

Yes, Oregon Can Build Its Way Home



Clear, predictable state standards can empower local leaders to allow the homes we need at the prices we need in the places we want.

Decades of residential underbuilding have brought Oregonians to a breaking point on housing. We need more homes, and we need them fast. Governor Kotek has called for an additional **36,000 homes in each of the next ten years**. It's a figure we can in fact reach, with a combination of new construction, public investment, more types of homes, and using clear standards to empower local leaders to help their communities benefit from growth.

Oregon has built this many homes before

Research by the nonpartisan think tank Sightline Institute found that over the decade of the **1970s**, Oregon added nearly **330,000 net new homes**—and with less than half the residential construction workforce the state has today. Notably, about half of those were apartments and other attached homes—unlike in the last 10 years, when Oregon relied on single-detached homes for 72 percent of net growth.

If you live on a block with 20 homes, returning to a 1970s rate of homebuilding might look like your neighbor on the corner converting their garage into a granny flat and a small apartment building going up two blocks over.



Clear state standards empower local leaders

Four years ago, Oregon directed its larger cities to legalize more “middle housing” options like fourplexes and townhomes or else defer to a uniform state code. The results were telling. Every affected city ended up going **above and beyond** the minimum requirements, doing what local governments do best: they used fine-grained information and the pressure of clear consequences to lead their constituents in good-faith conversations about how best to remove their housing barriers. In short, it took the unacceptable **status quo off the table**. The focus of the conversation was no longer *whether* to allow more homes, but *how*.

To build the homes we need, Oregonians need options

Not all types of new construction can produce housing that’s immediately affordable to Oregonians making 80-120 percent of the Area Median Income (AMI). But often, smaller homes—one-bedrooms and studios in small-scale apartment buildings, and in some cases ADUs and fourplex homes—do not require subsidy to hit these prices on day one.

Though these smaller homes aren’t right for *all* Oregon households and will not solve the entire shortage on their own, it is vitally important for the government to at least **get out of the way of producing these lower-cost homes**, all of which would be built to modern accessibility, energy, and quality standards. Many households will voluntarily downsize into such homes, perhaps for the sake of a better location, lower maintenance costs, or better construction quality. This frees up existing homes, large and small, for other households. For others, these will be the first of many homes over the course of their lives.

This “laddering” effect of new construction, whatever its price, lets everyone in the market move into a home that suits them better, even if it’s not brand new. It is a major public benefit of new construction, alongside growth to the local tax base and economy.

Allowing more homes lets every dollar of subsidy go further

Markets cannot solve every problem. We will never house all Oregonians without public investment to help those of us with the least money. But lowering the cost factors of new housing will mean more Oregonians who can make ends meet on their own; shorter voucher waitlists; and more new regulated-affordable homes per dollar. It will give us the freedom to focus public resources on those who need them most. All Oregonians can see the benefit of that.

