

2025

Value of Jobs

STATE OF DOWNTOWN & THE CENTRAL CITY

Report at a Glance

Portland's Central City including its Downtown neighborhood are facing a pivotal moment. While some Central City neighborhoods, like University/South Downtown and South Waterfront, have nearly returned to pre-pandemic foot traffic levels, Downtown remains down 40% due to fewer office workers and visitors. The areas with the strongest activities benefit from a balanced mix of residents, employees, and visitors, while Downtown shows no growth in its residential presence, highlighting a critical gap.

Portland's path forward is clear: vibrancy starts at home. Reengaging local residents, rethinking the role our Downtown plays, and embracing a new mix of foot traffic will be the catalysts that transform today's challenges into tomorrow's successes.

The story of Downtown Portland isn't finished—it's just beginning a new chapter.

-25%

Portland office leasing rate drop compared to 2019 (600,000 square feet per quarter versus 790,000 square feet).

6th

ranked last among peers for Central City visitor foot traffic.

-21%

Portland's Central City foot traffic compared to 2019 levels.

80%

share of visitors to Portland's Central City that live within 20 miles.

View the full report with interactive charts: PortlandMetroChamber.com

Portland's path forward is clear: vibrancy starts at home.

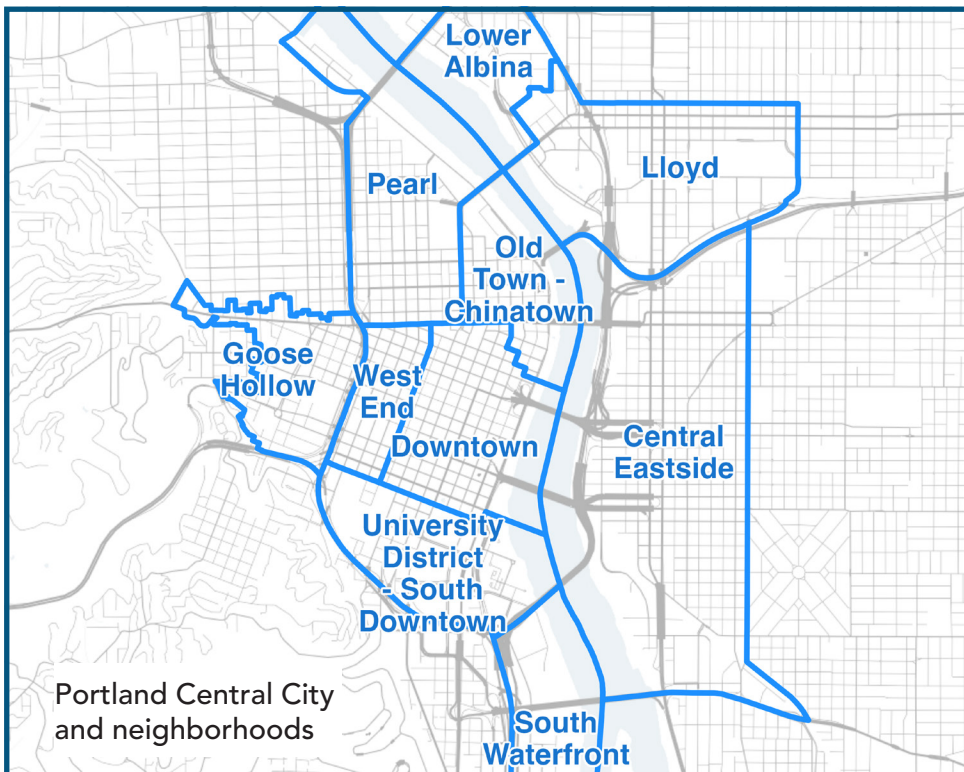
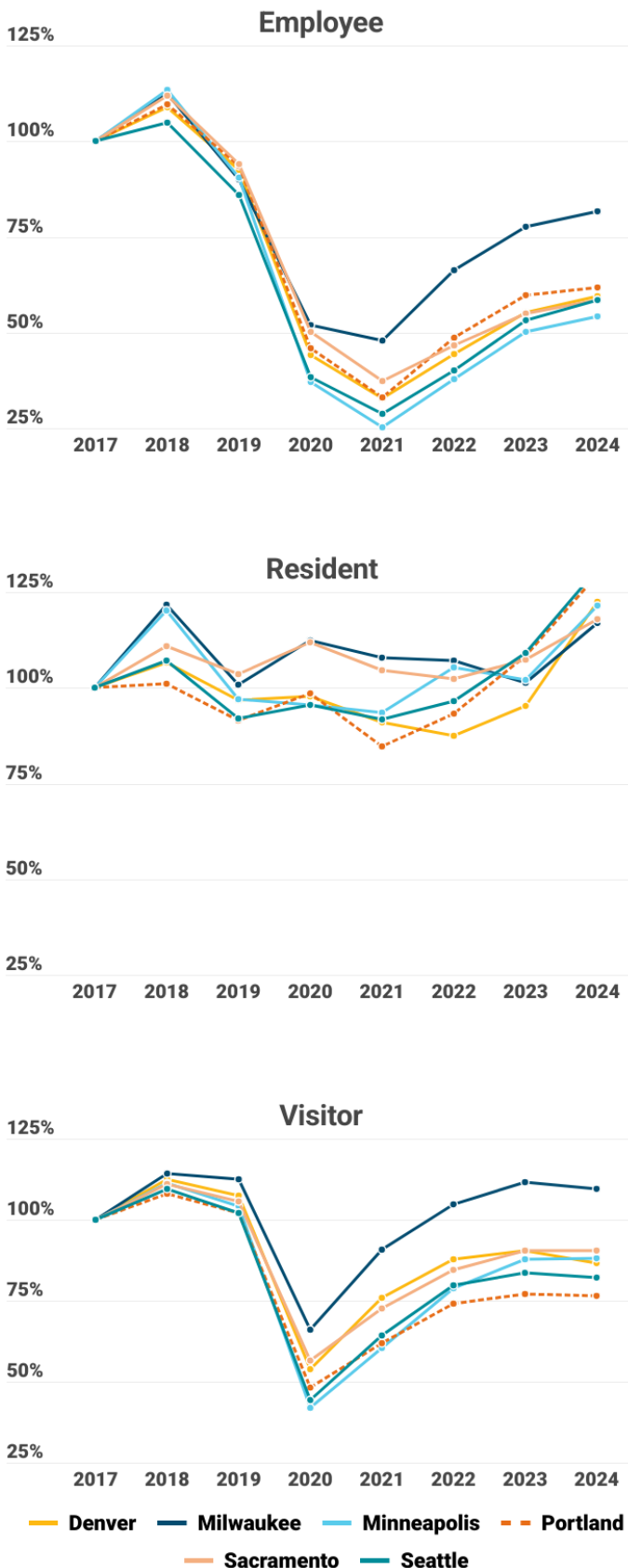


Figure 2: Percent change in employee, resident, and visitor foot traffic (2017 - 2024)

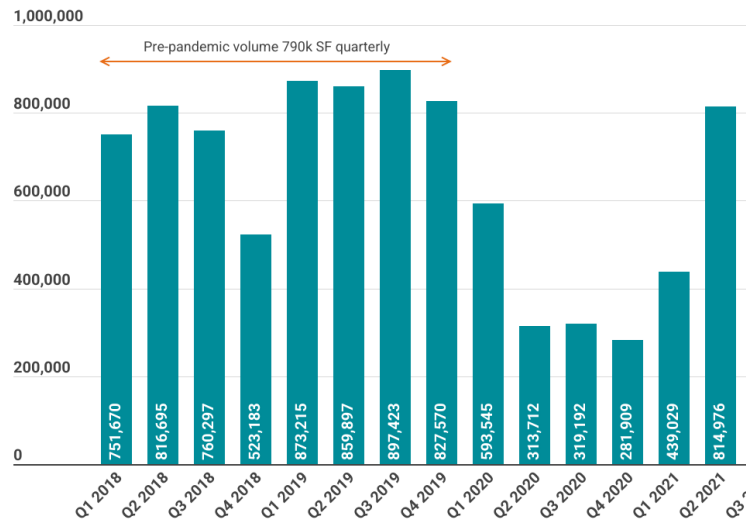


Source: Placer.ai and ECONorthwest calculations

Office leasing continues decline, employer

Portland's office leasing has dropped to 600,000 square feet per quarter since the pandemic. This sharp decline signals a continued slowdown in office leasing. See Figure 1.

Figure 1: Portland Central City Office Leasing



Source: Q1 2018 to Q4 2021

Portland's residential traffic up, visitor foot traffic last among peers

Foot traffic varies across the central cities of Portland and its peers, with none reaching their previous employee traffic levels. Milwaukee's central city leads in return-to-work, while the others lag further behind. Residential foot traffic is a bright spot, up 25% in Portland and Seattle, compared to seven years ago. Portland's key challenge is visitors, with foot traffic at just 75% of 2017 levels—the weakest among the group.

See Figure 2.

Overall foot traffic lags peers with low visitor and employee counts

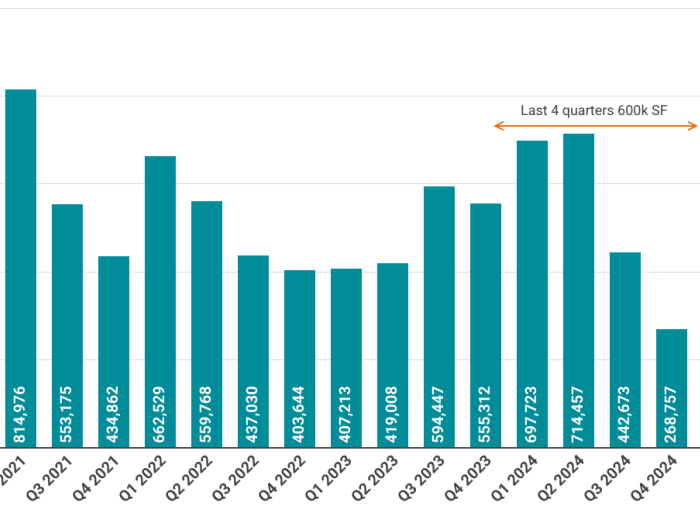
The overall foot traffic trends falls into three groups. Milwaukee leads, reaching 2017 levels due to strong employee and visitor activity. Denver and Sacramento exceed 80%, supported by higher visitor volumes. Portland, Seattle, and Minneapolis lag behind, with the slowest growth, driven by lower visitor and employee counts.

See Figure 3.

Workers have less demand for office space

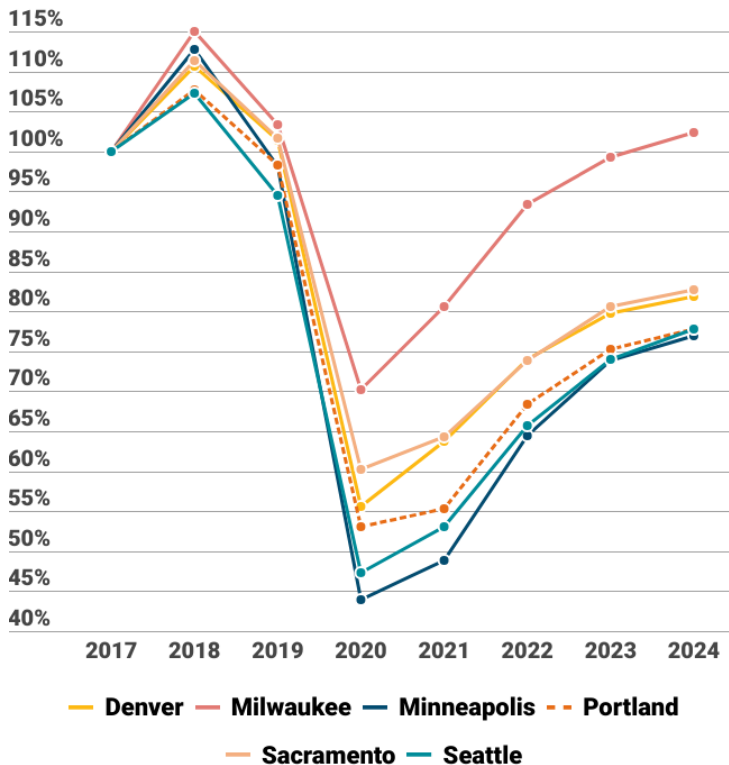
Quarterly average, down from 790,000 square feet before the pandemic, as hybrid and remote work remain the norm.

Central City leasing volume (SF)



to Q4 2024 CoStar

Figure 3: Percent change in overall foot traffic (2017 - 2024)



Source: Placer.ai and ECONorthwest calculations

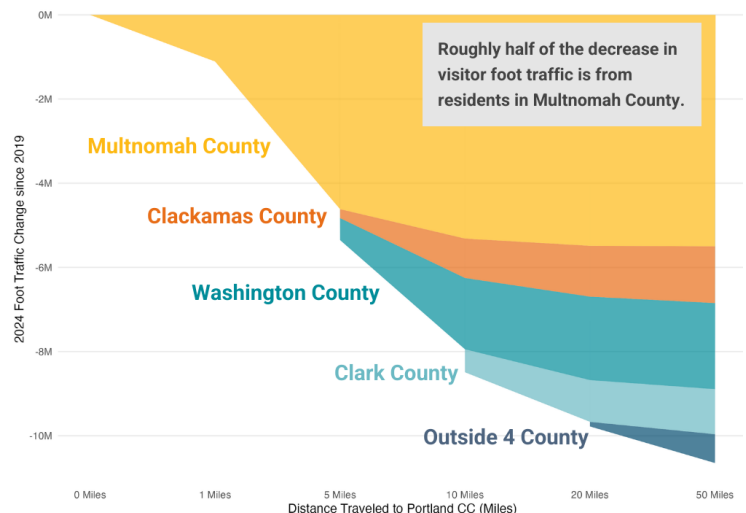
The vibrancy of Portland's Downtown and Central City is integral to the economic strength and vitality of our entire state.

Engage Portland residents to boost Central City foot traffic

Between 2019 and 2024, Portland's Central City has lost approximately 11 million visitors. About half of this decline is from Multnomah County residents, with nearly all of it tied to people living within 20 miles of the core. Effective visitor recruitment efforts must therefore focus on engaging the local population first.

See Figure 10.

Figure 10: Origins of Central City foot traffic



Source: Placer.ai and ECONorthwest Calculations

View the full report with interactive charts at: PortlandMetroChamber.com





Why this **MATTERS**

Central cities serve as vital hubs for gathering, collaboration, innovation, and living, making their vitality essential to regional economic health. Foot traffic has been—and will continue to be—a critical metric for tracking progress as these areas rebuild and adapt in the post-pandemic era. Experience to date suggests that neighborhoods would benefit from a better balance in residential, work, and leisure uses.

A vibrant central city also will play a critical role in fueling the general funds of the city, county and state that provide critical services. The vibrancy of Portland’s Downtown and Central City is integral to the economic strength and vitality of our entire state. Policymakers must lead with a unified vision and consider the next phase of investment to bring vibrancy and livability to Portland’s core.

View the full report with
interactive charts at:
PortlandMetroChamber.com



This Value of Jobs report is presented to you by:



Members of the Value of Jobs coalition:



With gratitude to ECONorthwest, our State of the Economy partner since 2010.