

Facilitation of Affordable Housing on Land Owned by Faith Institutions

In June 2024 The City and County adopted the Homeless Response Action Plan (HRAP) in tandem with an updated City-County IGA related to homeless services. HRAP 6.1.9 directs the City to “Identify ways to support the development and financing of affordable housing on faith-based and nonprofit owned properties.”

Background

Faith communities such as churches, synagogues, and mosques are often involved with social change or community building initiatives. The housing affordability crisis in many cities around the country has brought these institutions into the work of creating affordable housing in their communities. Faith institutions often have underutilized land that could be used for housing, such as parking lots, or in some cases older buildings that have reached the end of their useful life. Faith institutions in Portland own approximately 600 acres of land, with capacity for thousands of additional housing units based on current zoning¹.

The City, through the Bureau of Planning and Sustainability (BPS), Portland Permitting and Development (PP&D), and the Portland Housing Bureau (PHB) has taken the following actions in recent years to facilitate housing development on this land.

Networking and Technical Assistance

In April 2017, Living Cully (along with five faith communities) organized a conference at Warner Pacific College to discuss how faith and community-based organizations could address the enormous housing need. More than 50 participants attended the event, including staff from City agencies, and many more organizations expressed interest.

BPS subsequently pursued a grant to fund work with community-based organizations to identify and create opportunities for affordable housing on their land. Metro recognized this need and funded the project, which formally started in April 2018. BPS partnered with several community organizations on this project, including Unite Oregon, Leaven Community, and Ecumenical Ministries of Oregon. The bureau hired Nielsen group and Carleton-Hart Architects to provide financial and architectural technical support to the project.

In 2019 BPS used these grant resources and consultant team to provide design and financial support to three organizations: Bethel AME Community Development Corporation, Muslim Community Center of Portland, and Trinity Lutheran Church. Thirteen organizations with a vision to develop affordable housing on their properties had submitted proposals.

¹ BPS completed an inventory in 2022.

A short video was produced as part of this initiative:

<https://www.portland.gov/bps/planning/ah-grant/guide-affordable-housing-development>

The project in 2018/19 was funded with one-time grant resources. In subsequent years BPS and PHB considered development of a technical assistance program to provide these kinds of services in an ongoing way – focused on pre-development financial and architectural assistance. This responds to that fact that many faith organizations have strong interest but lack the technical resources to assemble realistic affordable housing projects. BPS leadership also had conversations with the Governor’s Office about state funding for such a program. Several budget requests have been floated in recent years, but limited city resources went to immediate housing stabilization, health, and safety needs. In FY 22/23 PHB submitted a budget package for [culturally specific provider assistance](#). The PHB Director recently participated in a panel with Ecumenical Oregon / Leaven Communities and discussed collaboration on land banking with faith communities. PHB is including technical assistance for faith communities in an upcoming HUD grant application.

Rezoning and Zoning Reform

In 2020 and 2021 BPS assembled and delivered two packages of legislation to City Council to re-zone land owned by non-profit housing providers and faith institutions (the Expanding Opportunities for Affordable Housing Project). Zoning map changes were made on 21 faith- or community-owned sites, provided greater flexibility and expanded options for future development.

Zoning Code changes were also brought forward with this project to streamline development of housing on institutional sites. Most faith institutions are considered “Institutional Uses” in the Zoning Code, and are allowed only through a discretionary Conditional Use process that involves public notice and an opportunity for public hearings. These code changes clarified that housing could be built in tandem with such uses, without triggering that discretionary public review process.

In 2024 BPS is launching a third legislative package to re-zone another collection of properties owned by affordable housing organizations and other community-based organizations.

Specialized Permitting Support

In recent years BDS (now PP&D) assigned one staff person to be a single point of contact for faith-institutions exploring affordable housing development. That person maintained relationships with faith-based affordable housing networks, developed informational materials

for that audience, and also serviced to trouble-shoot issues that arose when permits had been submitted. With budget cuts in 2024/25 it is unclear if this specialized service can be continued. The bureau does continue to offer enhanced permitting support for affordable housing development in general, and maintains a web page focused on this: [Religious Institutions and Affordable Housing Development Projects | Portland.gov](#).