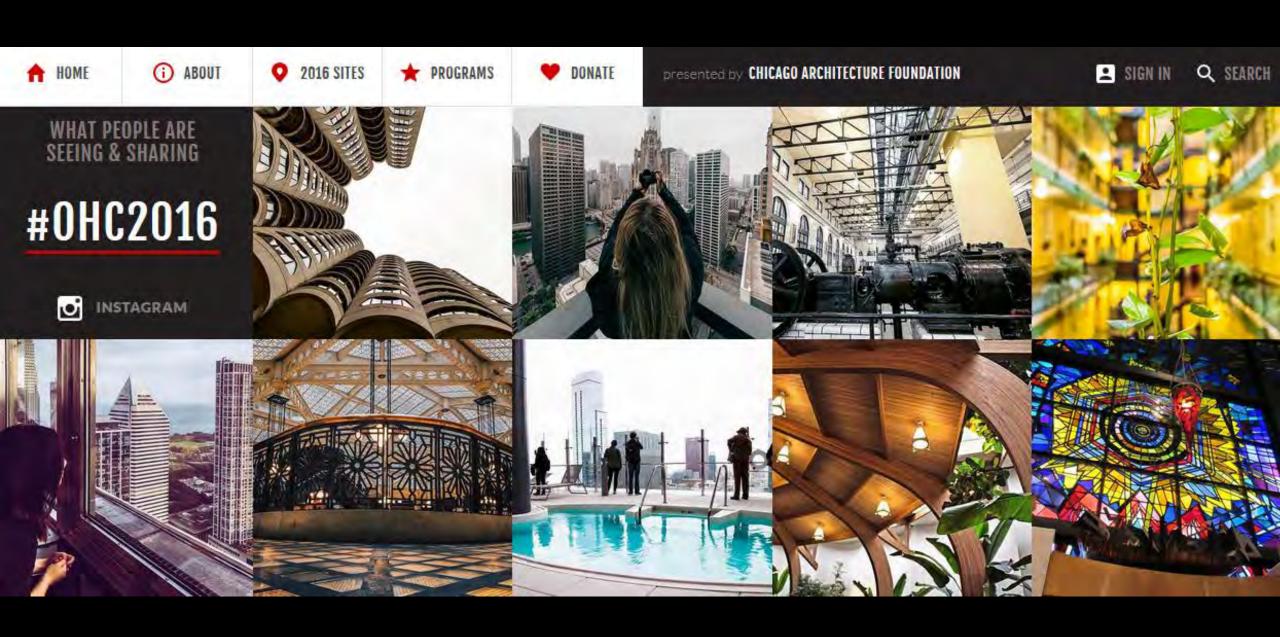












Serve as a forum for civic issues that impact the built environment









Teach design thinking





DEFINE the problem **COLLECT** information **BRAINSTORM** ideas **DEVELOP** solutions/test **GET FEEDBACK** by presenting IMPROVE your design











Have you tried this?

How can I improve?

DISCOVER DESIGN.ORG



Here's my cool idea.

Justify that decision.



THE REAL PROPERTY.

CHICAGO AREHITECTURE FOUNDATION





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aaonetwork.org

architecture.org

Land Use Planning in Portland, Oregon

Dr. Gerard C. S. Mildner
Director, Center for Real Estate
Portland State University
mildnerg@pdx.edu

NAIOP Northern Virginia Falls Church, Virginia February 9, 2017

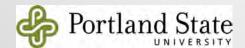


Outline of Talk

- Portland's Urban Growth Boundary
- Housing Supply Elasticity
- The Apartment Crisis
- The Economics of Affordable Housing



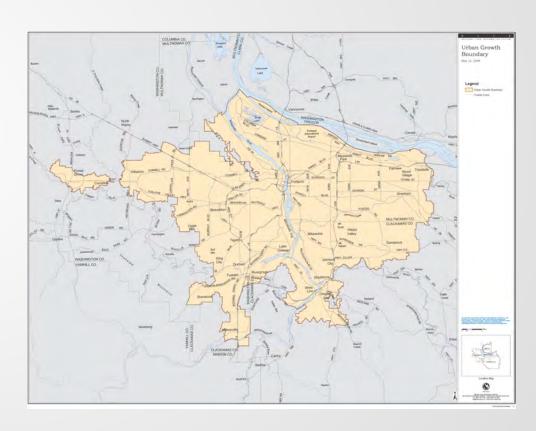
Portland's Urban Growth Boundary



Portland's Urban Growth Boundary

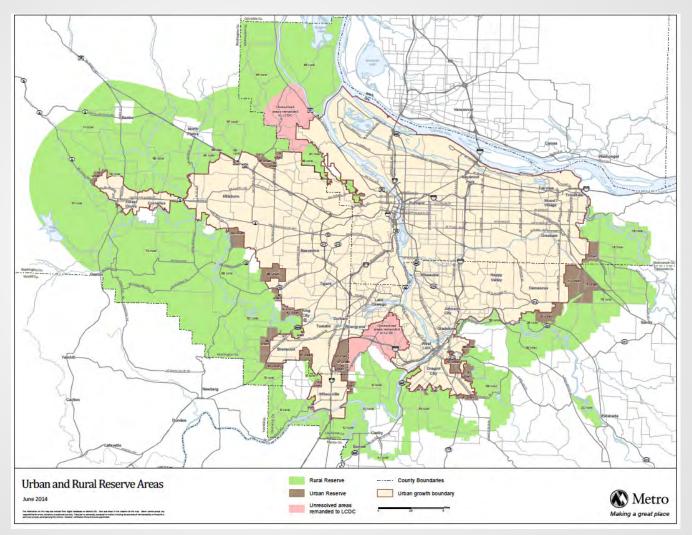
• 25+ years history of an urban growth boundary

- <u>Intended Policies</u>:
- 20-year land supply
- Preservation of farm and forestry
- Easy permitting inside UGB



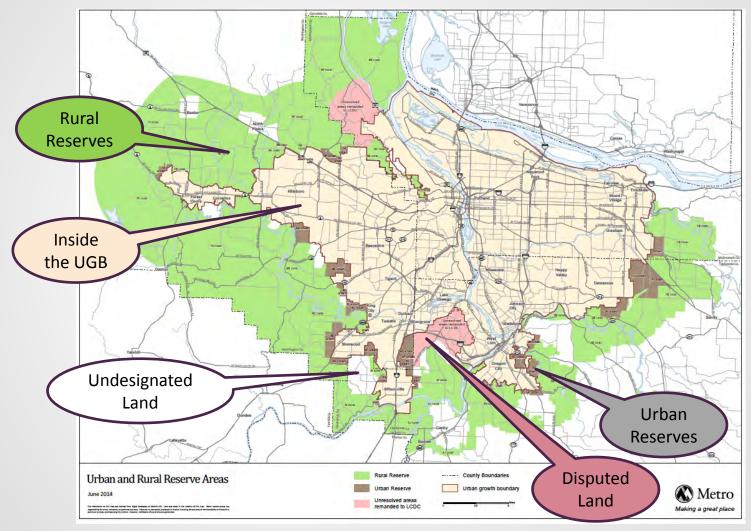


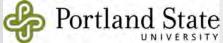
Portland's Urban Growth Boundary



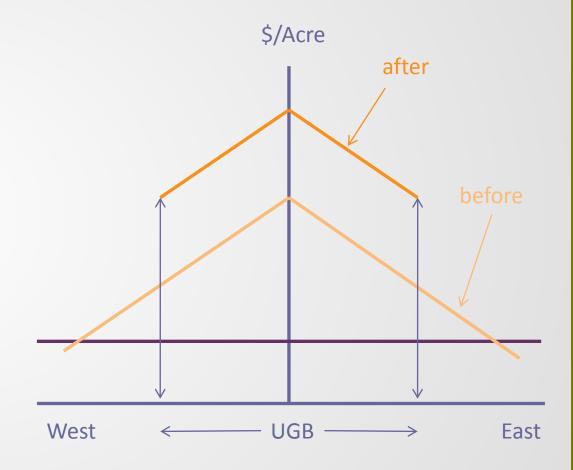


Portland's Urban Growth Boundary

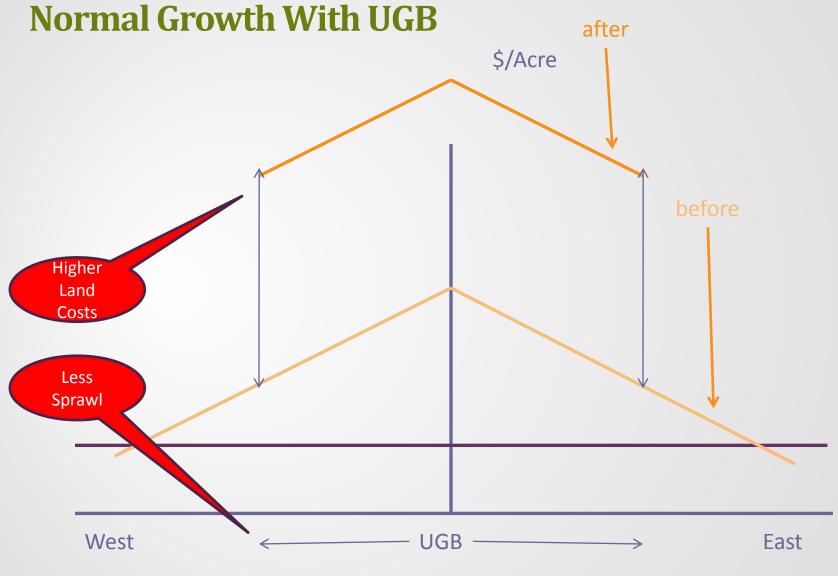


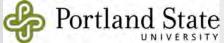


- Constraint pushes land prices
- 10:1 price differential at edge









The Portland Experience - Economic Impacts

- Minor UGB expansions in 35+ years
 - 78% Population Growth
 - 10% UGB Expansion
- Housing shift from low to high density
 - Shift to multi-family
 - Smaller lot sizes
 - Revived Central City
- Investment in Transit vs. Roads
 - New transit lines to north, west, and east
 - Shift from road building to road maintenance
 - Demand management

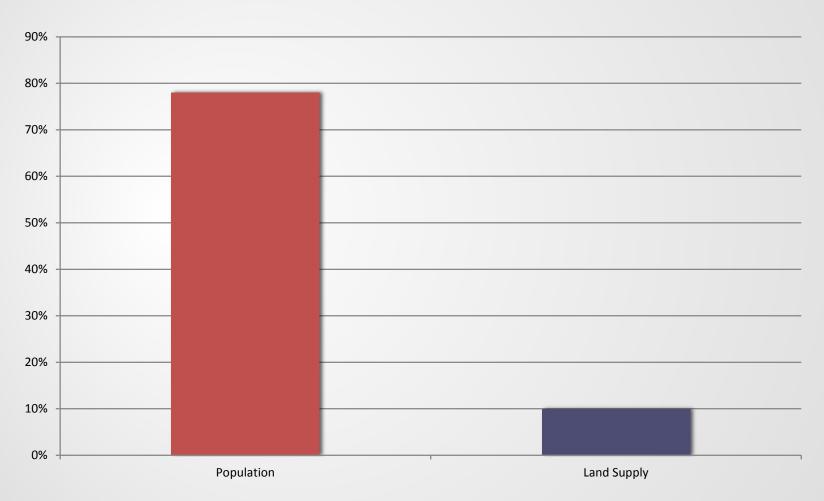


The Portland Experience – Political Impacts

- Political constituency for zero growth
 - Tight UGB as symbolic vote
 - Anti-business coalition
- NIMBY resistance
 - House demolitions
 - Medium-density housing projects
 - Zoning downzones
- Real estate industry as villain
 - Legislation allowing local inclusionary zoning
 - Legislative push for rent control
 - Affordable housing funded by development taxes

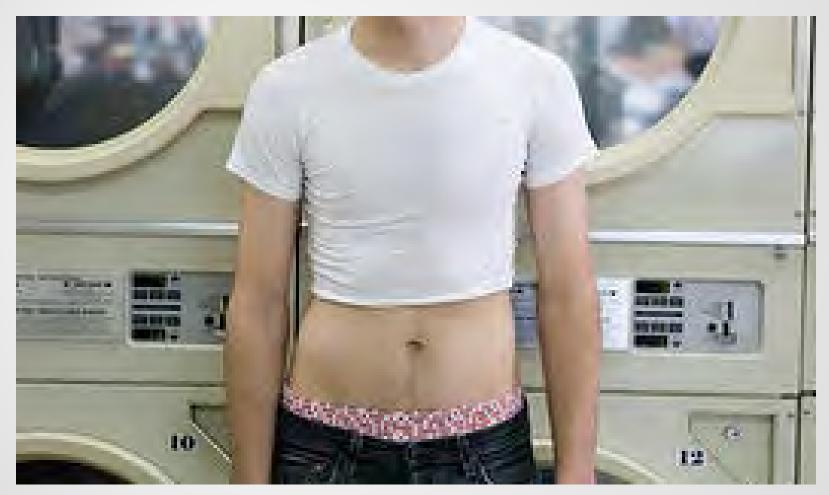


Metro Population Growth vs. Land Supply 1980-2016



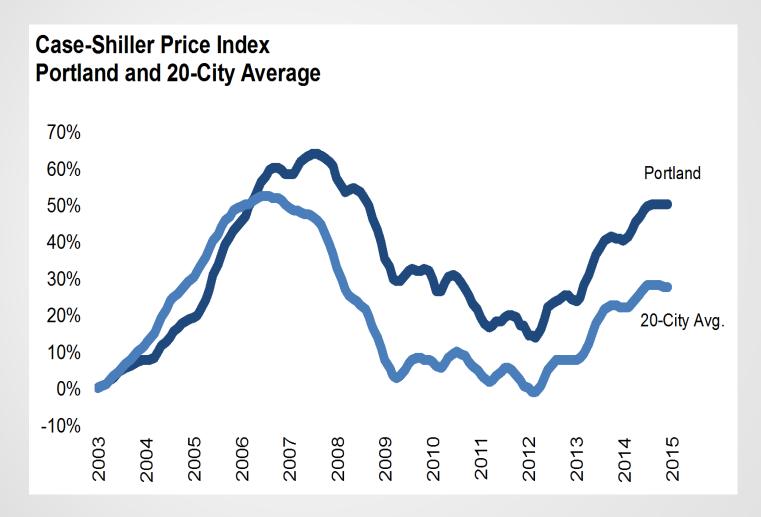


Metro Population Growth vs. Land Supply 1980-2016



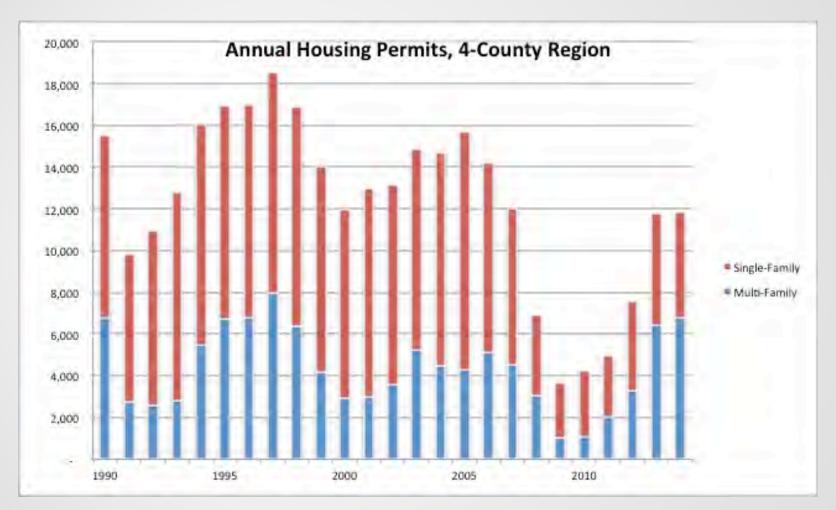


Case Shiller Index, 2003-15





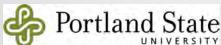
Source: US Census Bureau



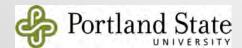


Source: US Census Bureau





Housing Supply Elasticity



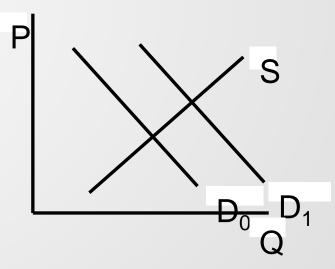
Housing Supply Elasticity

- Edward Glaeser, Triumph of the City
- Edward Glaeser and Joseph Gyourko, Rethinking Federal Housing Policy
- Joel Kotkin, The Next Hundred Million



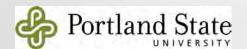
- Inelastic Supply with High Demand
 - Los Angeles, San Francisco, San Diego, Washington, DC, New York, Boston metro areas
- Geographic and regulatory limits
- Permits less than 1% of stock, despite high prices
- Average price \$375,000 (2008)

Demand raises prices





- Moderate Supply Elasticity
 - Chicago, Denver, Portland, Seattle, Salt Lake City
- Permits are 1-2% of stock
- Western cities grow based upon spillover demand from California
- Chicago is a thriving national financial, distribution hub
- Will advantages stay ahead of housing costs...?

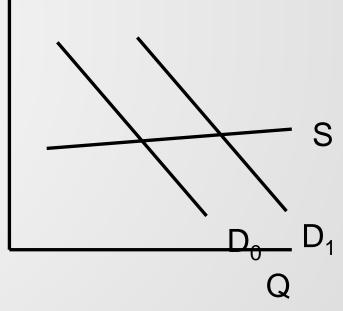


- Low Demand
 - St. Louis, Cleveland, New Orleans, Buffalo, Pittsburgh
- Permits less than 0.25% per year
- Demand doesn't push prices above replacement costs
- Affordable housing by default
- Prices below \$162,000 (2008)

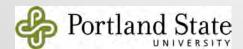


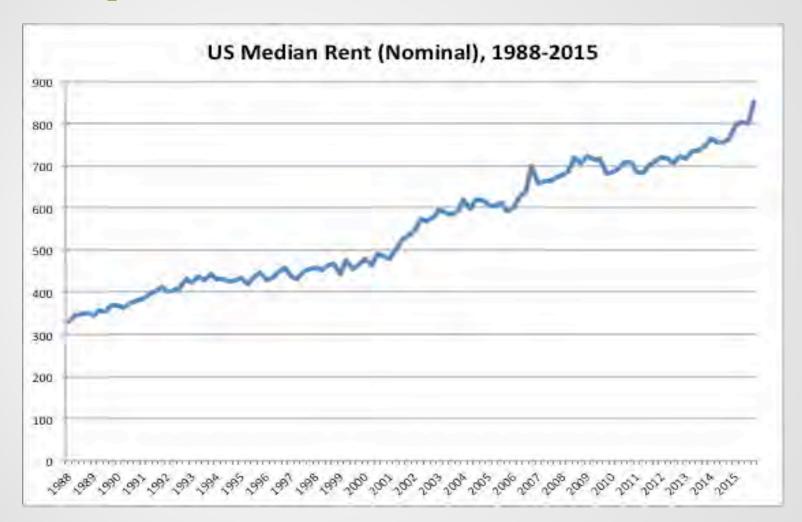
- High Elasticity with High Demand
 - Phoenix, Houston, Dallas, Riverside, Las Vegas
- Permits issued are more than 2% of stock
 - Little barriers to entry
- Average price \$170,000 (2008)

Affordable Housing Produced by market

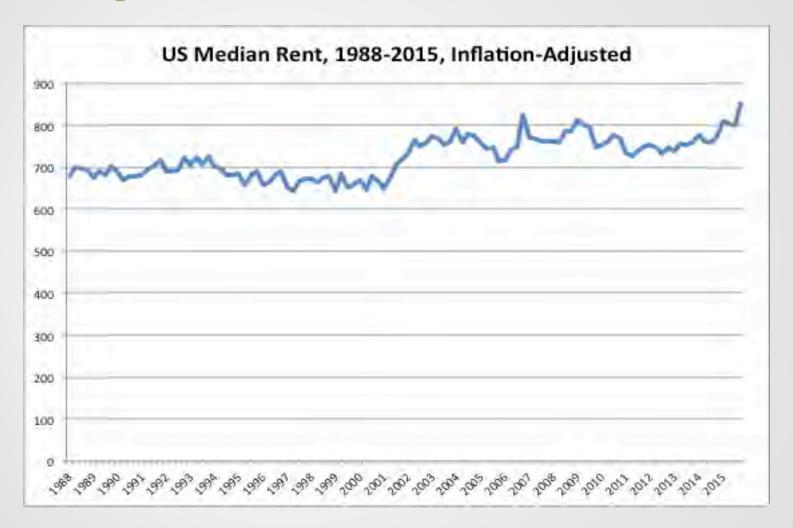




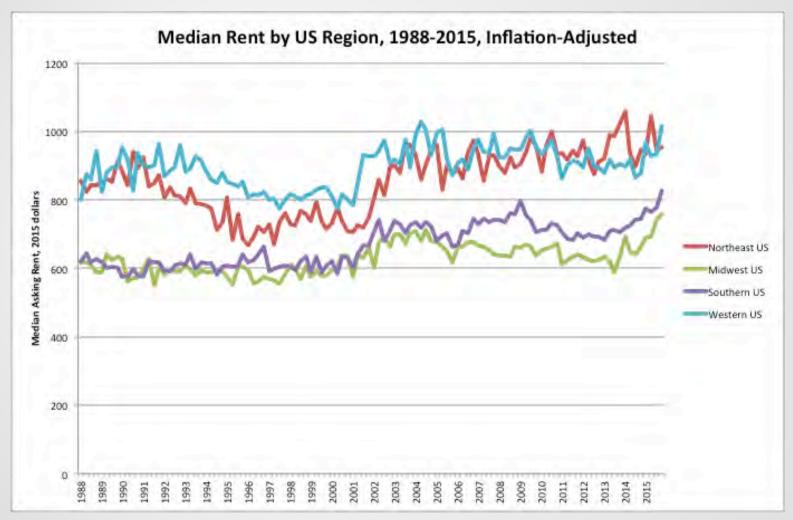


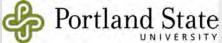




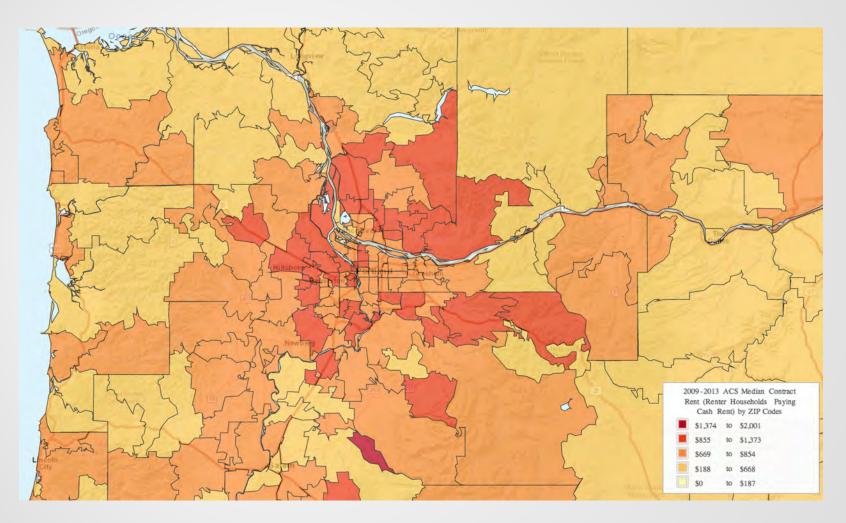






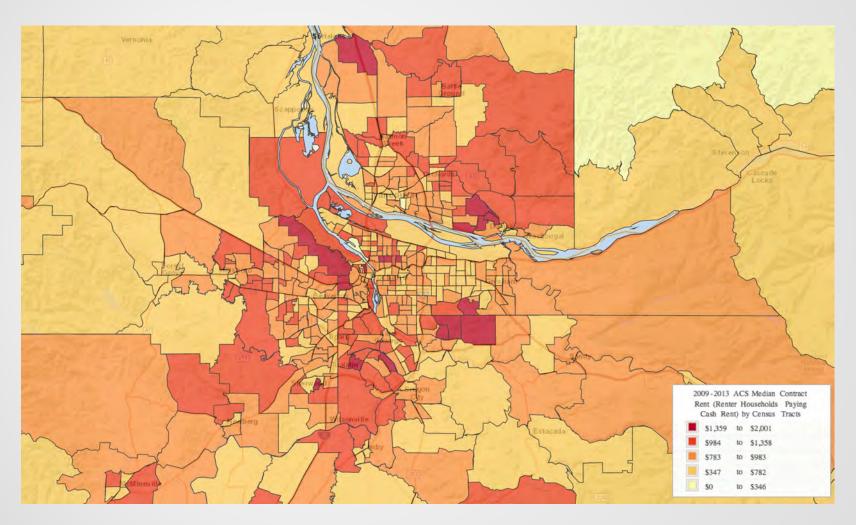


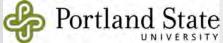
Median Rent, 2009-13, ZIP code level



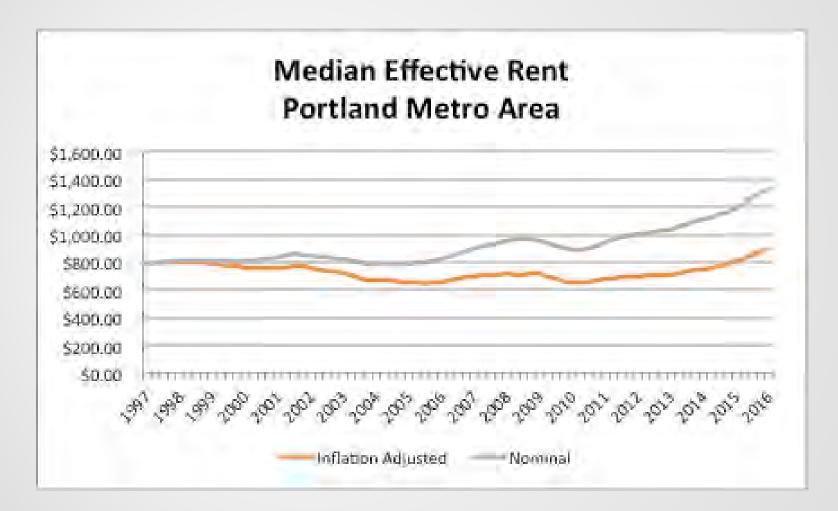


Median Rent, 2009-13, Census tract level



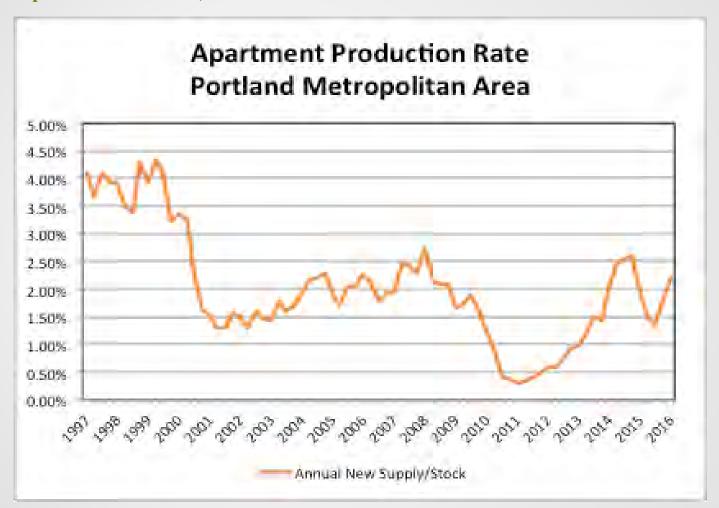


Median Effective Rent, Axiometrics





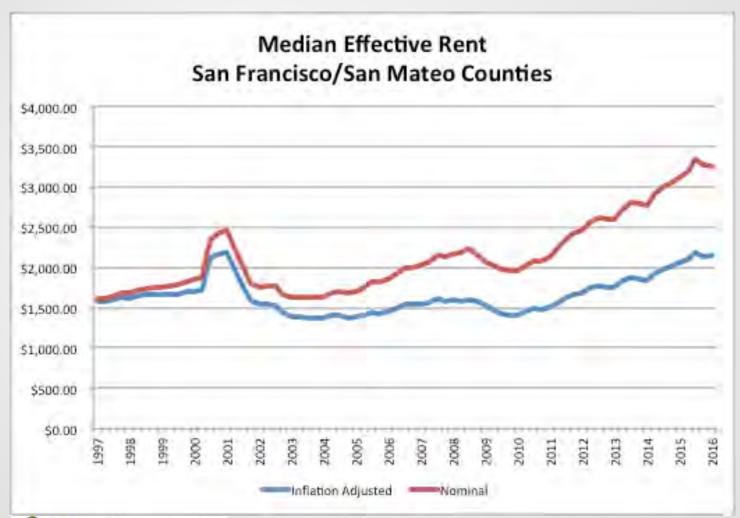
Apartment construction, Axiometrics





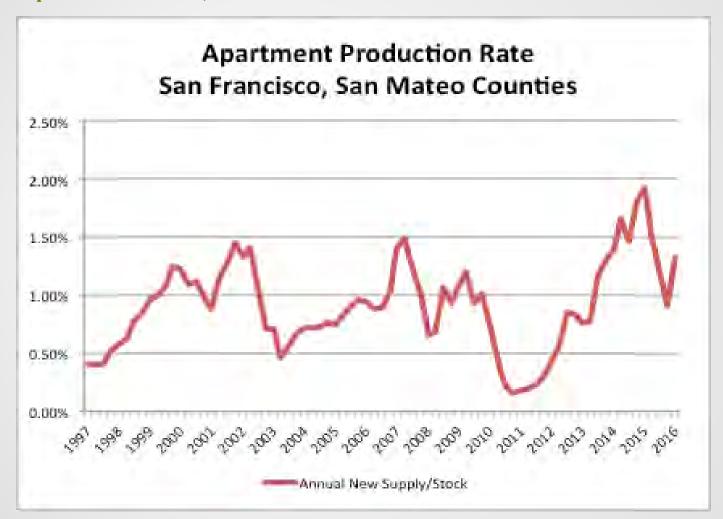
San Francisco Metro Area

Median Effective Rent, Axiometrics



San Francisco Metro Area

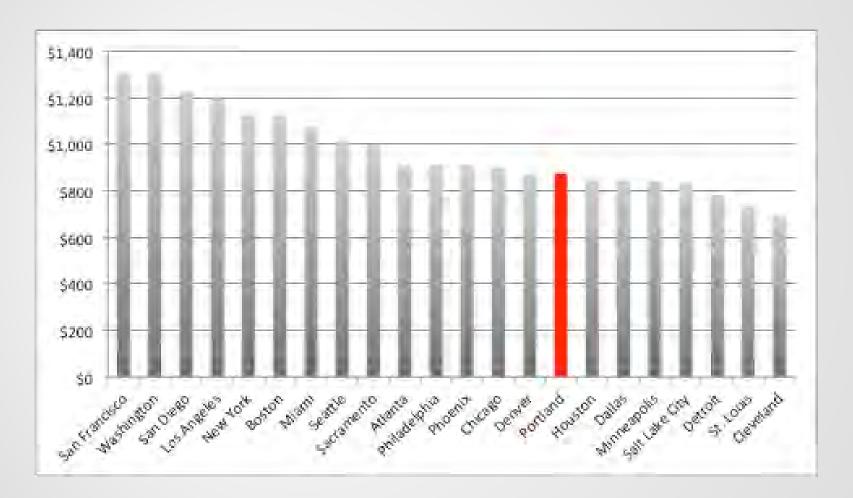
Apartment construction, Axiometrics





Metropolitan Rents in 2009

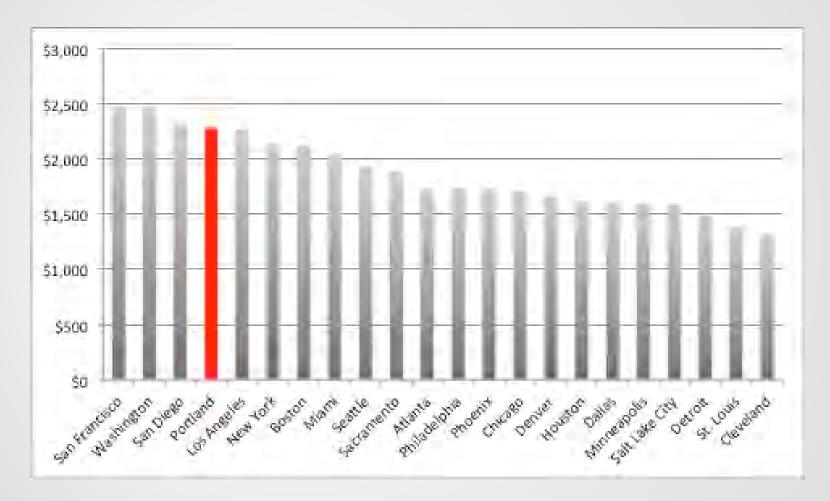
Source: US Census Bureau





Metropolitan Rents in 2035 (Projected)

Source: US Census Bureau, Metro, PSU Center for Real EState





Economics of Affordable Housing



New Housing is More Expensive Than Old

Source: PSU Center for Real Estate, RMLS Data, Portland 3-county area





New Housing is More Expensive Than Old

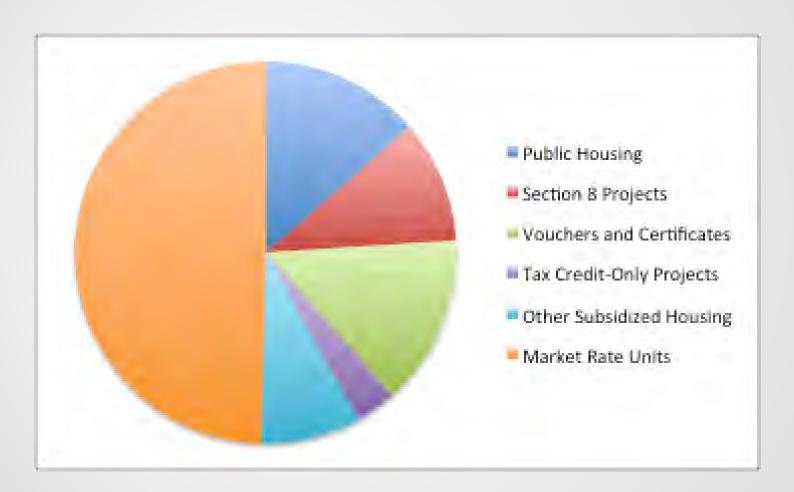
Source: PSU Center for Real Estate, RMLS Data, Portland 3-county area





Most Poor Households Pay Market Rents

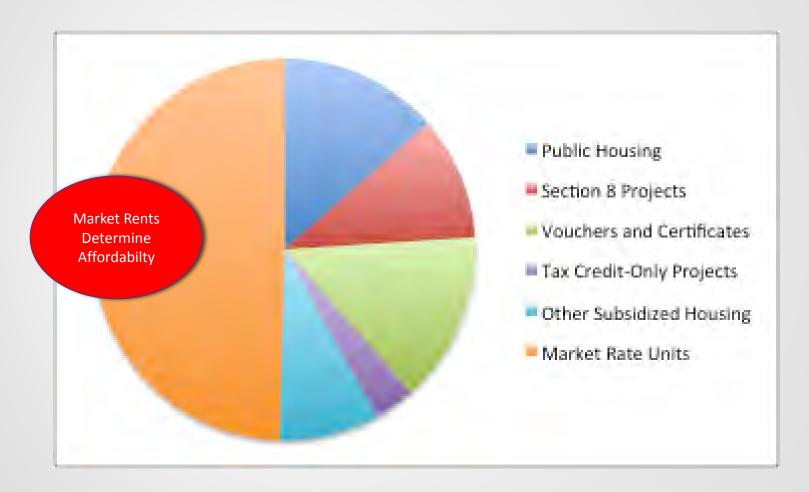
Source: Census Bureau, HUD





Most Poor Households Pay Market Rents

Source: Census Bureau, HUD





High-Density Means High Cost

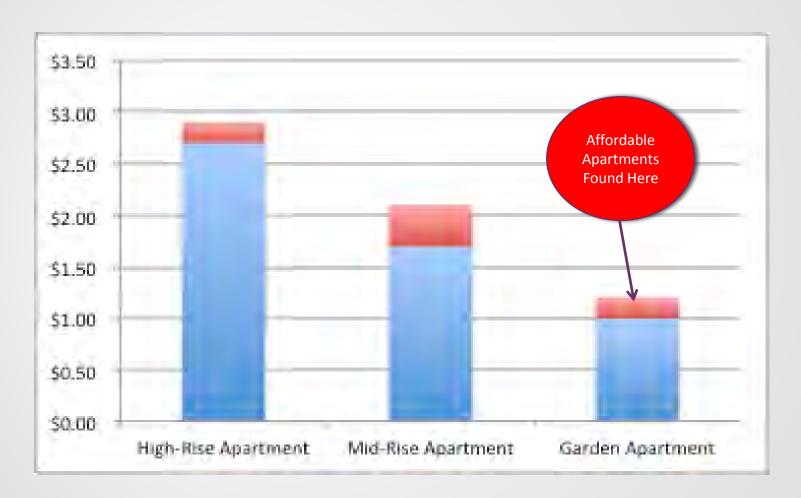
Apartment rent per square foot for new projects Source: PSU Center for Real Estate





High-Density Means High Cost

Apartment rent per square foot for new projects Source: PSU Center for Real Estate





Critique of Inclusionary Zoning

- Taxing one industry for a broad social good
- Small output: 80,000 to 90,000 housing units in USA
- Requires strong local housing market
- Rarely provide deep subsidies for very poor
- Produces affordable housing at high cost
 - Vouchers are better
 - Buying older housing units costs less



Critique of Public Housing

Consumption Efficiency: 25% less efficient than cash

• Production Efficiency: 33% higher costs

Horizontal Equity: Many eligible, few served

• Work Disincentives: 30% marginal tax

Poverty Concentration: Social isolation



Questions

