

# 2017 Wilsonville Annual Housing Report

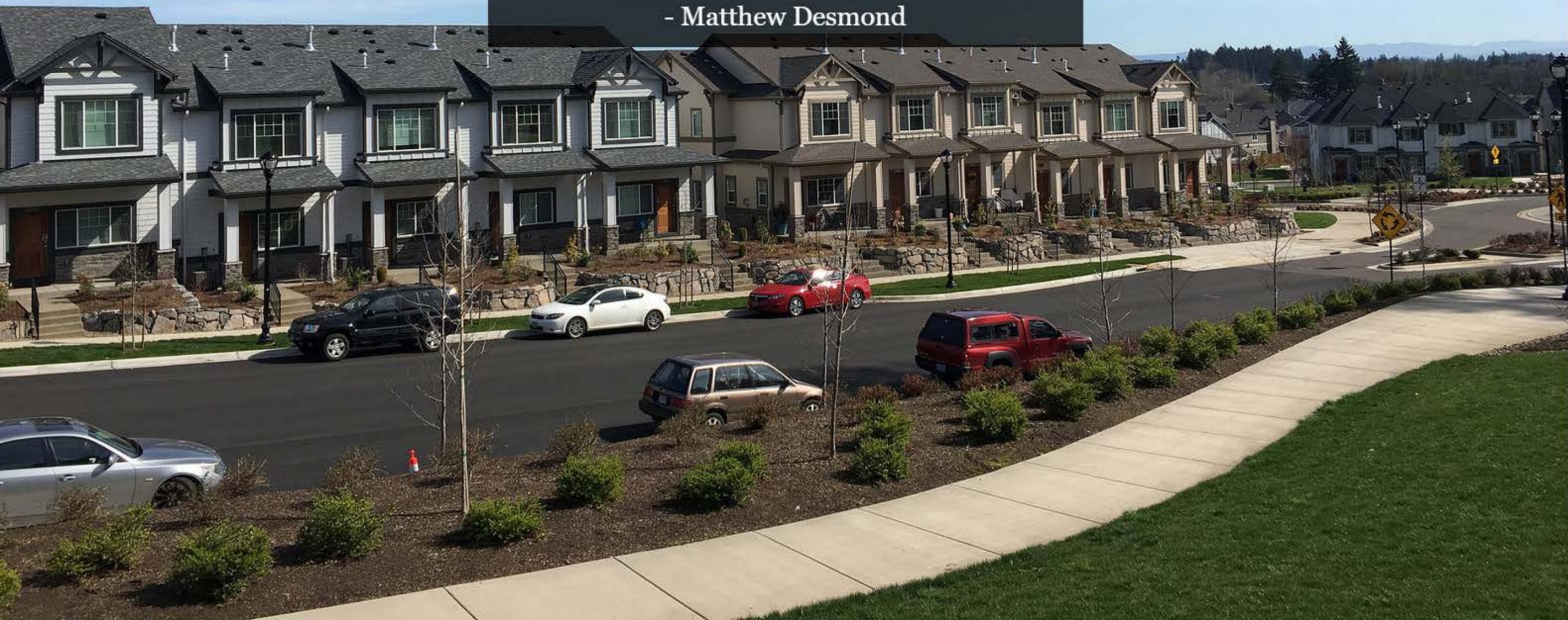
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## The Importance of Home

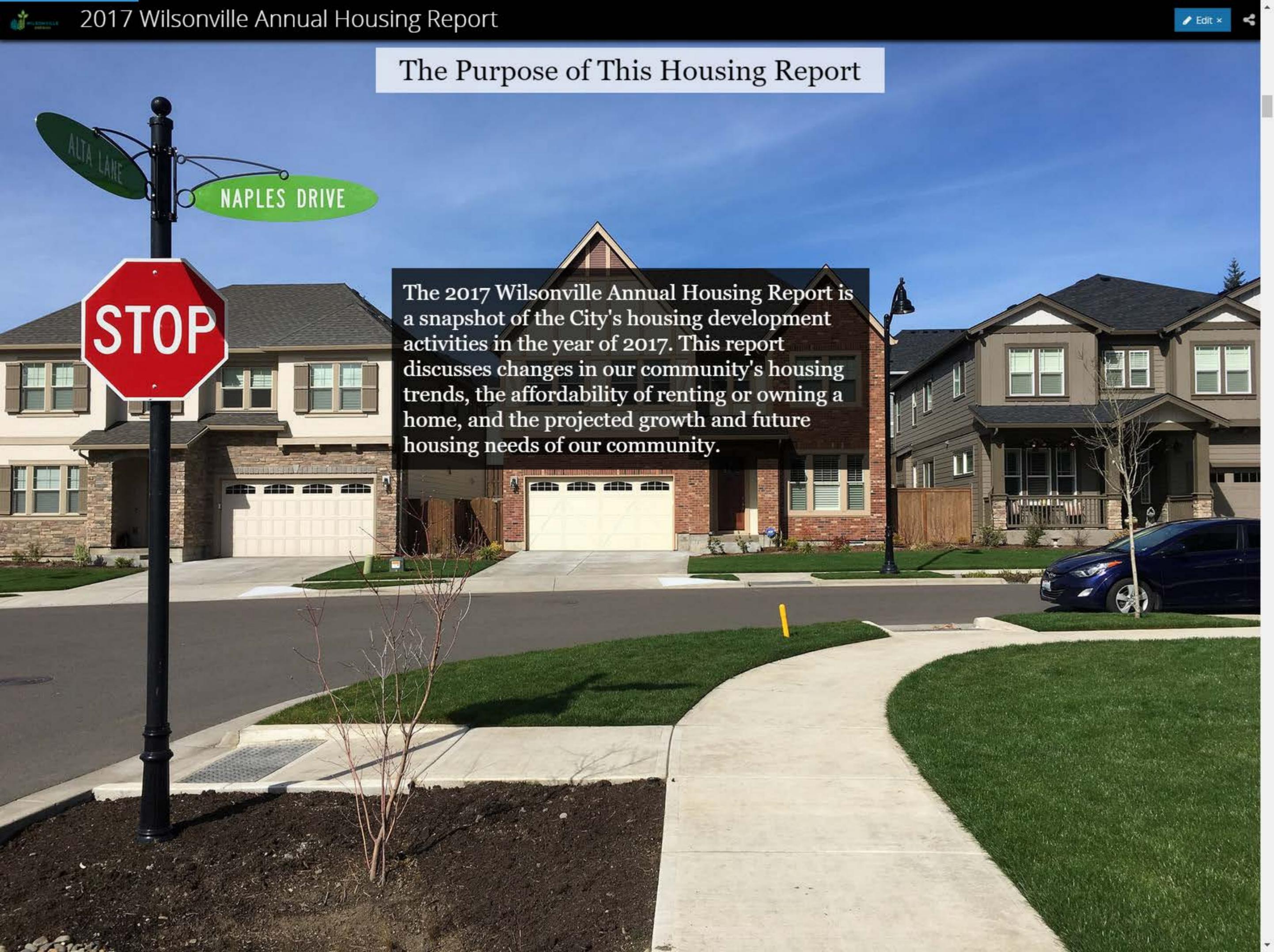
*“The home is the center of life. It is a refuge from the grind of work, the pressure of school, and the menace of the street... The home is the wellspring of personhood... When we try to understand ourselves, we often begin by considering the kind of home in which we were raised”.*

- Matthew Desmond



## The Purpose of This Housing Report

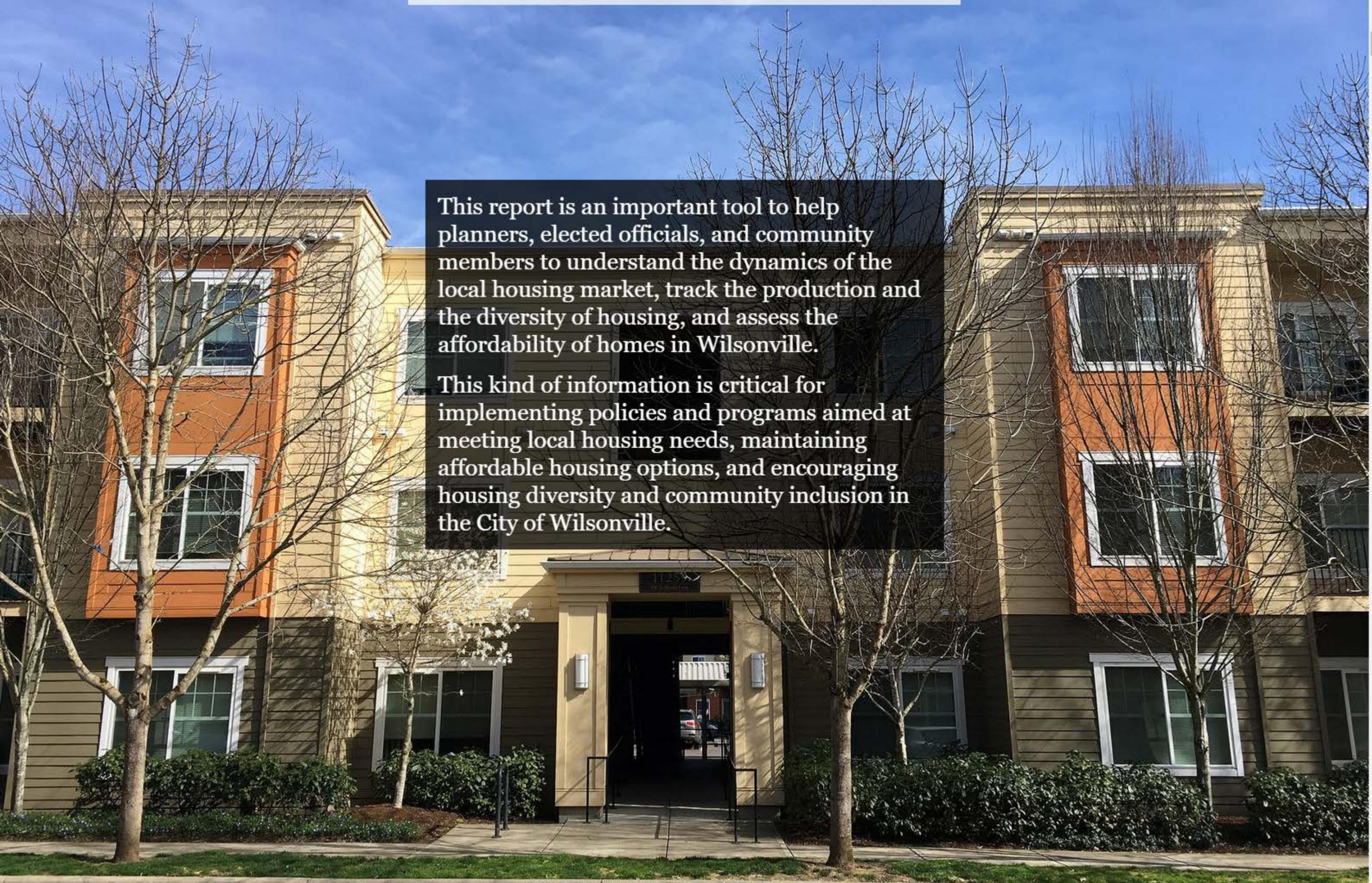
The 2017 Wilsonville Annual Housing Report is a snapshot of the City's housing development activities in the year of 2017. This report discusses changes in our community's housing trends, the affordability of renting or owning a home, and the projected growth and future housing needs of our community.



## The Purpose of This Housing Report

This report is an important tool to help planners, elected officials, and community members to understand the dynamics of the local housing market, track the production and the diversity of housing, and assess the affordability of homes in Wilsonville.

This kind of information is critical for implementing policies and programs aimed at meeting local housing needs, maintaining affordable housing options, and encouraging housing diversity and community inclusion in the City of Wilsonville.



## What is in This Report?

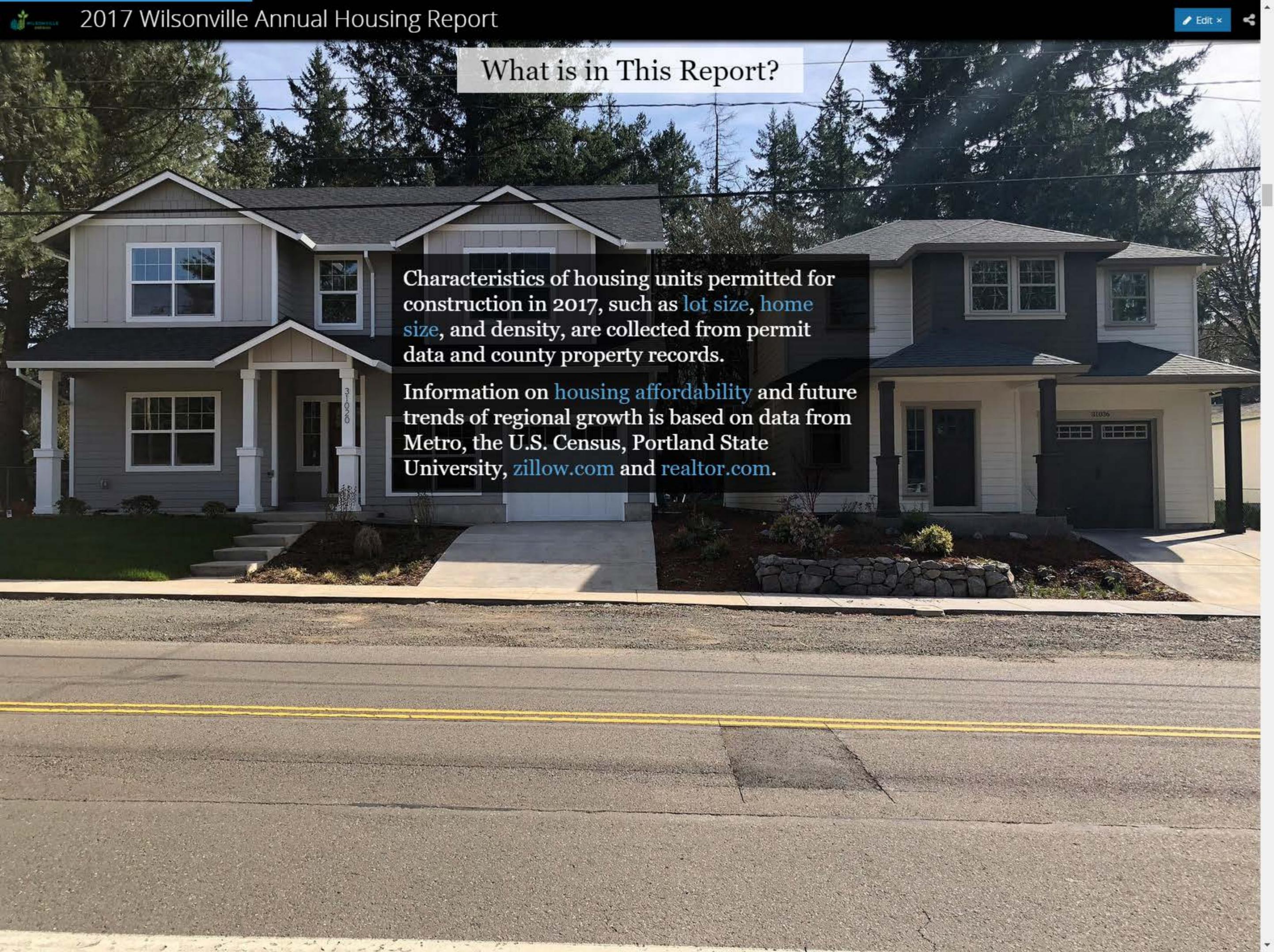
The subsequent sections of this report will provide a summary of housing development in 2017, describe development activities by [neighborhood](#), show past and present housing trends, and discuss anticipated changes to the city's future [housing inventory](#).



## What is in This Report?

Characteristics of housing units permitted for construction in 2017, such as [lot size](#), [home size](#), and density, are collected from permit data and county property records.

Information on [housing affordability](#) and future trends of regional growth is based on data from Metro, the U.S. Census, Portland State University, [zillow.com](#) and [realtor.com](#).



## What is in This Report?

### This report discusses the following:

- Housing Inventory in the City of Wilsonville
- Housing Permitted for Construction in 2017
- Cost of Renting and Owning a Home in Wilsonville in 2017
- Housing Development Characteristics by Neighborhood
- Housing Development Trends in Wilsonville
- Affordability and Growth Trends in the Regional Context
- What Does the Future of Housing in Wilsonville Look Like?



## State of Housing in 2017

### A SNAPSHOT OF 2017

 **266** HOMES PERMITTED

**266** SINGLE-FAMILY **0** MULTI-FAMILY  
 **100%**  **0%**

TOTAL VALUE IN CONSTRUCTION

**\$62 MILLION**

CITYWIDE HOUSING INVENTORY



LAND FOR PERMITTED HOMES  
**18 ACRES**

AVERAGE NET DENSITY OF PERMITTED DEVELOPMENT **15 HOMES PER ACRE**

# State of Housing in 2017

## New Homes Permitted for Construction

In 2017, the City permitted 265 single-family homes, 1 Accessory Dwelling Unit\* (ADU), and no multi-family homes for construction.

If all the 266 permitted housing units in 2017 are constructed, there will be a total of 5,254 single-family homes and 5,612 multi-family homes in Wilsonville, representing 48% and 52% of the entire local housing stock, respectively.

Housing Stock in Wilsonville (2017)

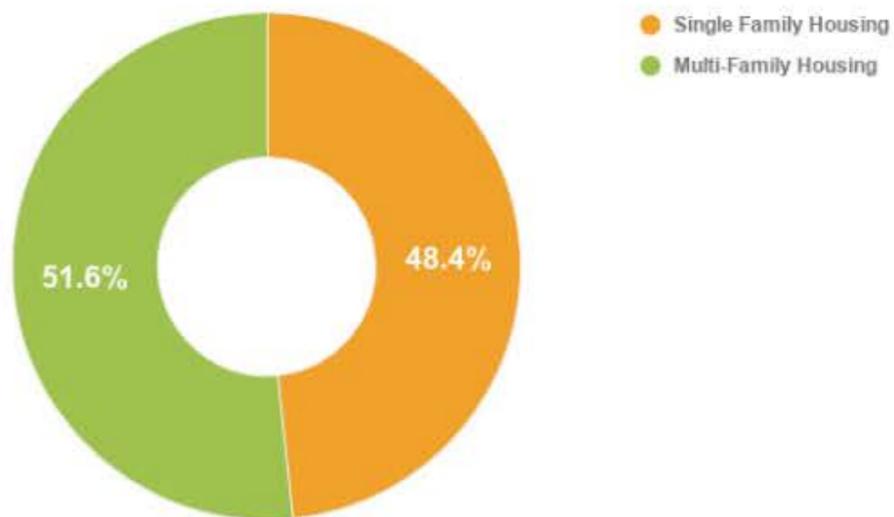


Figure 1. Wilsonville's housing stock is evenly split between single- and multi-family units

Even though only single family homes were permitted in 2017, there is a fair level of diversity in new housing. 77 permitted units were attached row homes and 21 permitted units were detached row homes, together accounting for 37% of the 266 permitted homes. Overall, the permitted housing units have a wide range of lot and home sizes.

\* ADUs are considered single-family homes.



## State of Housing in 2017

### Approved Housing Development Plans

In 2017, the [Development Review Board \(DRB\)](#) did not approve any housing development plans. This is the first time no residential development plan was approved in a single year since the City began documenting housing activity in the 2014 Annual Housing Report. However, this is to be expected, as Wilsonville has seen strong housing construction activities since 2014. The influx of new homes may have cooled residential development activities temporarily, slowing the pace of private developers seeking approvals for housing plans. However, with the adoption of the [Frog Pond Master Plan](#) in 2017, residential development is anticipated to increase in the near future.

Permitted Homes vs Approved Development Plans (2014-2017)

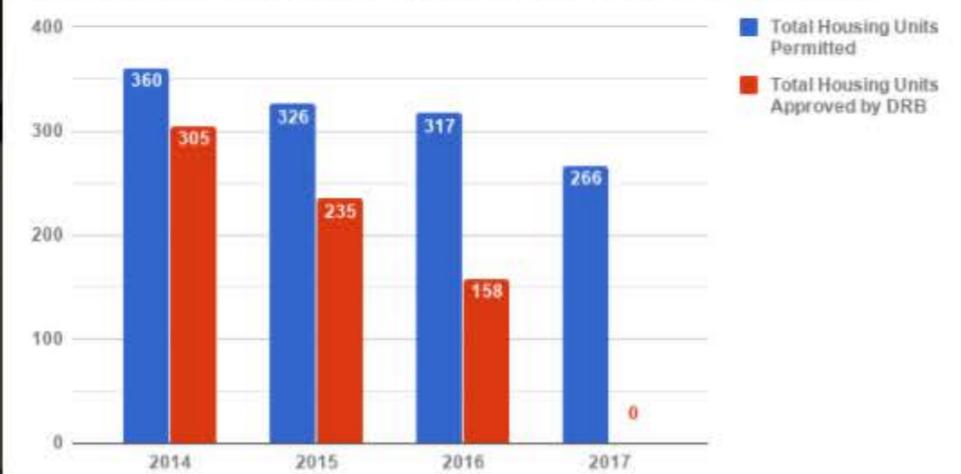


Figure 2. The decreasing number of homes in approved plans may be driven by the high number of permitted homes.

## State of Housing in 2017

### Housing and Population Growth in 2017

Single-family housing development has made up the majority of the new housing supply in the City of Wilsonville in the past four years. In the past two years combined, Wilsonville added almost 600 single-family homes and zero multi-family housing, signaling a strong market for single-family development.

Permitted Housing Units in Wilsonville (2014 - 2017)

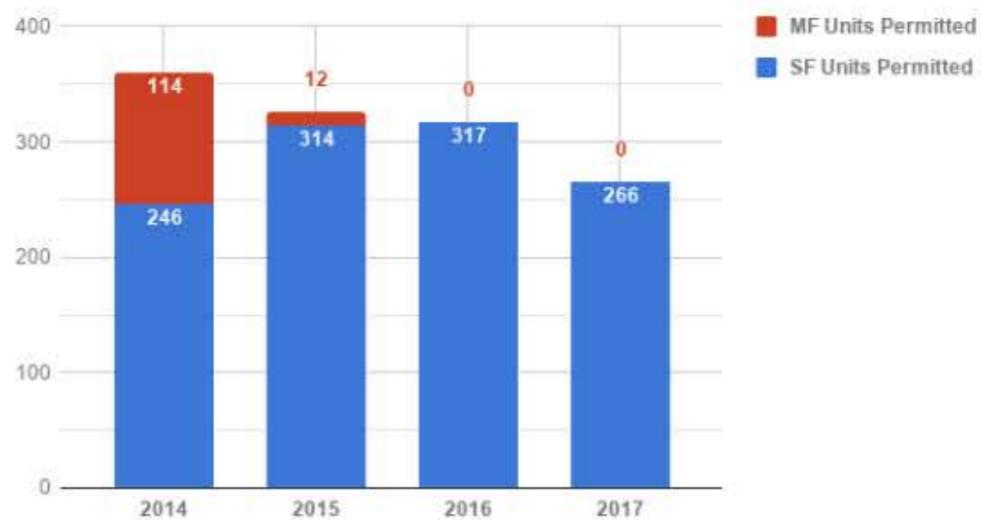


Figure 3. Since 2014, Wilsonville's new housing supply has been predominantly single-family housing.

## State of Housing in 2017

Driven by single-family housing construction, the total housing supply in Wilsonville increased 2.5 % in 2017, as shown in Figure 4. At the same time, the City's population grew about 2.4 %. On average, Wilsonville has grown 2.8% in population annually for the past 10 years, faster than the regional growth projection.

The trend line of housing and population growth in Figure 5 shows that the growth rate in both population and housing has slowed down in the past three years. In addition, population generally has grown faster than housing, most notably in 2013 when population grew twice as fast as the local housing supply.

Percent Growth in Population and Housing Units in Wilsonville (2008-2017)

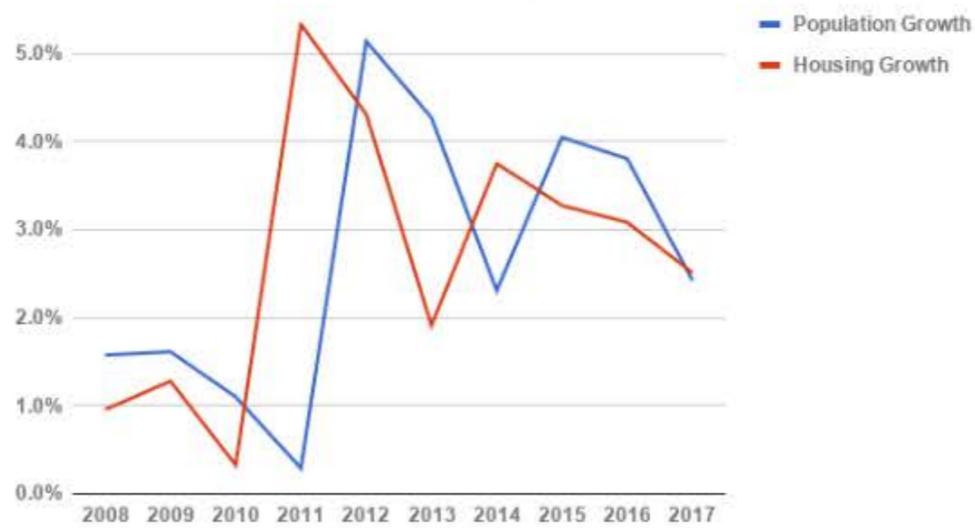


Figure 4. Population has mostly been growing faster than housing in the past 10 years.

Population and Housing Units in Wilsonville (2008-2017)

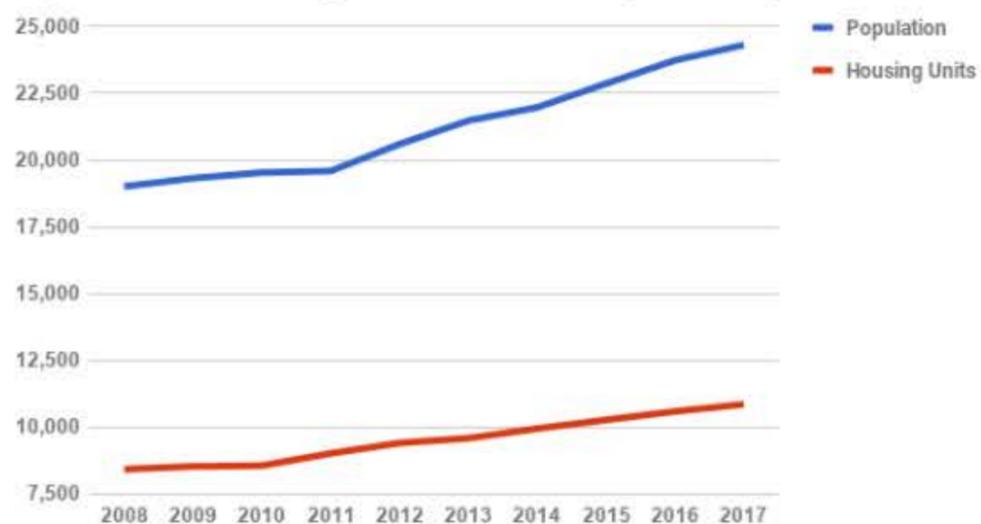
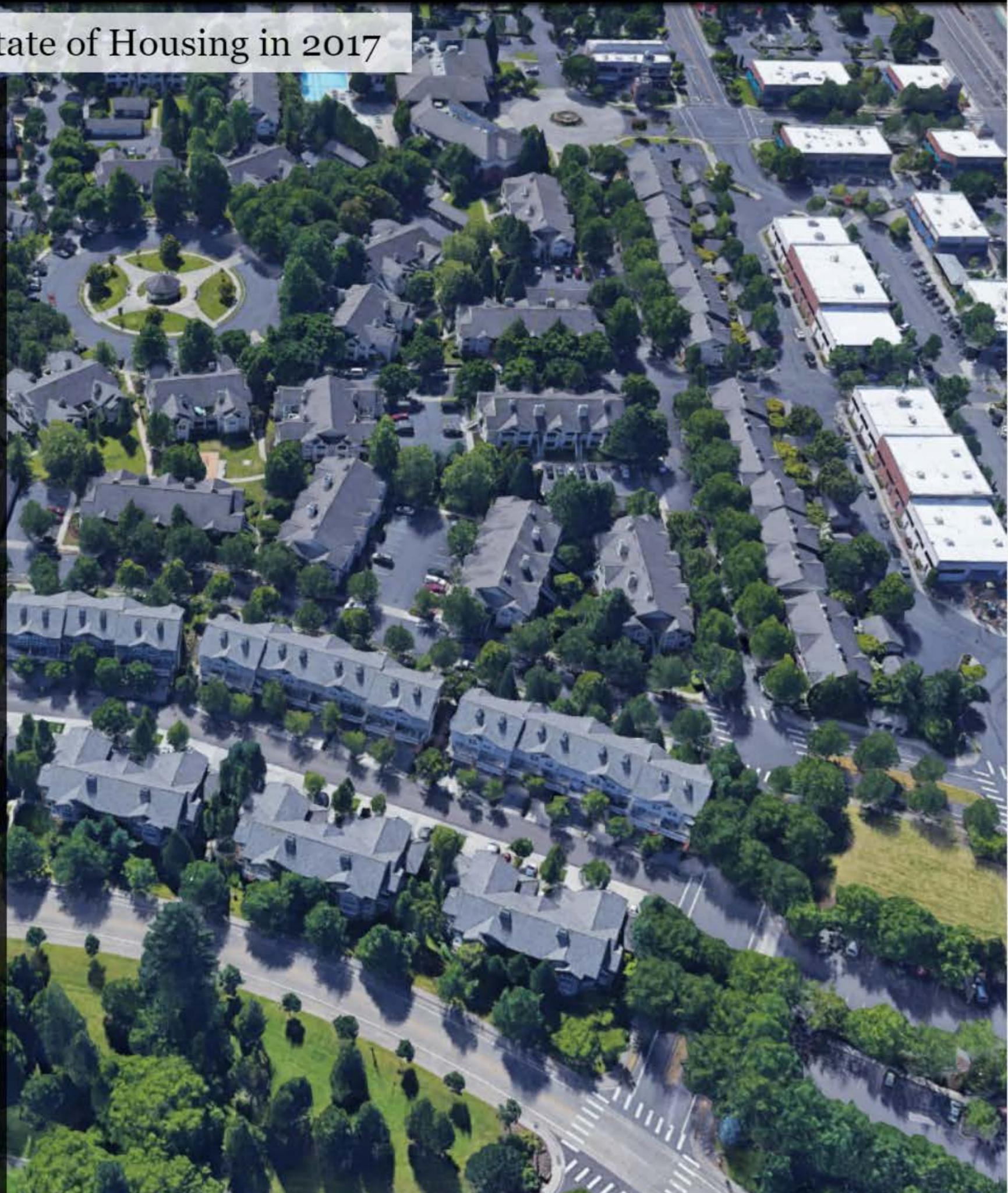
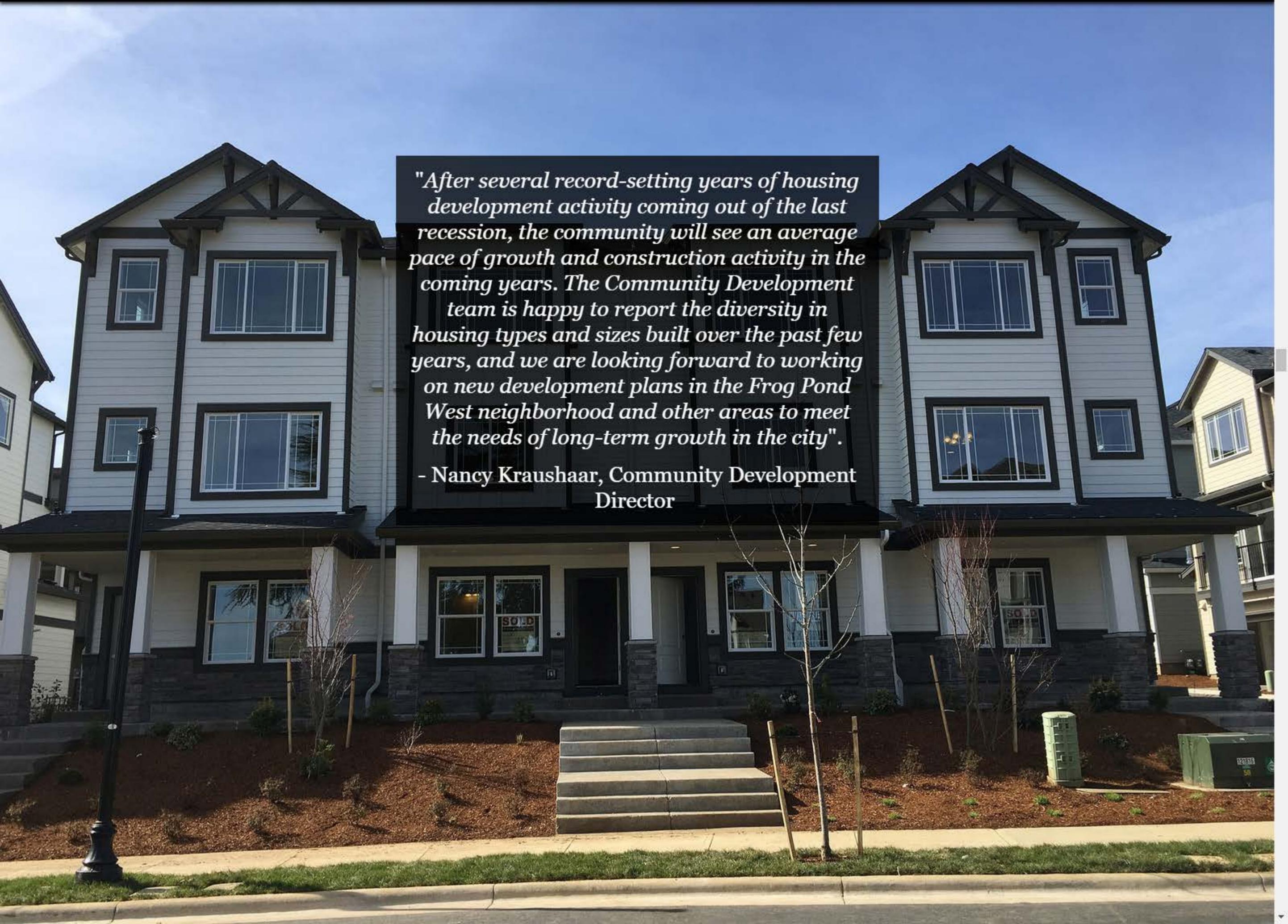


Figure 5. Population and housing in Wilsonville (2008-2017).





*"After several record-setting years of housing development activity coming out of the last recession, the community will see an average pace of growth and construction activity in the coming years. The Community Development team is happy to report the diversity in housing types and sizes built over the past few years, and we are looking forward to working on new development plans in the Frog Pond West neighborhood and other areas to meet the needs of long-term growth in the city".*

**- Nancy Kraushaar, Community Development Director**

## Permits Issued in 2017

### Summary:

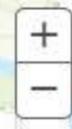
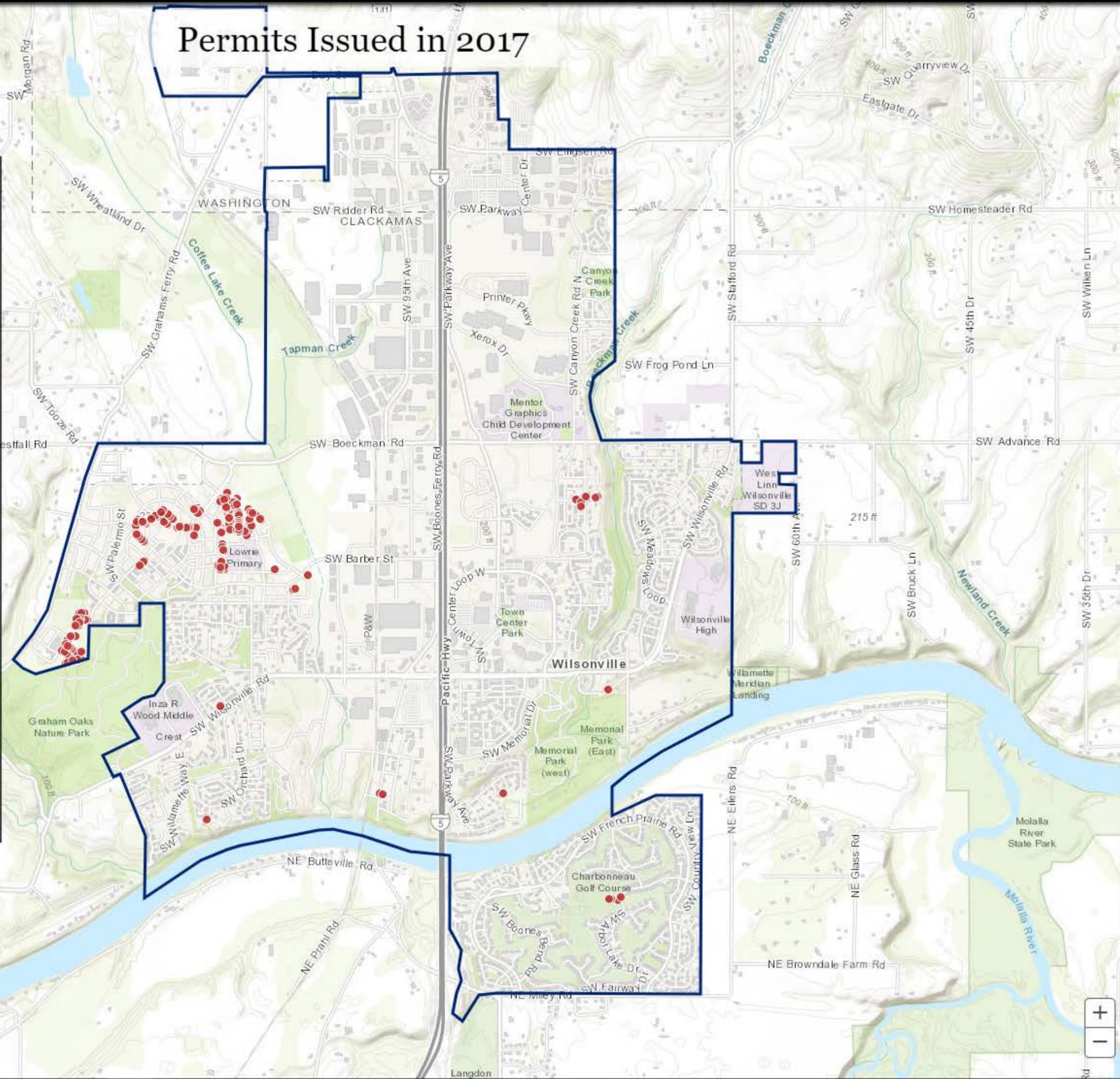
- Total Permitted Homes: 266
- Median Lot Size: 2,409
- Median Home Size: 1,653
- Average Net Density: 15 units/acre
- Net Acres of Land for Permitted Homes in 2017: 18 acres
- Range of Value of Construction: \$92,357 - \$980,000
- Neighborhood with the most permitted homes: Villebois

### Legend

City Limits



Housing Permits (2017)



# Permits Issued in 2017

## Permitted Housing

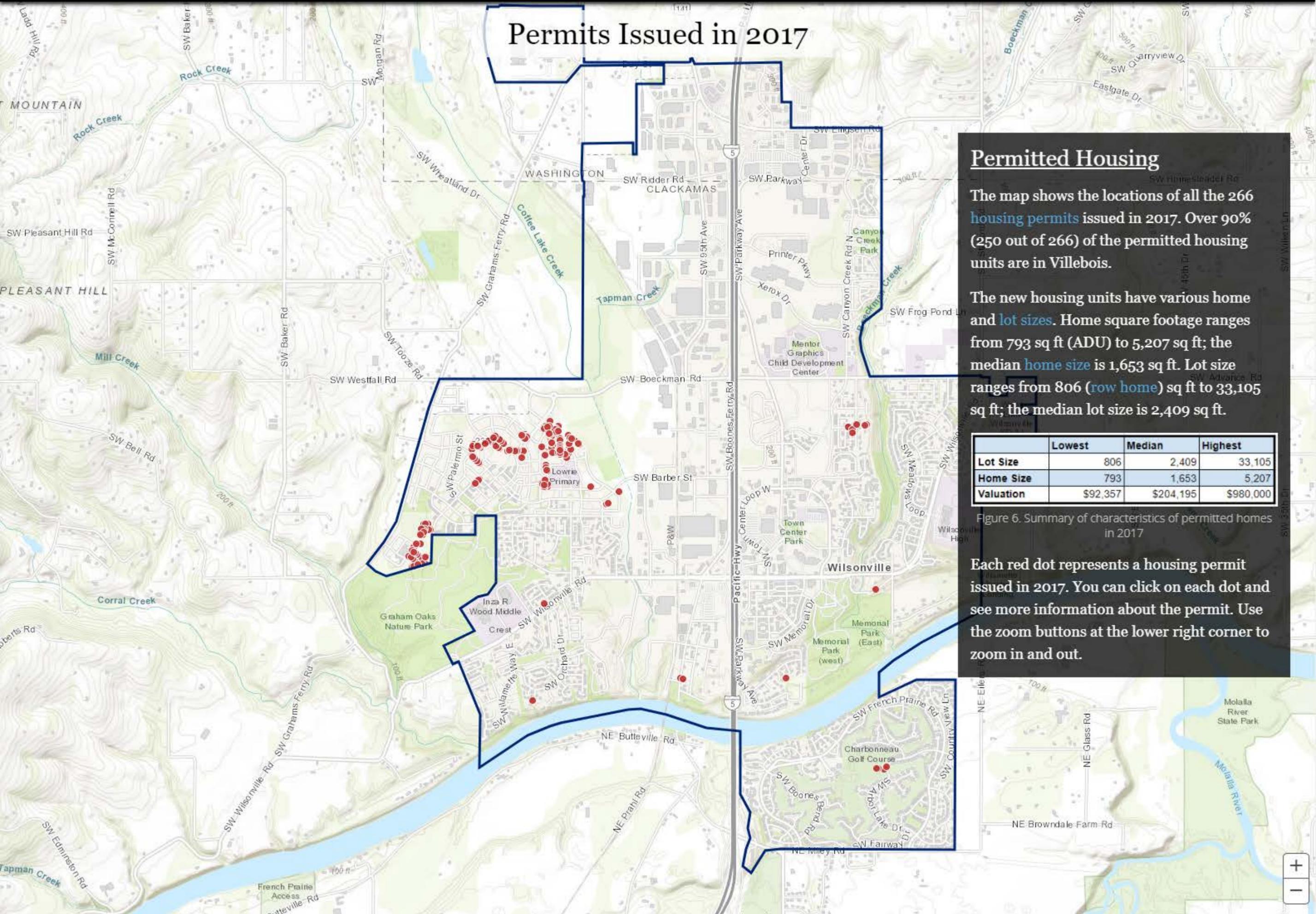
The map shows the locations of all the 266 housing permits issued in 2017. Over 90% (250 out of 266) of the permitted housing units are in Villebois.

The new housing units have various home and lot sizes. Home square footage ranges from 793 sq ft (ADU) to 5,207 sq ft; the median home size is 1,653 sq ft. Lot size ranges from 806 (row home) sq ft to 33,105 sq ft; the median lot size is 2,409 sq ft.

	Lowest	Median	Highest
Lot Size	806	2,409	33,105
Home Size	793	1,653	5,207
Valuation	\$92,357	\$204,195	\$980,000

Figure 6. Summary of characteristics of permitted homes in 2017

Each red dot represents a housing permit issued in 2017. You can click on each dot and see more information about the permit. Use the zoom buttons at the lower right corner to zoom in and out.



# Neighborhood Development Profiles

## Neighborhood Profiles

Click on each neighborhood to see a summary of the characteristics of residential development in 2017. Use the zoom buttons at the lower right corner to zoom in and out.

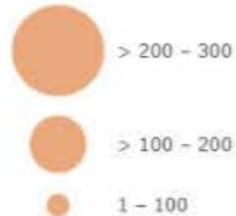
### Legend

#### Neighborhood Boundaries

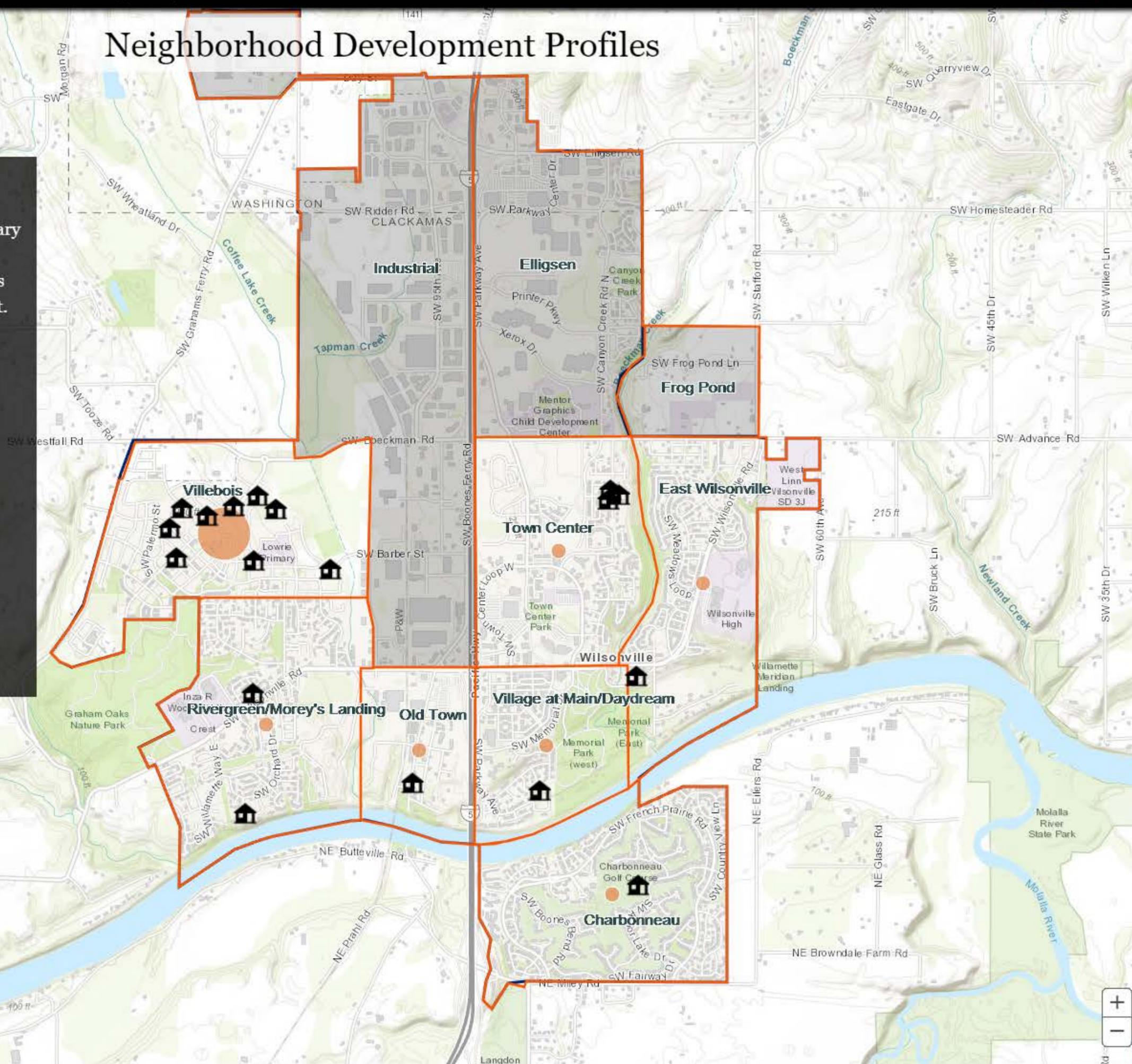


#### New Homes

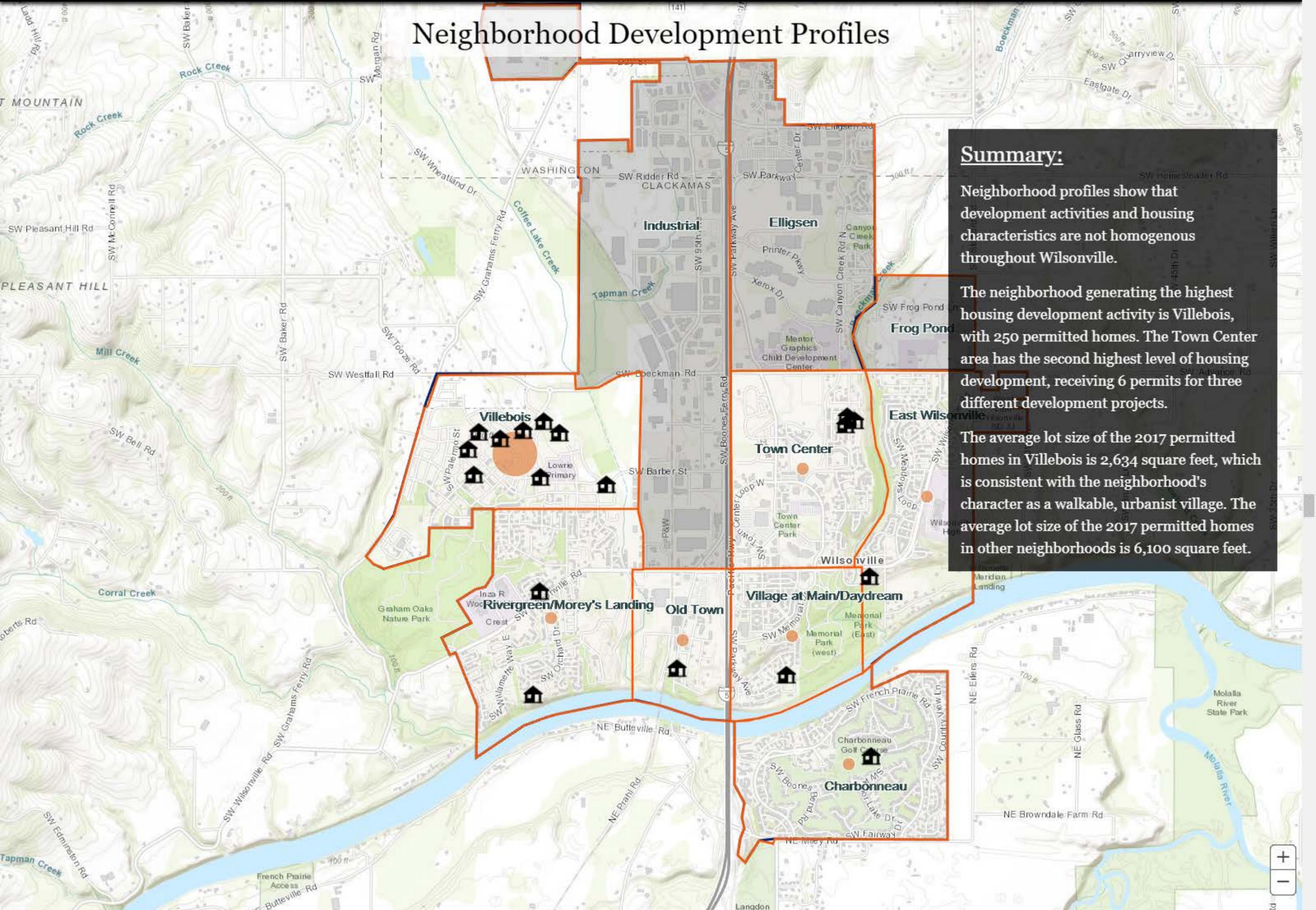
##### New Units



#### City Limits



# Neighborhood Development Profiles



**Summary:**

Neighborhood profiles show that development activities and housing characteristics are not homogenous throughout Wilsonville.

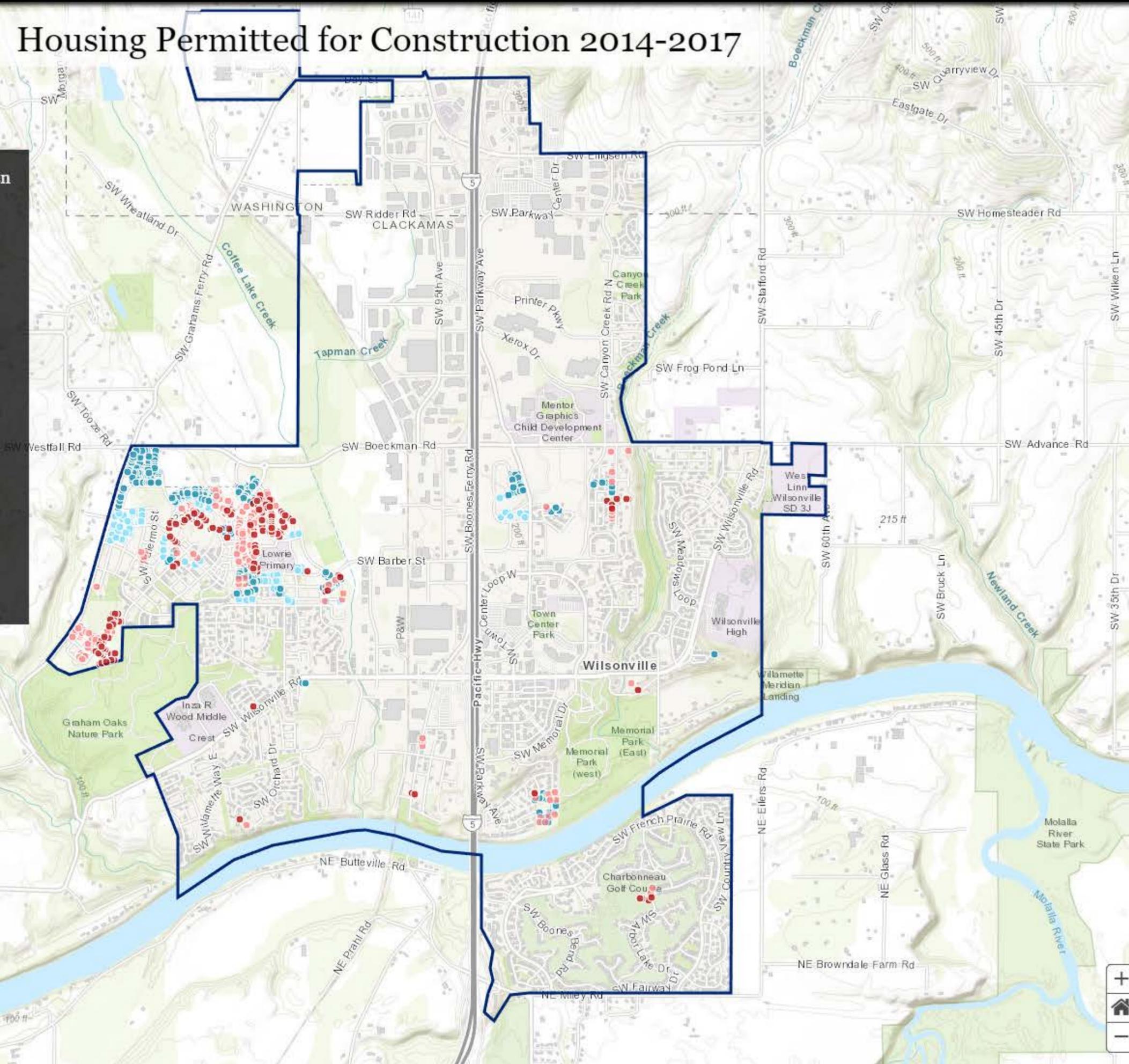
The neighborhood generating the highest housing development activity is Villebois, with 250 permitted homes. The Town Center area has the second highest level of housing development, receiving 6 permits for three different development projects.

The average lot size of the 2017 permitted homes in Villebois is 2,634 square feet, which is consistent with the neighborhood's character as a walkable, urbanist village. The average lot size of the 2017 permitted homes in other neighborhoods is 6,100 square feet.

# Housing Permitted for Construction 2014-2017

This map shows all permitted homes between 2014 - 2017. Click on the dots for more information about the permits.

- Legend**
- Permitted Homes (2017) ●
  - Permitted Homes (2016) ●
  - Permitted Homes (2015) ●
  - Permitted Homes (2014) ●
  - City Limits

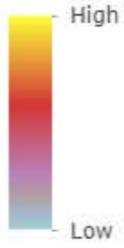


## Housing Permitted for Construction 2014-2017

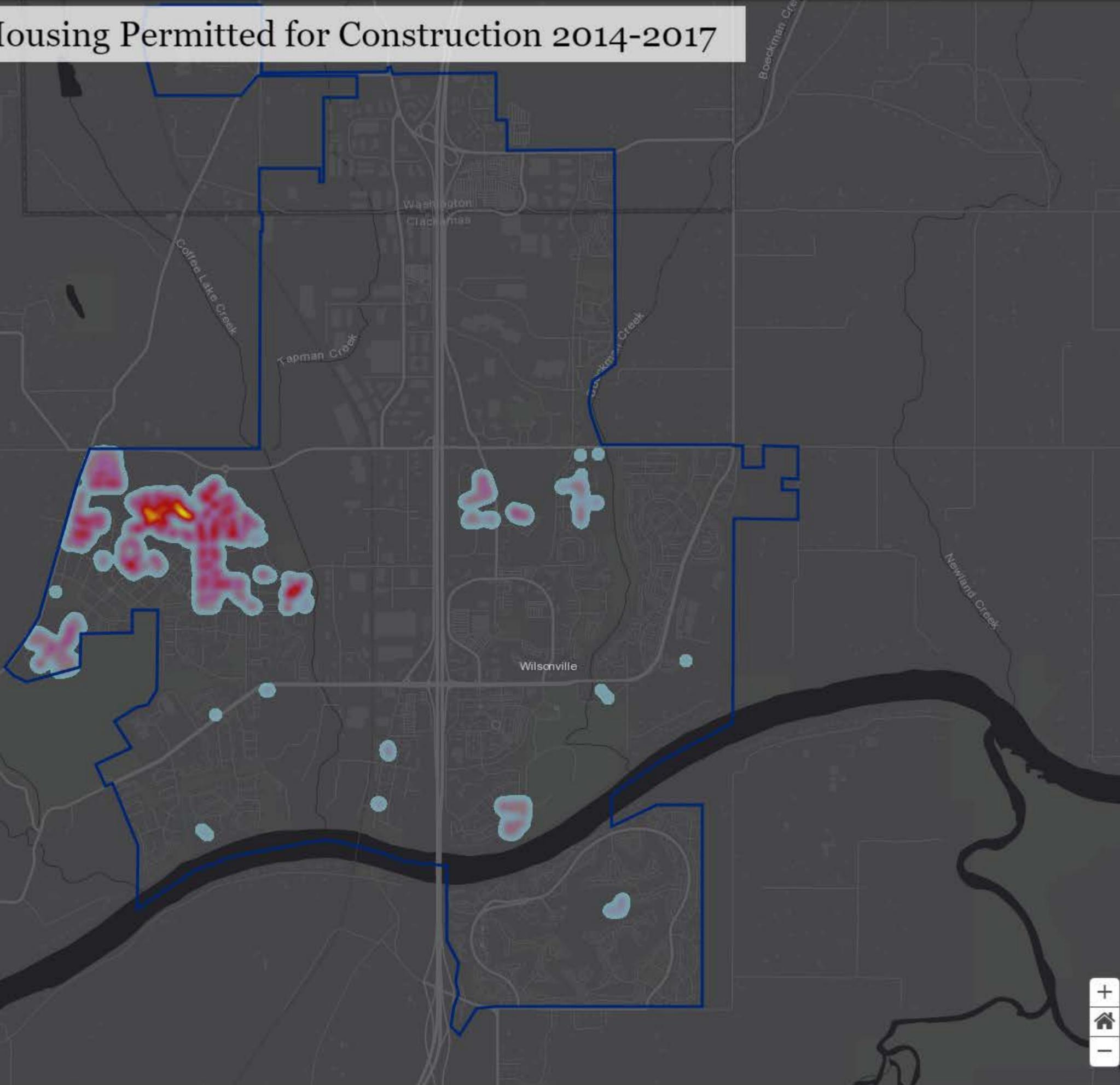
This heat map shows where new housing construction activity was the strongest in Wilsonville between 2014 and 2017. The Villebois neighborhood has been the main driver of the City's increase in housing supply during this time frame.

### Legend

#### All Permitted Homes (2014-2017)



#### City Limits



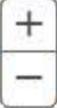
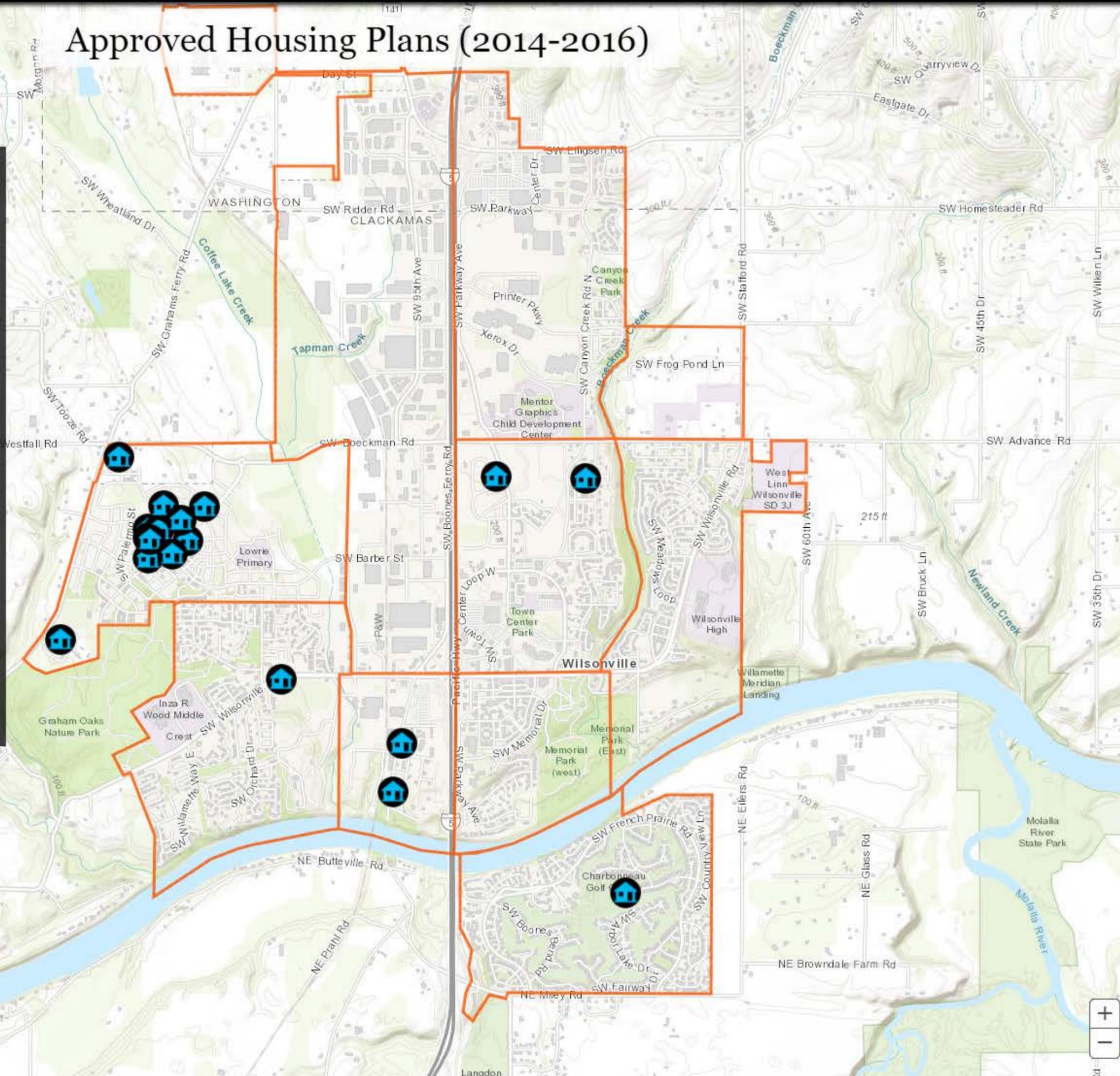
## Approved Housing Plans (2014-2016)

### Future Homes in the Pipeline:

The number of homes in the **approved development plans** provide an estimate of near-term future housing construction in the City. The high number of homes in the approved housing plans in the past few years has contributed directly to recent record-setting housing development in Wilsonville.



Figure 7. Brookside Terrace is one of the approved housing plans from 2015 that produced new homes for Wilsonville in 2017



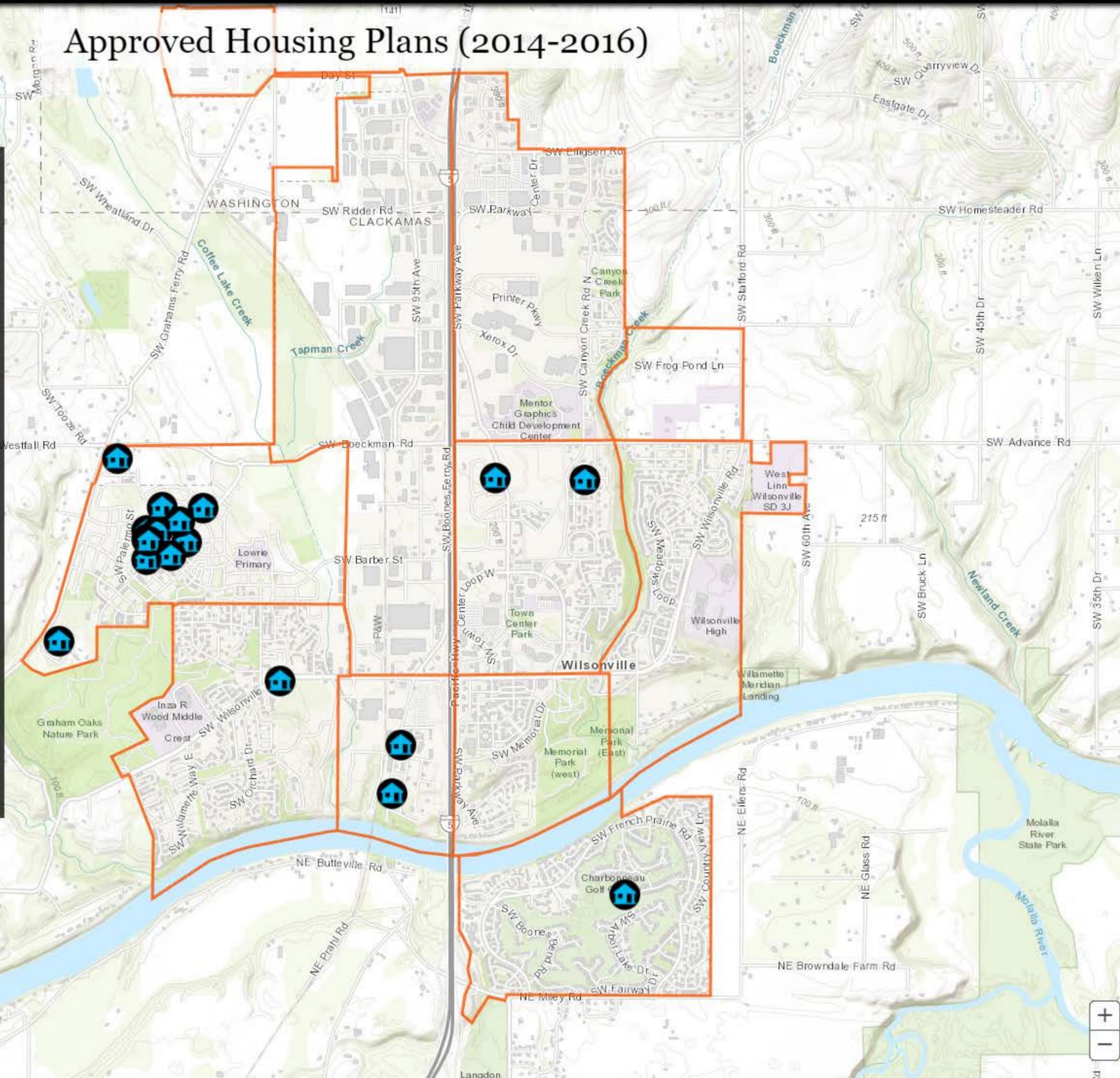
## Approved Housing Plans (2014-2016)

The approved plans from previous years ensured a diversity of housing types - row homes, condominiums, and detached single family homes on varying lot sizes - which will help Wilsonville to provide a range of housing choices to current and future residents. While the City approved no housing plans in 2017, the City continues to plan for future single family housing demand, through a range of lot sizes and housing types, with the [Frog Pond Area Plan](#).



Conceptual view of Frog Pond West and Wilsonville, looking southwest.

Click on the house symbols on the map for more information (e.g. number of homes, average lot size, and density) about each of the approved housing plans.



## Affordability and Growth Trends

### The Cost of Owning a Home

As Figure 8 shows, the **median sale price** of a home in Wilsonville in 2017 was about \$434,000, which is an 11% increase from the previous year. However, for a **household** earning the area median income\*, the **affordable home price** cannot be higher than \$359,000 if we assume a 20% down payment and paying no more than one-third of a household's monthly income on mortgages. As a result, the average home in Wilsonville costs 21% more than what an average household can reasonably afford.

Median Home Sale Price vs Affordable Home Price (2014-2017)



Figure 8. The gap between actual home sale prices and the affordable home prices continues to widen.





## Affordability and Growth Trends

*\*The most recent data on median household income from the American Community Survey is from the 2012-2016 5-year estimate. Median household income in 2017 is not yet available. Thus, the 2016's median household income for 2017 is used.*



## Affordability and Growth Trends



### Mortgage Payments

Not only are the purchasing prices of many homes out of reach of middle class households, monthly mortgage payments for the typical home in Wilsonville would cause the average Wilsonville household to be cost-burdened. Figure 9 shows that for a household making median income, the monthly mortgage payment for buying a home at the median price would be 43% of the household's monthly income, assuming a 20% down payment and a 30-year loan.

	2014	2015	2016	2017
Median Household Income	\$58,757	\$60,672	\$63,097	\$63,097
Average Home Price	\$354,714	\$377,250	\$390,771	434,166
Mortgage Payment (20% down payment, 30-year)	\$1,744.00	\$1,863.00	\$1,929	\$2,262
Mortgage % of Income	36%	37%	37%	43%

Figure 9. The monthly mortgage payment for owning a home at the median price would cost the typical Wilsonville household 43% of their monthly income.

## Affordability and Growth Trends

The affordability gap between the market price and the affordable price of a home are influenced by two factors: (1) growth in home value; and (2) growth in household income.

Figure 10 shows that home values in Wilsonville have appreciated at a far faster pace than median household income. While increasing home equity is beneficial for homeowners, the rising cost of homes and the relative slow growth in income make purchasing a home a challenge for first-time home buyers.

Growth in Median Home Sale Price and Median Household Income

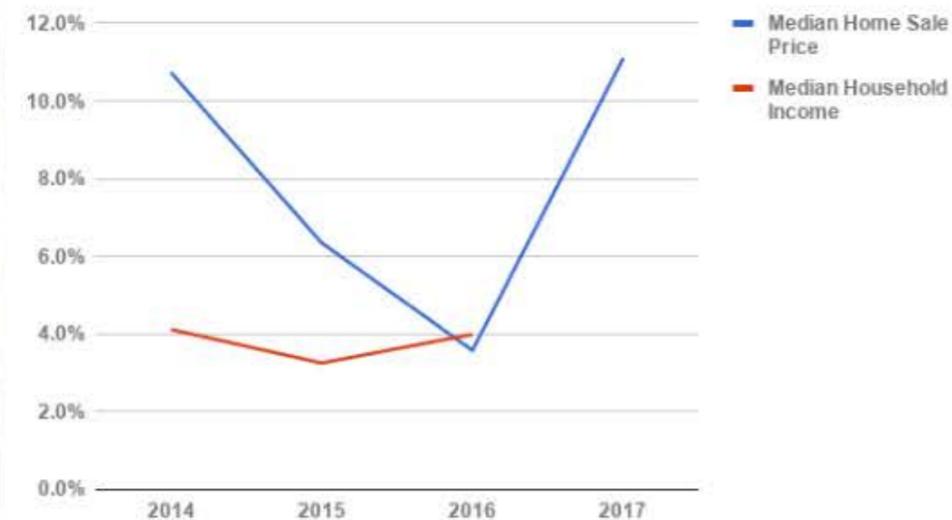


Figure 10. Home prices are appreciating at a significantly faster rate than household income.

## Affordability and Growth Trends

### The Cost of Renting a Home

Rent costs have relatively stabilized in 2017. The median rent price was \$2,285 for all housing types and \$1,609 for multi-family units. The affordable rent level for a household earning median income (\$63,097) would be \$1,735 a month.

However, the median income of renters is considerably lower than the median income of all households. The average renter households earn \$50,406 a year, which means any rental unit that costs more than \$1,386 a month is considered unaffordable to them. The current median rent price for multi-family housing is 16% higher than what is affordable to the typical renters in Wilsonville. Given this information, the typical renter households are cost-burdened by housing expenses.

Rental Affordability Trend (2014-2017)

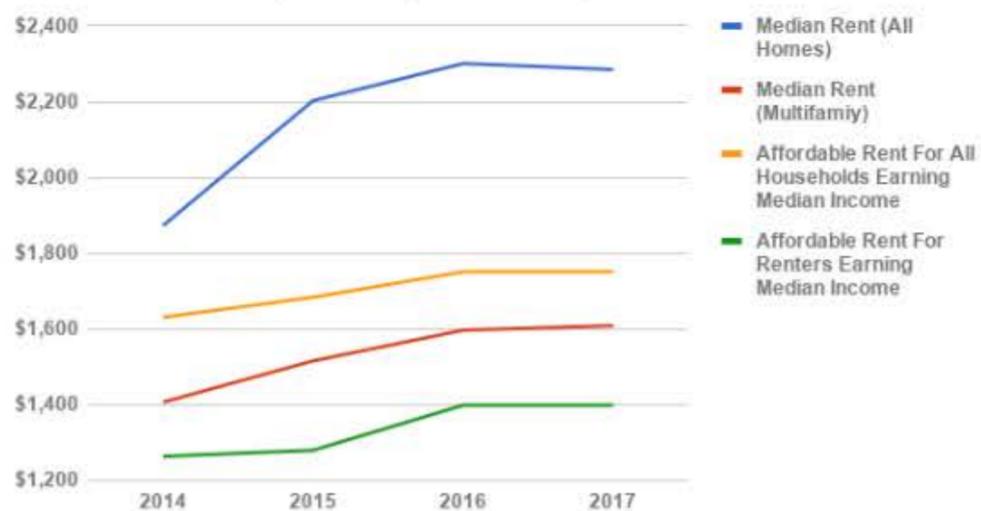


Figure 11. The median rent for both multi-family and all homes are well above the rent level a typical renter household in Wilsonville can afford.



## Looking Forward

The City of Wilsonville continues to experience remarkable growth, keeping it among the fastest growing cities in the state of Oregon. Within the past four years alone Wilsonville has seen an increase of nearly 11% in population (2.4% in 2017), and an increase of 9% in housing units (2.5% in 2017), which surpasses the regional forecast in household growth (1.8% annually). With Villebois approaching build-out and the completion of significant infrastructure projects across the city, residential development has slowed, although remains strong, especially in the context of the region.

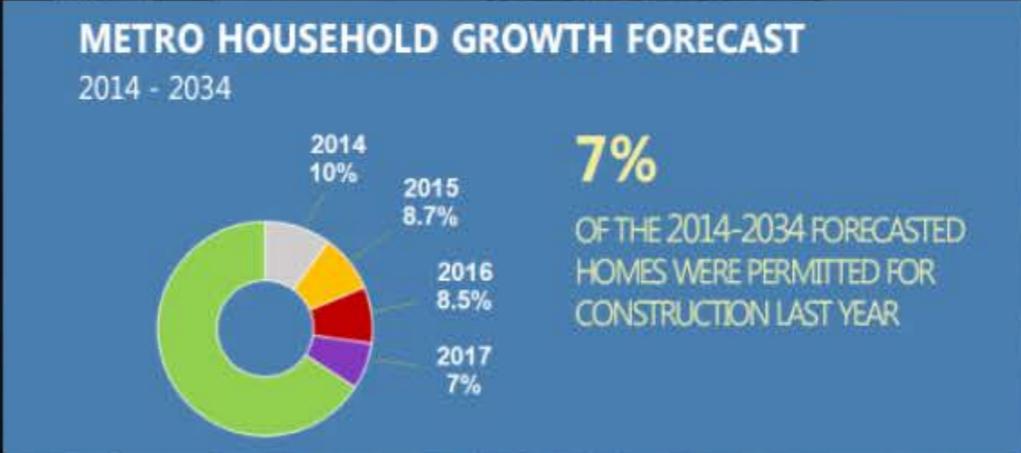


Figure 12. Between 2014-2017, Wilsonville has permitted about 1/3 of it's projected total homes for the next 20 years.

At the current household growth rate, Wilsonville will surpass Metro's regional growth projection. This means that the city will have more demand for housing as more families, students, workers, and jobs locate to Wilsonville. How do we ensure that our community has enough affordable housing options that are attainable for new neighbors and new families in the next 20 years? How do we keep both rental and owner-occupied [housing affordable](#) for existing residents to prevent displacement?



## Looking Forward



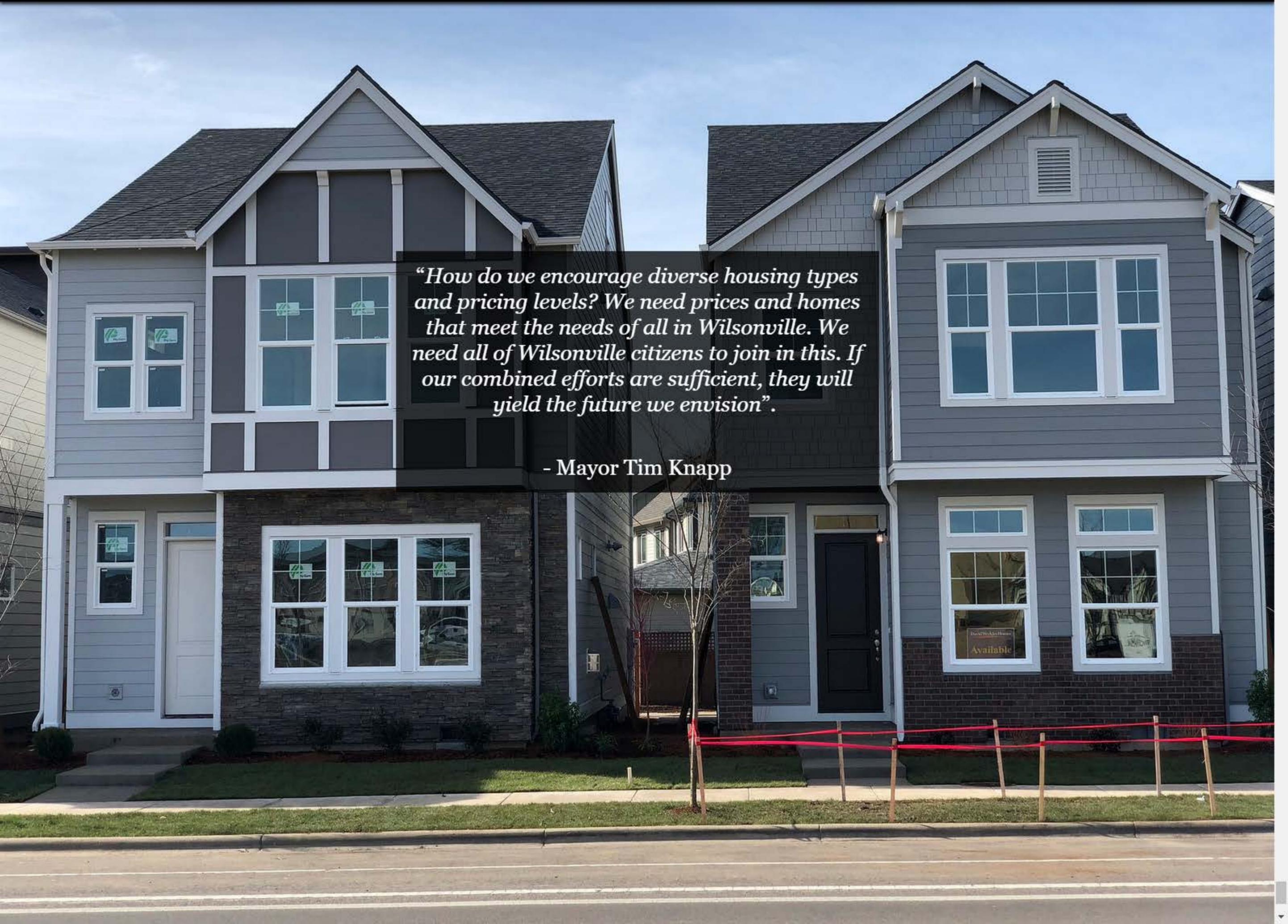
Over the past four years combined, the City has approved residential development on 91.8 acres or 19.3% of the City's 20-year residential land inventory (477 acres). This puts Wilsonville on track with the utilization of buildable lands as identified in the City's Housing Needs Analysis for 2014 through 2034.



Figure 13. Between 2014-2017, Wilsonville has used almost 1/5 of its total buildable land in the next 20 years.

Looking forward to 2018, residential development permits are expected to decrease somewhat, as the City approved no plans for new residential development in 2017. This stands in contrast to the 235 and 158 units approved in 2015 and 2016, respectively. However, not all the homes approved in those years have been permitted; the city will continue to see construction of those remaining homes over the next year or two.

While permits may decrease, the City anticipates an increase in housing plan approvals in 2018 as land developers prepare to submit applications in the [Frog Pond West Area](#), which has the potential for providing between 450 to 570 homes.



*“How do we encourage diverse housing types and pricing levels? We need prices and homes that meet the needs of all in Wilsonville. We need all of Wilsonville citizens to join in this. If our combined efforts are sufficient, they will yield the future we envision”.*

**- Mayor Tim Knapp**