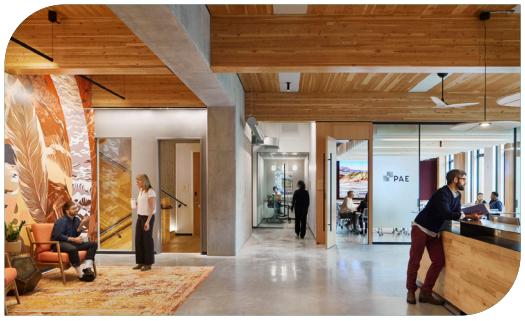
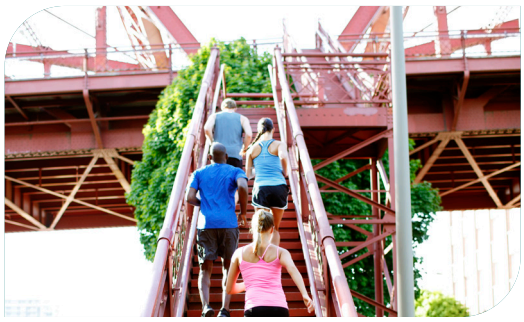




All In On Portland's Central City:

A ROADMAP TO RECLAIM, REBUILD, AND RECONNECT

JUNE 2025

Executive Summary

Future Albina Market rendering. Image Courtesy of Albina Vision Trust.

Why Now?

Portland's Central City has reached an inflection point. For decades, it was the civic and cultural heart of the region—a place where thousands came daily to work, study, shop, and gather. Yet the COVID-19 pandemic upended this model. Remote work hollowed out office towers. Public safety concerns discouraged foot traffic. Homelessness and visible disorder created powerful negative perceptions, even as progress emerged beneath the surface.

This moment is not unique to Portland. Cities across the country are facing similar challenges. But Portland's Central City is burdened by additional structural weaknesses: a complex and expensive tax system, a real estate market with record vacancies, and local governments constrained by budget shortfalls and service gaps.

Still, Central City retains unmatched value. It is a center of innovation, home to leading arts and culture institutions, the site of transformative redevelopment projects, and the nexus of the region's transportation system.

This is a rare chance to reset Portland's civic core for the next century.

THE ROLE OF THE Central City Task Force

In August 2023, Governor Tina Kotek and Standard Insurance CEO Dan McMillan convened the Central City Task Force to confront growing challenges: crime, public drug use, rising homelessness, and a collapsing commercial real estate market.

The Task Force moved beyond crisis response. It created a Value Proposition Committee that engaged 24 community leaders and held 24 listening sessions with 250 people. Their mission: to reimagine the Central City's long-term role and catalyze new investment.

A Fragile Recovery

After years of uncertainty, Portland's Central City is showing signs of momentum. In 2024, foot traffic hit a post-pandemic high. New housing projects are breaking ground, and cultural destinations like Literary Arts, Powell's Books, and the Portland Art Museum are investing in their futures. Businesses, artists, and entrepreneurs are returning to the core. The Central City's large-scale redevelopment areas have housing projects in the pipeline.

What's Holding Portland Back

Office space glut:

With a **34.7% vacancy rate** in late 2024 (more than double pre-pandemic levels), Portland's downtown has more square footage than it can absorb even with pre-pandemic demand levels. Many office buildings are outdated and functionally obsolete.

A complex, high-cost tax system:

Portland now has one of the highest combined income tax rates in the nation, and local business taxes have **risen more than 80% since 2019**. These costs discourage entrepreneurship and push investment out.

Stretched budgets:

Essential city services are under severe strain and core services like emergency response, sanitation, maintenance continue to lag residents' expectations in a city once heralded for its livability. **Emergency response times have nearly tripled since 2019**[1]. Infrastructure maintenance is lagging citywide. Forty percent of transportation assets rated in poor or very poor condition.

Homelessness and Safety:

While shelter capacity is increasing, Portland's unsheltered homelessness rate remains **four times the national average**. Perceptions of safety, particularly at night, have improved but remain low.

A few bright spots cannot overcome systemic fiscal pressures or lack of coordination. The City's budget constraints limit its ability to lead a full-scale transformation, and there is no single entity tasked with maintaining urgency. If Portland's public and private leaders do not actively steward this recovery through organized, resourced effort, it may stall. These interconnected barriers can create a cycle of disinvestment. Without intervention, they will compound. A real recovery depends on breaking this cycle through policy reform, fiscal discipline, and strategic investment.

1. Portland Police Bureau, *Dispatched Calls for Service*, Tableau Public, accessed June 3, 2025, https://public.tableau.com/app/profile/portlandpolicebureau/viz/DispatchedCallsforService/DispatchedCalls.

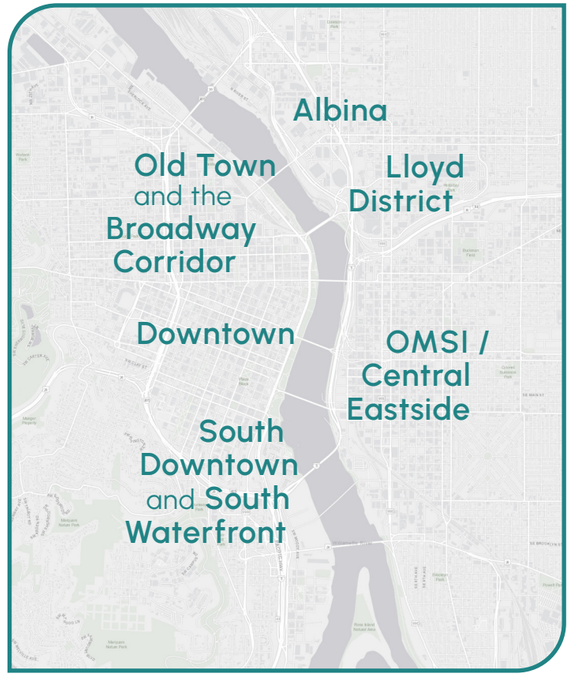
Why the Central City Still Matters

Some question whether Portland and the broader region can thrive with a more decentralized economy. But the Task Force found that the Central City remains irreplaceable.

Its proximity powers productivity. Its institutions drive tourism, learning, and cultural life. The region's highest concentration of arts and entertainment venues draw millions annually. Its transportation infrastructure ties the region together. More than $50 billion in transportation investments center on this area, from bridges and rail to freeways and freight routes. And its mix of housing, education, and civic assets cannot easily be replicated elsewhere.

The next chapter is already starting to take shape. Major planned redevelopment projects like Broadway Corridor, Albina Vision Trust, OMSI District, and Lloyd Center have the potential to reshape neighborhoods and deliver thousands of housing units and jobs. But each investment depends on public confidence and leadership.

The Central City has long been a place where Portland makes its most ambitious moves. If we lose momentum, we forfeit decades of investment and opportunity. If we target our investment in the Central City, we reaffirm our commitment to an inclusive, prosperous future.



A 2025 VISION FOR
Central City Renewal

In response to these challenges and opportunities, the Optimism Committee proposed a bold, three-part vision.

The goal is to remake the Central City not just as a center of commerce, but as a place where Portlanders live, gather, and build together.

This is a reimagining of Portland's city center for a new era.

THE REGION'S GATHERING PLACE

The Central City should be where the region comes to connect. With a renewed waterfront on both sides of the river, premier event spaces, and vibrant public squares, it can once again become the cultural heart of Portland.

COMPLETE URBAN NEIGHBORHOODS

The Central City must offer a high quality of life for people of all ages and incomes. That means housing, schools, parks, clinics, and grocery stores all within walkable reach. Livability must be the priority.

A HUB OF INNOVATION AND OPPORTUNITY

With institutions like PSU, OHSU, and PNCA, and a strong base of startups and creatives, the Central City is where Portland's talent and energy can converge. But this potential must be nurtured through infrastructure, affordability, and equity.

Central City Goals for 2030

1 **Foot traffic fully recovered.** By 2030, foot traffic across Central City neighborhoods should approach **pre-pandemic foot traffic levels.** That means offices, restaurants, and cultural destinations see a steady, growing stream of workers, residents, and visitors. Achieving this will require business recruitment, new incentives, public space and ground-floor space activation, and a sustained focus on safety and cleanliness.

2 **2 million square feet of net office absorption.** This will take bold action in the form of **targeted campaigns** to attract new businesses to the Central City, office-to-residential conversions, and reimagining mixed-use buildings.

3 **2,500 new housing units in the pipeline.** That means fast-tracking conversions, prioritizing neighborhood infrastructure, and devoting energy to **reducing financing and construction costs**.

Meeting these goals will restore vitality to the Central City and build a more resilient and inclusive economic engine for the entire region.

Future Steel Bridge Skate Park. Image courtesy of Dao Architecture.

The OMSI District Streetscape. Courtesy of OMSI.

Big Ideas Across Six Districts

To translate vision into action, the Task Force mapped over 75 projects across six Central City districts. These initiatives range from shovel-ready infrastructure to long-term redevelopment plans. Each contributes to a more livable, vibrant urban core.

In **Albina**, restorative development is underway, reconnecting displaced communities with housing, cultural spaces, and jobs. The **Broadway Corridor** promises over 2,000 new homes and major public spaces. **Lloyd Center** is redeveloped as a mixed-use neighborhood anchored by entertainment and housing.

The **OMSI District** is evolving into a 24-acre innovation and cultural hub, while **Old Town** is advancing plans for arts spaces, retail activation, and adaptive reuse of historic buildings. In **South Downtown**, PSU's transformation and the proposed Major League Baseball stadium represent game-changing opportunities.

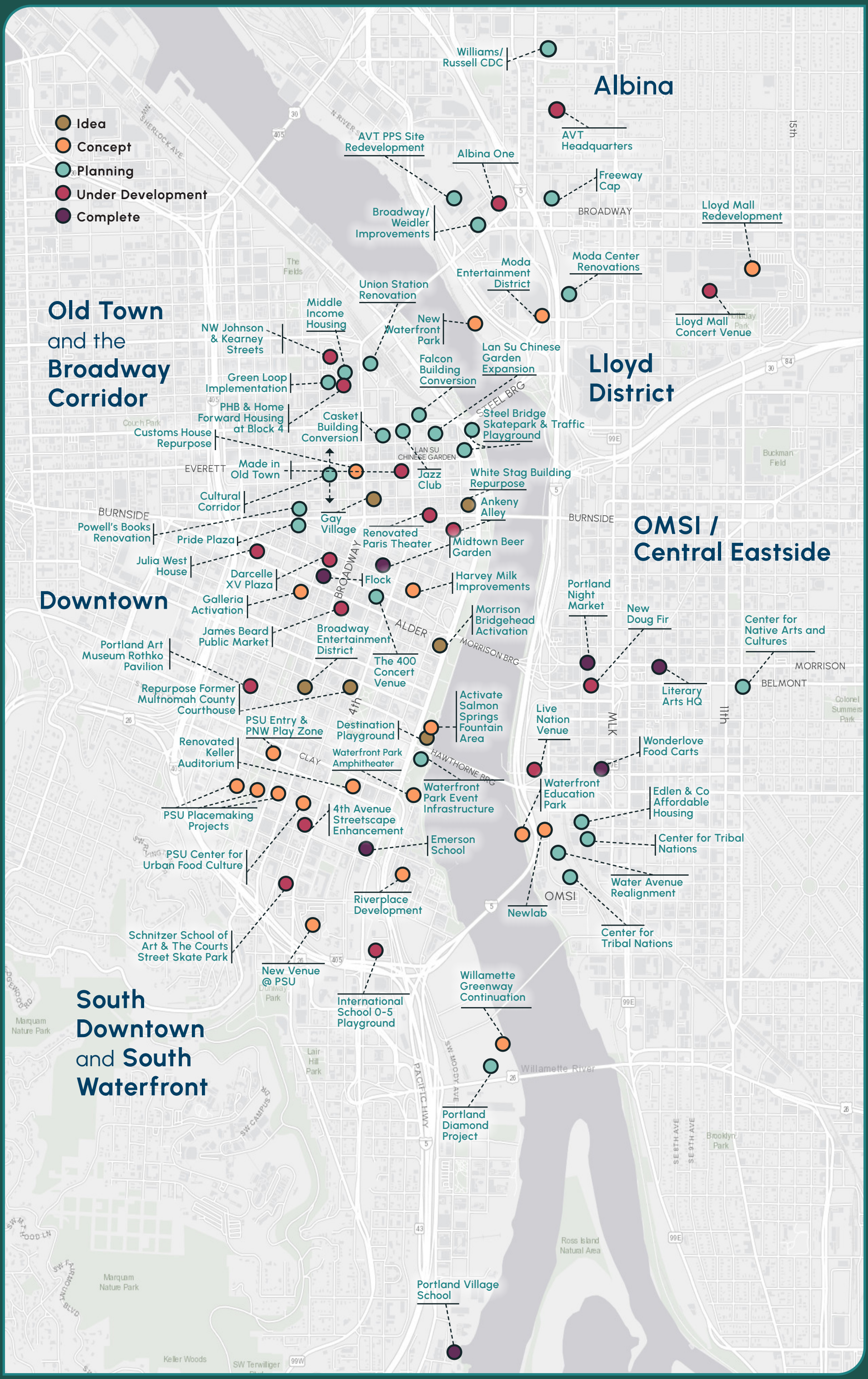
These projects are signals of belief in Portland's future. But they require champions, coordination, and sustained investment. The full impact will come from how they connect with one another.

The map on the following pages shows the projects across all Central City Districts as of Spring 2025.

Lloyd Center redevelopment plans. Courtesy of ZGF.

Broadway Corridor rendering of NW Johnson Street. Image courtesy of ZGF Architects.

Big Ideas Across Portland's Central City



The Roundtable and the
Need for Civic Leadership

To guide recovery and hold stakeholders accountable, this report calls for a new civic leadership group: the Central City Roundtable. It will not replace existing organizations—it will bridge them.

The Roundtable will be independently staffed, privately funded, and focused on executing the vision outlined in this document. It will convene leaders across sectors, elevate emerging ideas, connect champions to resources, and publish progress dashboards.

This structure mirrors successful public-private collaboration models in cities like Seattle, Denver, and Miami. Portland has lacked such an entity since the dissolution of the Association for Portland Progress in 2002. Reviving that spirit without recreating bureaucracy is essential to sustained, credible recovery.

The Roundtable's success depends on focus. It must be transparent, data-driven, and grounded in measurable goals. Its mandate: ensure that the Central City's recovery is not episodic or symbolic, but comprehensive and enduring.

Roundtable Charge (2025–2030)

Steward the Vision
Host quarterly convenings, set measurable targets, and maintain urgency around gathering, innovation, and livability.

Elevate Ideas and Projects
Be a civic accelerator. Provide visibility, partnerships, and momentum for promising ideas.

Track Progress
Publish public dashboards, monitor key indicators, and hold stakeholders accountable.

PDX Live concert in Pioneer Square. Courtesy of Business Wire.

A Call to Action

The Central City's recovery is central to Portland's identity, economy, and future. Every sector—public, private, philanthropic—has a role to play. And the timeline is urgent.

This report provides the framework. It identifies priorities, projects, and policies. It offers measurable goals. It elevates the voices of leaders and residents who believe that Portland's best days can still lie ahead.

But documents don't build cities. People do. The challenge now is not to debate the vision, but to execute it. To align funding with ambition. To fast-track what works. To invest in what matters. To coordinate what is already underway.

If we succeed, Portland's Central City will not only recover, it will lead a new chapter in American urbanism. If we fail, we risk a slow erosion of one of the most ambitious civic experiments in the country.

The Ankeny Alley Association has transformed SW Ankeny between SW 2nd and 3rd Avenues into an inviting, pedestrianized street with programming and events.

Source: Travel Portland