

Corvallis Housing Characteristics and Policy Analysis

November 2014

- Purpose: Inform a policy discussion at the City Council level on housing
 - Why do people that work in Corvallis choose to live outside of Corvallis? – Addressed in the Corvallis Housing Survey
 - What are the factors that contributed to Corvallis' current housing market conditions?
 - What can the City do to increase the production of housing affordable to people who work in Corvallis?

- Corvallis Housing Survey
- Corvallis Housing Market Comparisons
 - Comparable U.S. cities with major universities
 - Ames (IA), Boulder (CO), College Station (TX), Davis (CA), Flagstaff (AZ), Logan (UT), Manhattan (KS), San Luis Obispo (CA), and Stillwater (OK)
 - Comparisons to cities in Oregon
 - Adair Village, Albany, Eugene, Hillsboro, Lebanon, Monmouth, Philomath, Portland, Salem, and Tangent

- Discussion groups
 - Realtors, developers, commuters
- Housing policy research

Key Findings

The demographics in Corvallis are similar to other cities with large universities

- Average age:
 - Comparison cities: 23 to 28 years old
 - Corvallis: 27 years old
 - Oregon: 39 years old
- More than 40% of households have children
 - Comparison cities: 41% to 52% have children
 - Corvallis: 41% have children
 - Oregon: 43% have children

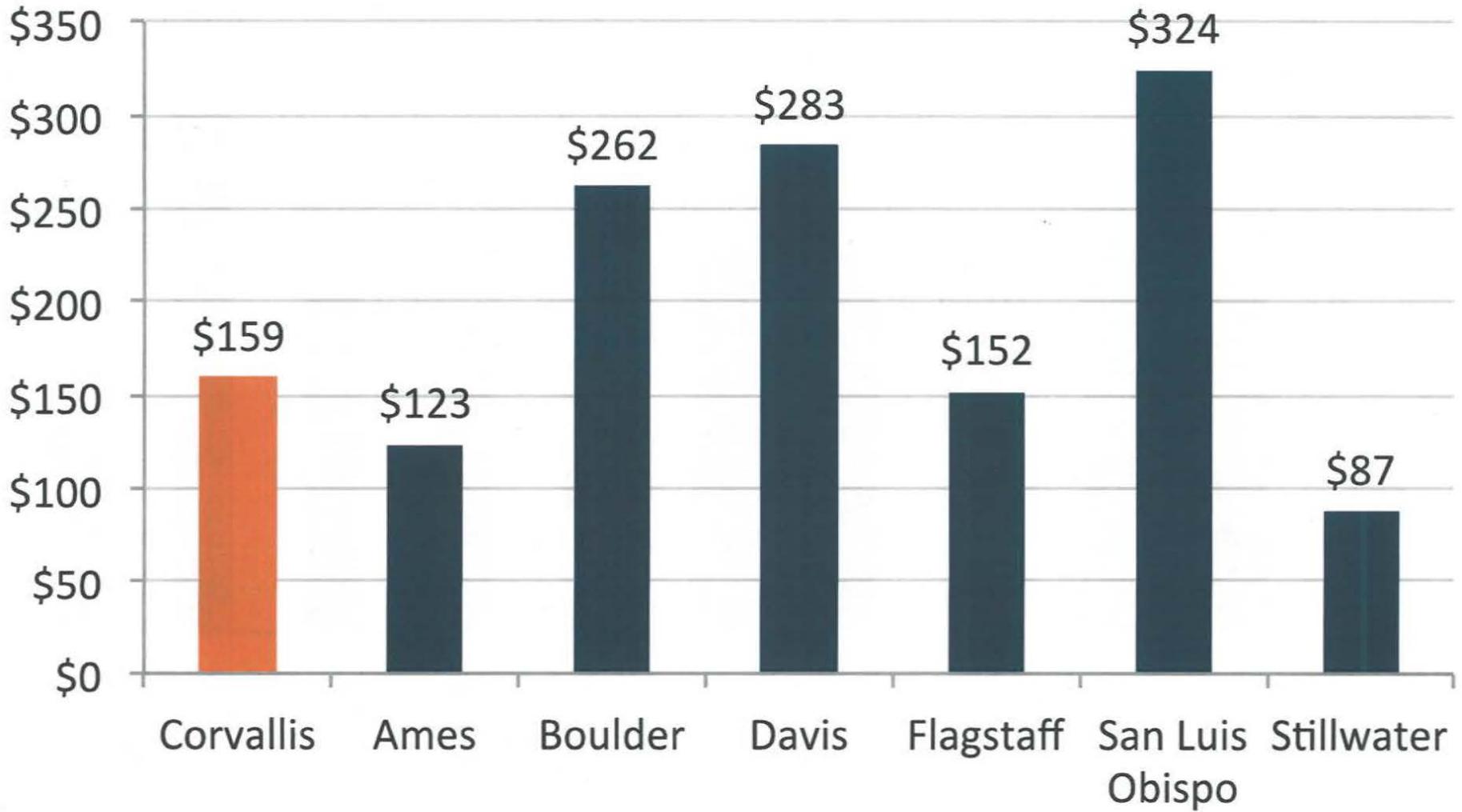
The characteristics of Corvallis' housing market are similar to comparison cities with a large university

- Homeownership
 - Comparison cities: 35% to 49% are owner-occupied
 - Corvallis: 44% are owner-occupied
 - Oregon: 62% are owner-occupied
- Smaller share of single-family housing
 - Comparison cities: 48% to 64% are single-family
 - Corvallis: 55% are single-family
 - Oregon: 76% are single-family

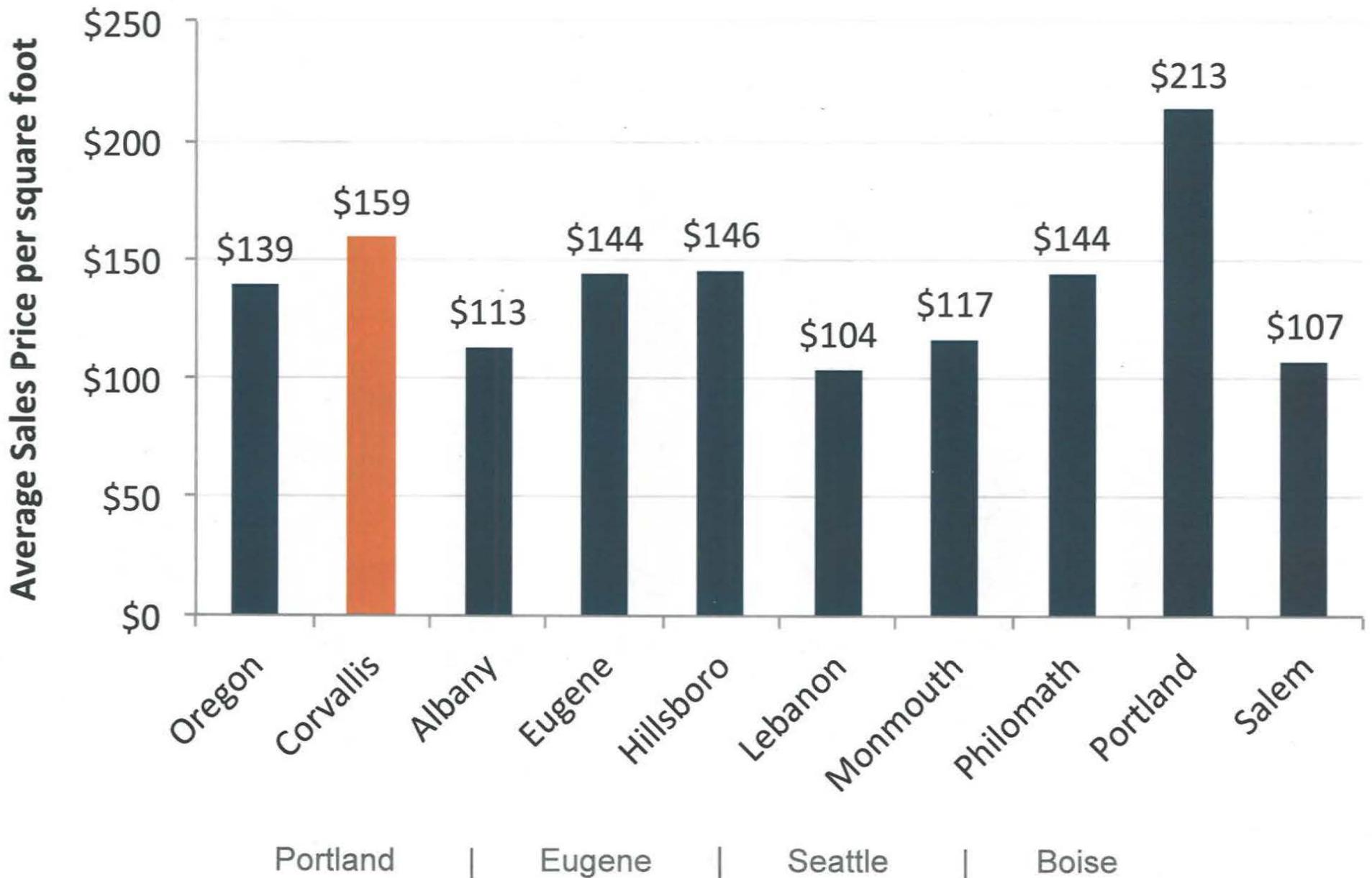
Corvallis' housing market is about as affordable (or unaffordable) as most of the comparison cities with large universities.

- Cost burden
 - Comparison cities: 42% to 57% of **households**
 - **Corvallis**: 47% of **households**
 - Oregon: 47% of **households**
- Median sales price
 - Cities with large universities \$154,000 to \$526,000
 - Cities in Oregon: \$133,000 to \$287,000
 - Corvallis: \$263,000

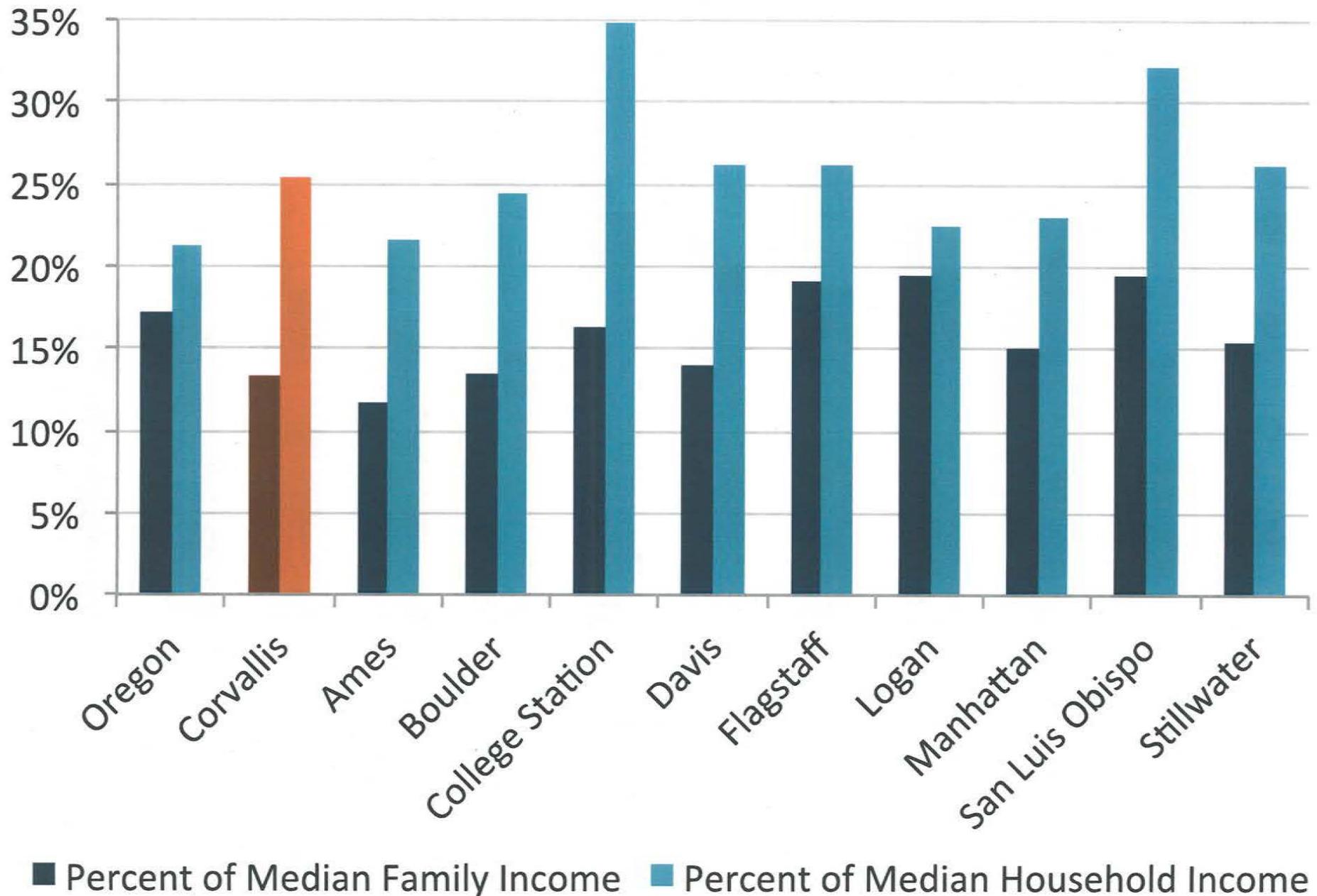
Average Sales Price per Square Foot



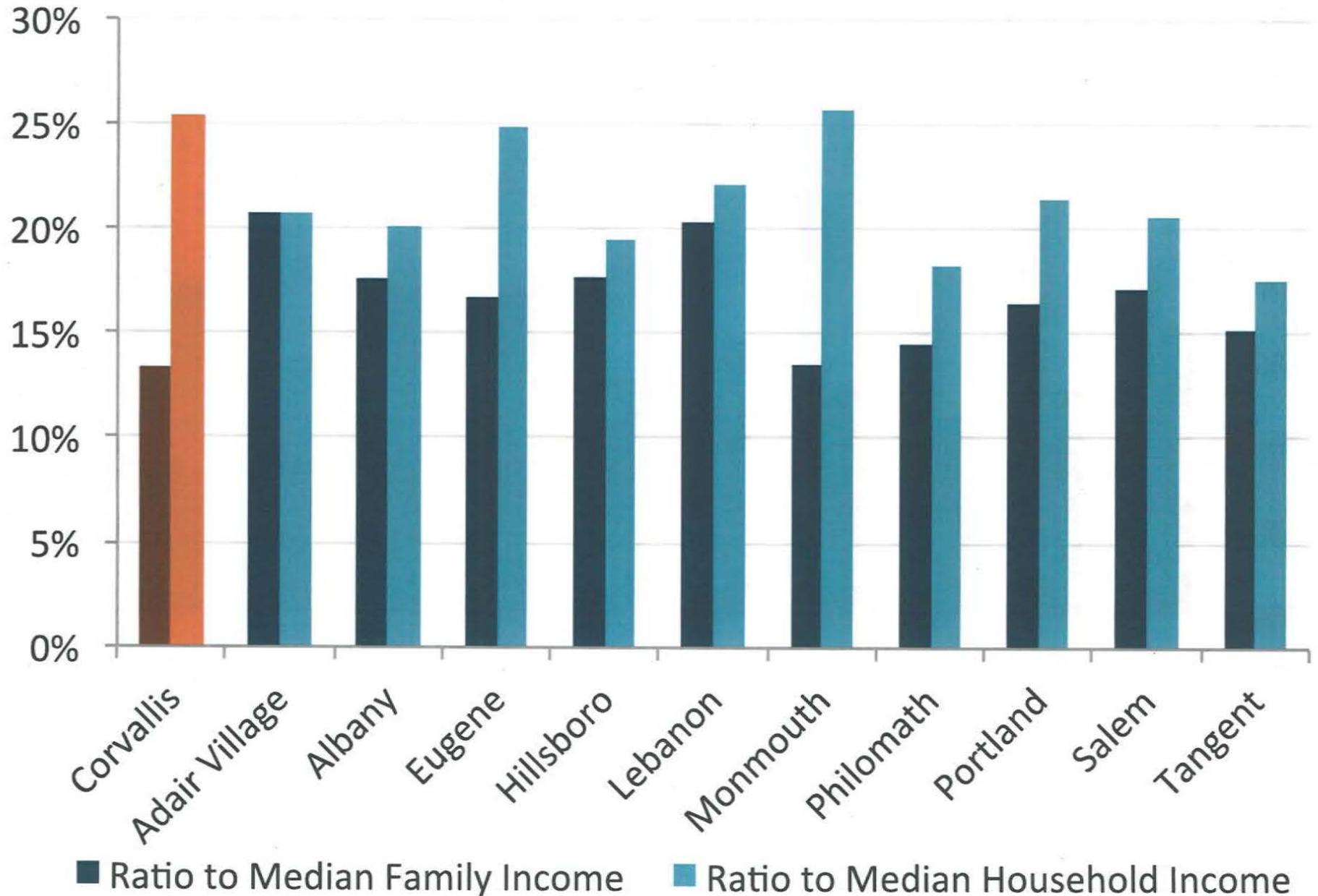
Average Sales Price per Square Foot



Rent as a Percent of Monthly Income

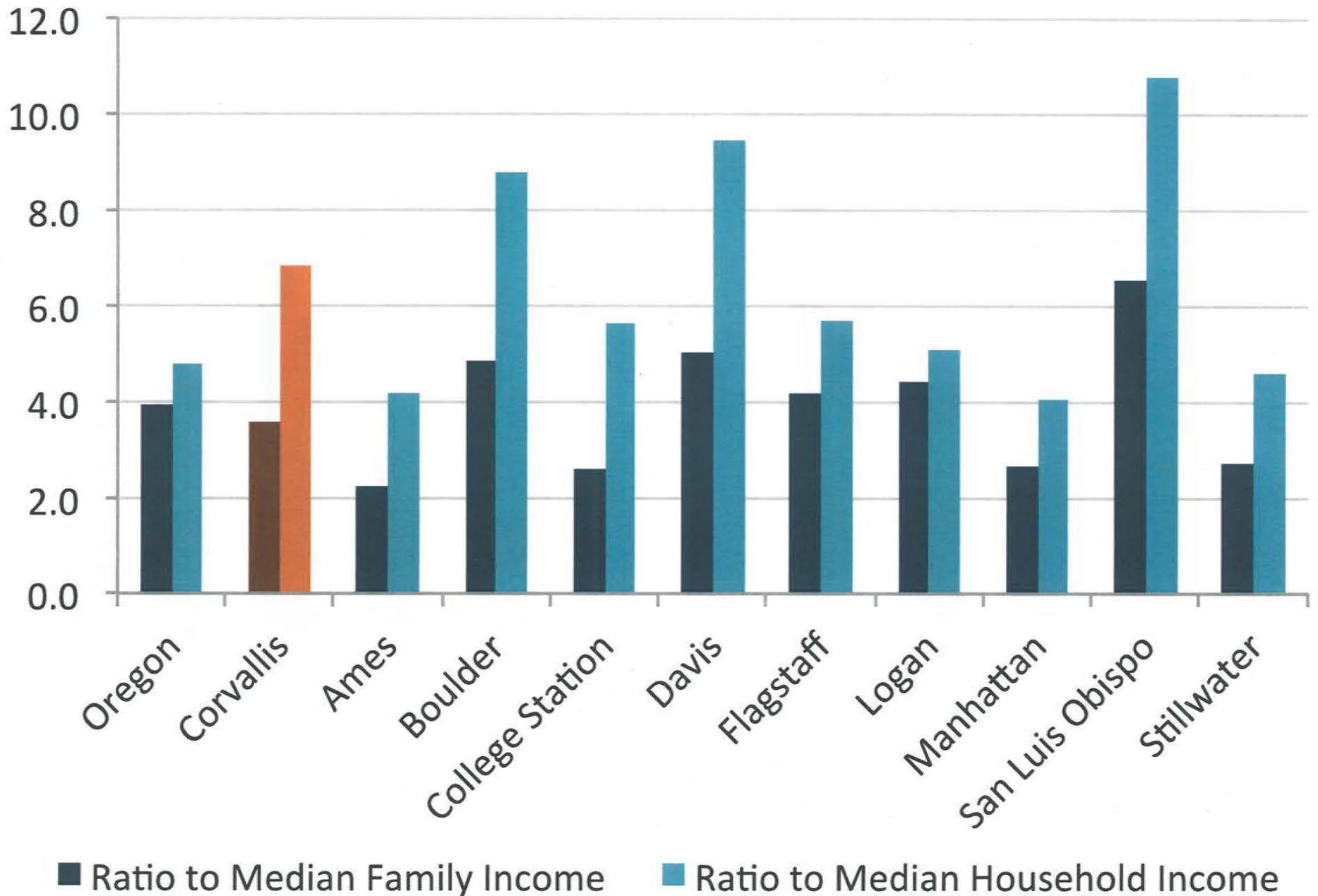


Rent as a Percent of Monthly Income

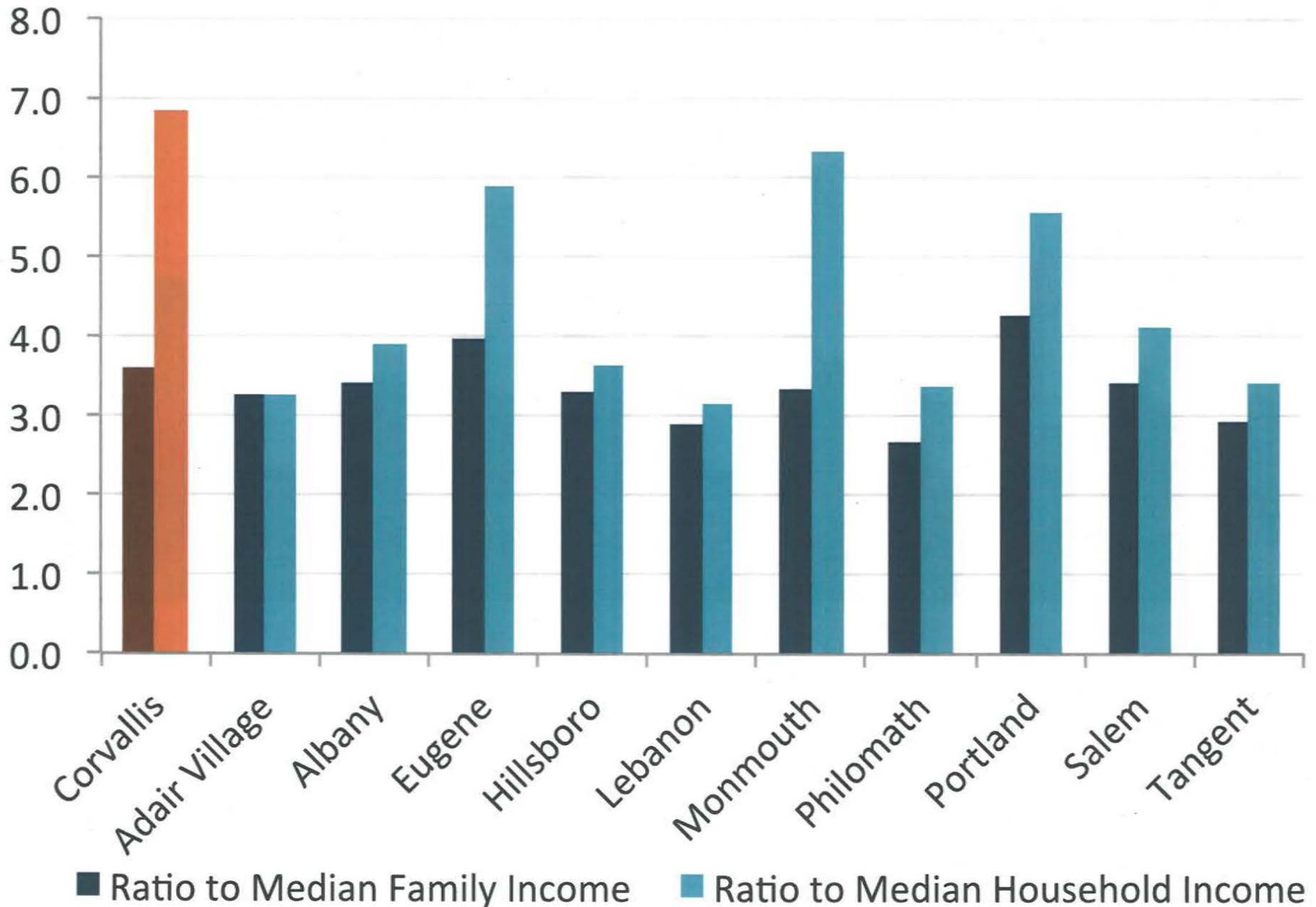


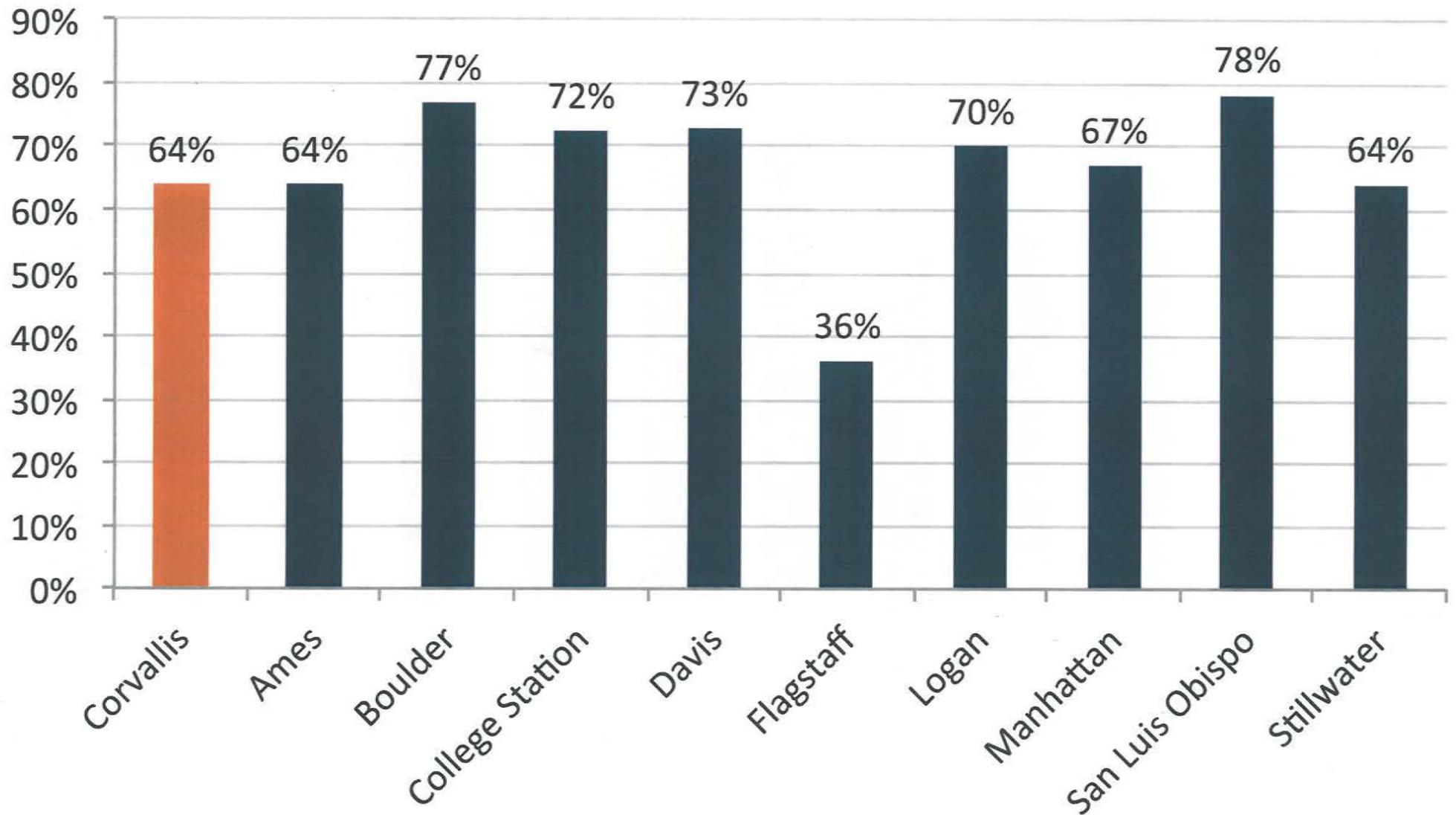
Ratio of Annual Income to Owner

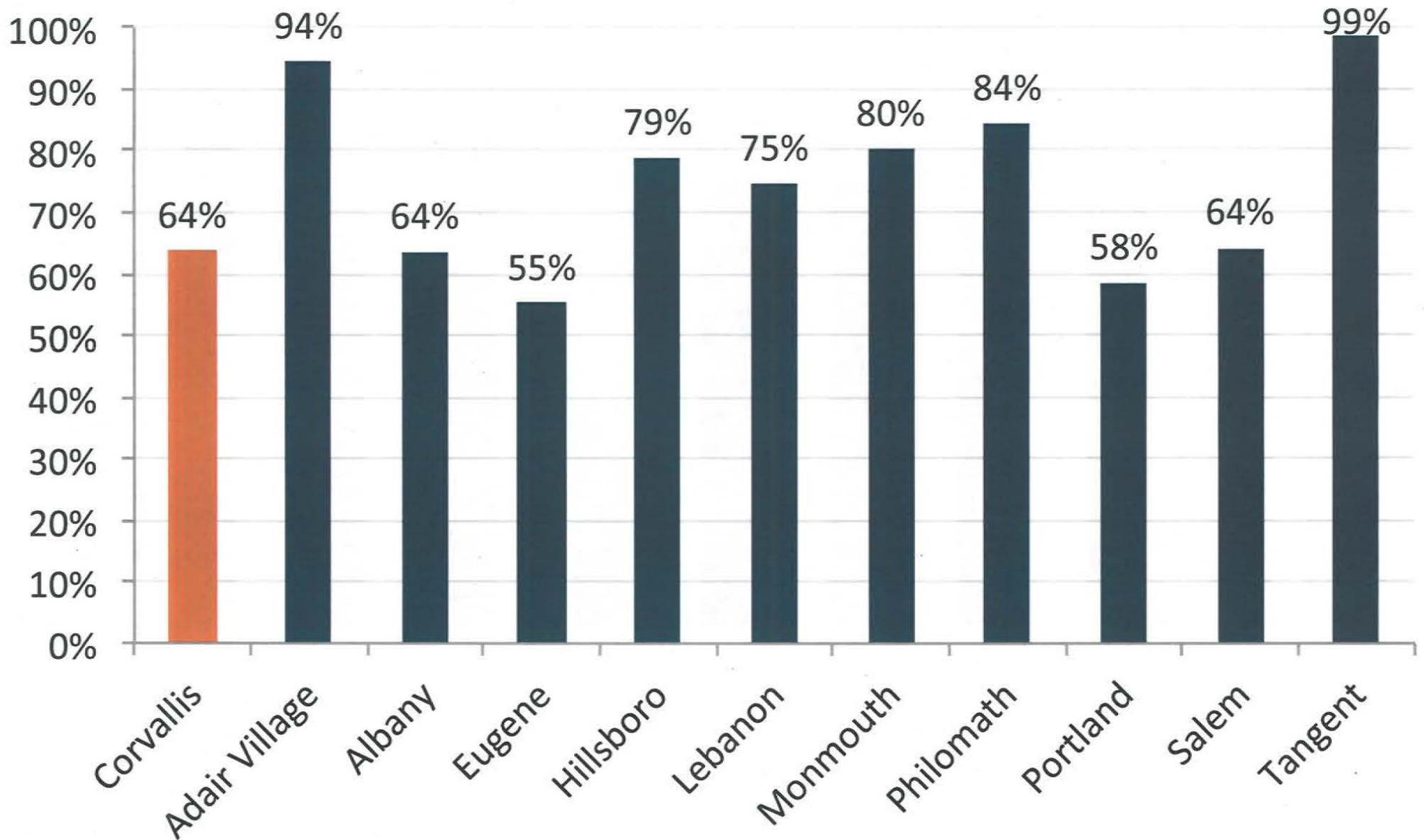
Value



Ratio of Annual Income to Owner Value







Identified in the discussion groups

- Available land
 - The annexation process is a key barrier
- Complexity of Corvallis' development code and process
- Developers want more certainty in the development process
- Commuter group confirmed the Corvallis Housing Survey results

Policy Options

- Corvallis has limited options to increase housing affordability by decreasing housing prices
 - Lower development fees and costs
 - Increase supply of land
 - Ensure that land has services

- Corvallis implements many of the policy options to increase housing affordability
- Remaining policy options will mostly have a small effect, marginally increasing housing affordability

- Regulatory Changes
 - Streamline zoning code
 - Streamline procedures
- Increase land available for housing
 - Reform annexation process
 - Community land trust

- Provide Financial Assistance to Homeowners and Renters
 - Employer-Assisted Housing
- Lower Infrastructure or Development / Operating Costs
 - Urban Renewal
 - Property tax exemptions



Portland



Eugene



Seattle



Boise