

Oberlin Housing Study Steering Committee Meeting Market Analysis Review

October 13, 2016

Updated October 25, 2016

Cleveland State University
Center for Community Planning and Development

Maxine Goodman Levin College of Urban Affairs



Purpose of the Study

- Provide data and analysis to support future housing decision-making and planning
- Develop a steering committee and public who can offer informed feedback on housing issues in Oberlin
- Not a decision-making or policy-making process!



Today's Meeting



- Key findings from community input (open house and conversations)
- Oberlin's position in the housing market
- Gaps and opportunities in the market
- Indications for action steps
- Questions and discussion
- Review next steps

Study Process

- **Steering Committee meeting 1** – May 2016 – Startup/orientation/ issues identification
- **SC Meeting 2** - Halfway data review point/demographics/housing condition/supply
- **Community open house**, September 2016 – community input
- **SC Meeting 3** – today – Market data review/analysis
- **SC Meeting 4** – November/ December – programs, codes, and summary report review
- **Finalize Report** – end of December



Community Input: Key Findings

- Community open house
- Interviews: 35 to date, a few to go
 - Steering Committee members
 - Two City Council members
 - School district superintendent and assistant superintendent
 - Employers and employees
 - Realtors/developers
 - Oberlin Community Services staff and clients (11)

Input: Oberlin's Assets and Attractors

- Culture/arts/amenities
- Quality schools – Robinson Scholars program
- Excellent preschool/daycare
- Small town lifestyle, safe, feeling that you know everyone
- Cooperative/friendly spirit
- Liberal/progressive spirit
- Walkability, bikeability, convenience
- Grew up here – family roots
- Easy access to Cleveland

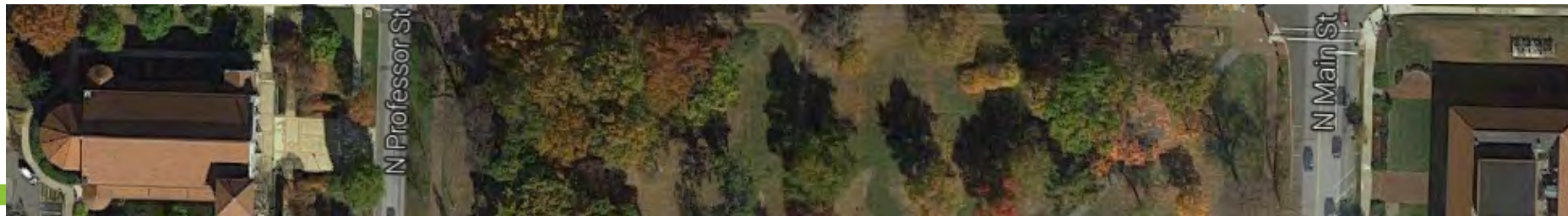


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Input: Challenges

- High tax burden
- Need for starter homes and affordable rentals *in good condition*
- Loss of diversity, “hometowners” due to lack of lower-priced starter homes/rentals in decent condition
- Need for mid-priced homes for empty nesters
- Lack of public transportation
- Distance from “big city”
- Buyers not interest in renovating
- High starting prices for those who are willing to renovate
- Non-walkable/bikeable locations are less desirable
- Banks will not fund “speculative” construction – buyer required
- Appraisers under-value property
- Variable city enforcement/implementation of construction, maintenance requirements, street maintenance
- Need for selection and choice in grocery, other goods
- “safety”, “students”, or “progressive attitude” are *not* challenges!



Input: Opportunities

- There is some interest (small market) by those interested in alternative housing: cottages, co-housing
- Everyone wants energy efficiency; some want even more “green” options: energy star and LEED
- People who grew up here really do want to return - schools, small town, roots: affordable decent starter homes; (corollary: people will live elsewhere if they have family roots there)
- Oberlin College alumni, downsizing faculty/staff want to live here: mid-sized and smaller maintenance-free homes



Input: Opportunities continued

- Work is needed on repair of housing stock, owner-occupied and rental
- Seniors may be “sitting” on starter/family homes due to lack of alternatives: affordable senior options
- Combination of Oberlin College and small town, yet near Cleveland, continues to attract people for culture, amenities – including “globals” who could live anywhere
- Kendal creates a demand for “retirement lifestyle” – Oberlin as key retirement locale at the national level



Input: Opportunities continued



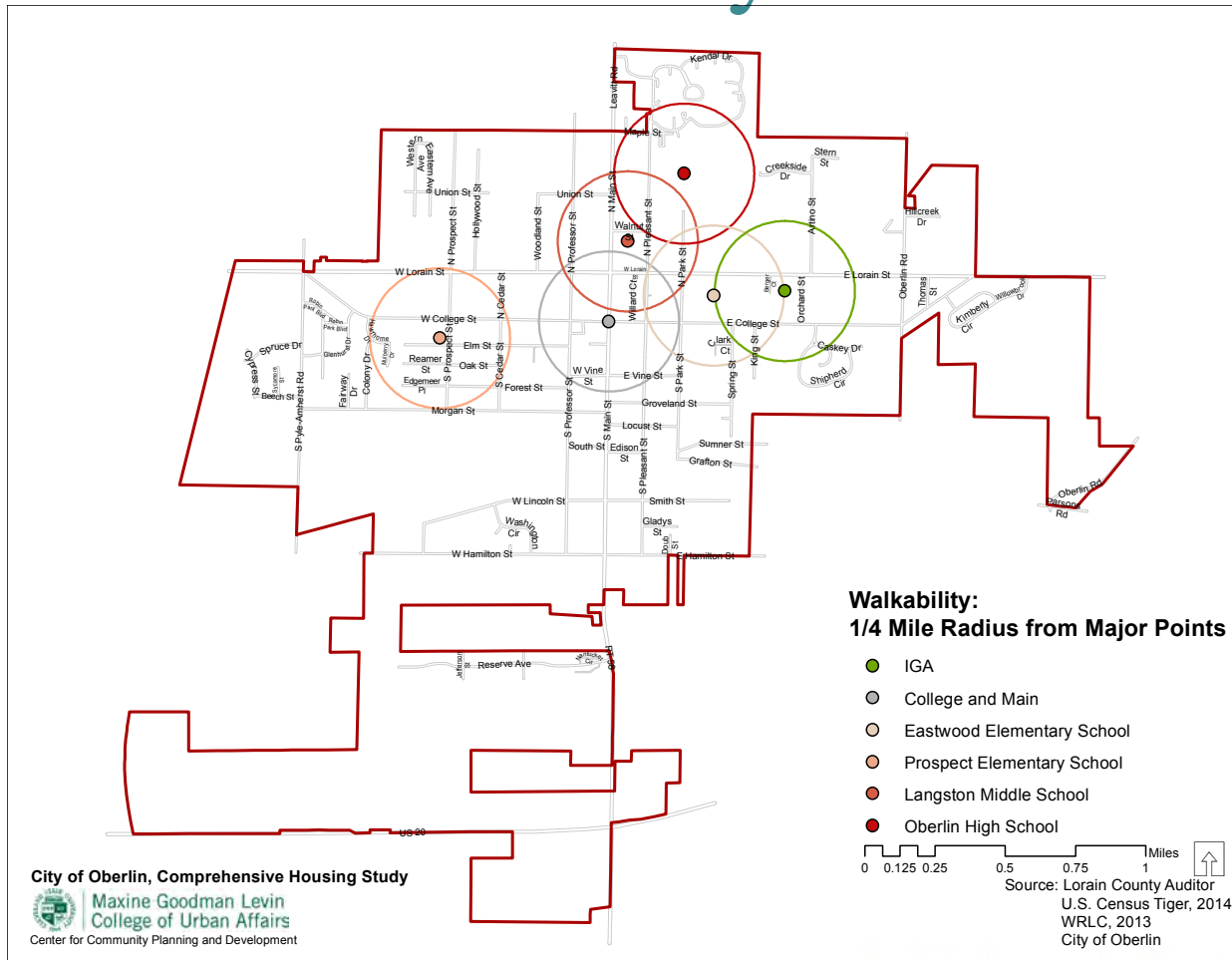
- Stable/rising property values are partially due to investors, retirees, other movers, and “globals” from outside, students willing to pay more, low vacancy rates
- Continued work on employment, downtown businesses will add to attractiveness – may need additional retail space in the long run (with rents appropriate for local business)
- There is a need for promotion of all that Oberlin has to offer: to real estate professionals, appraisers/banks, families, businesses

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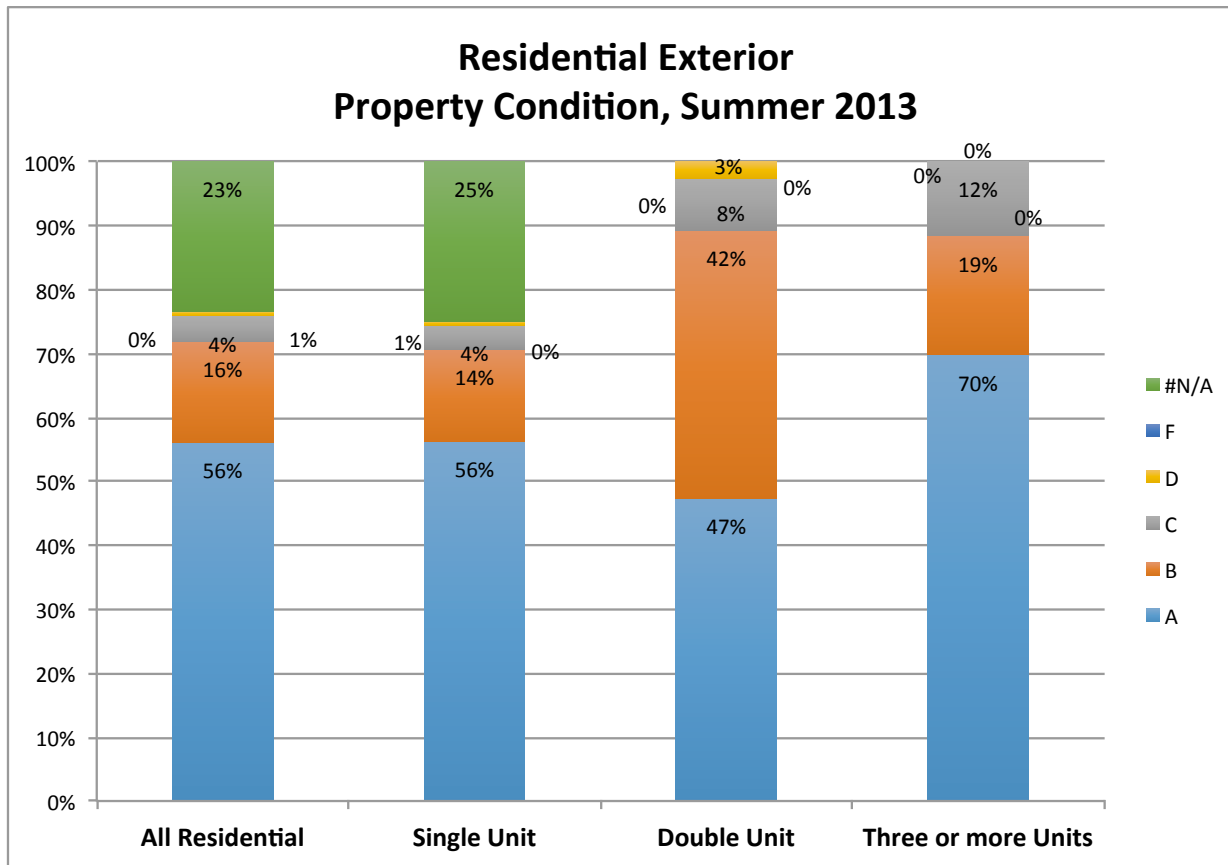


Closer Look: Walkability and Bikeability

- ¼ mile = 5+ minute walk
- Many residents walk/bike further



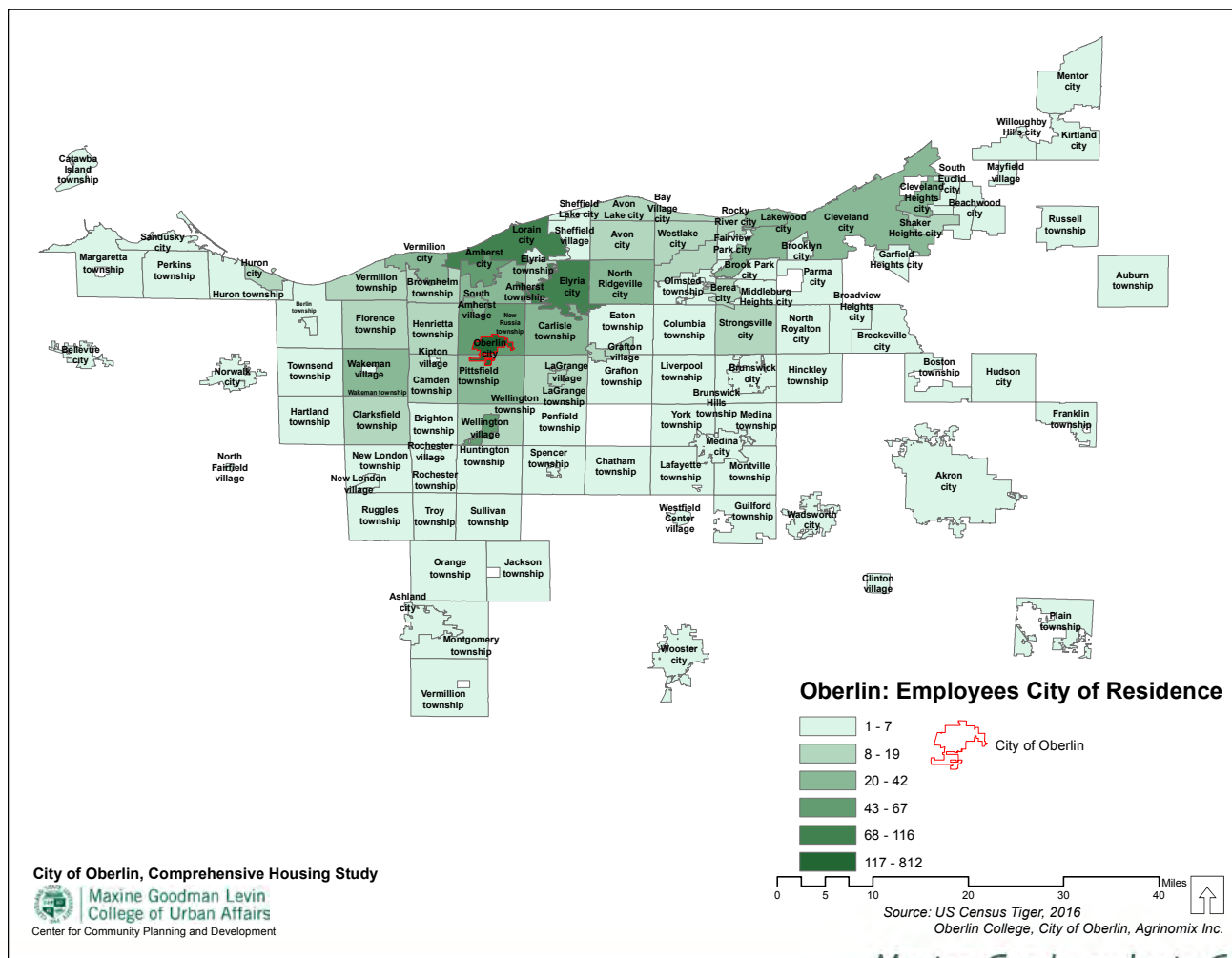
Closer Look: Housing Condition In Oberlin



WRLC, Summer 2013

- Data limitation: addresses only what is visible from the street – not kitchen, basement, baths, etc., or rear of home
- Condition: landlords, age of housing, fixed-income seniors, value without fixup

City Comparison: Positioning Oberlin in the NEO Market



- 930 employee addresses (with data) from 2 employers
- Additional cities/zips from 3 employers – 1,983 total
- Oberlin largest number
- Amherst, Lorain, Elyria next largest
- Added New Russia, Hudson, Lakewood, Avon where data available

City of Oberlin, Comprehensive Housing Study

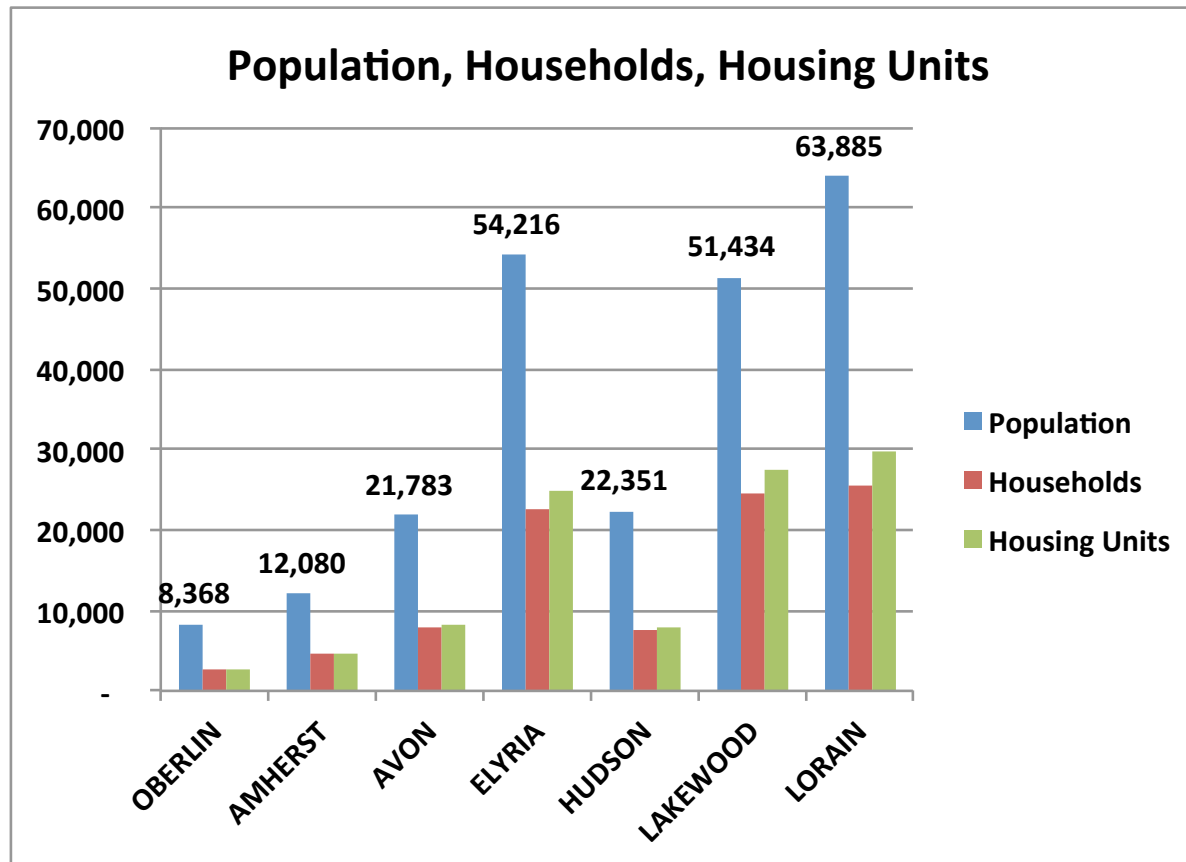
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CCPD, Oberlin Employers

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City Comparison: People, Households, Housing



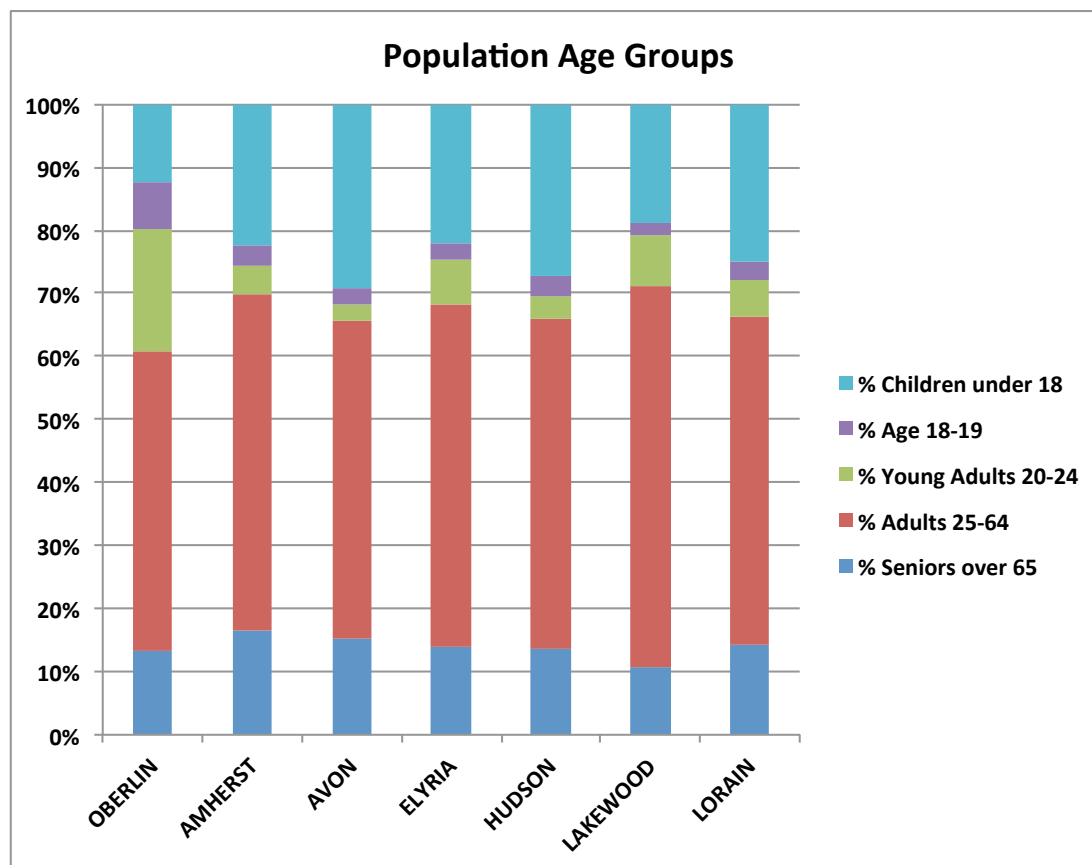
- Oberlin is smallest
- Oberlin has fewer households/housing units per population (students)

ACS 2010-2014 5-year estimates, City of Oberlin

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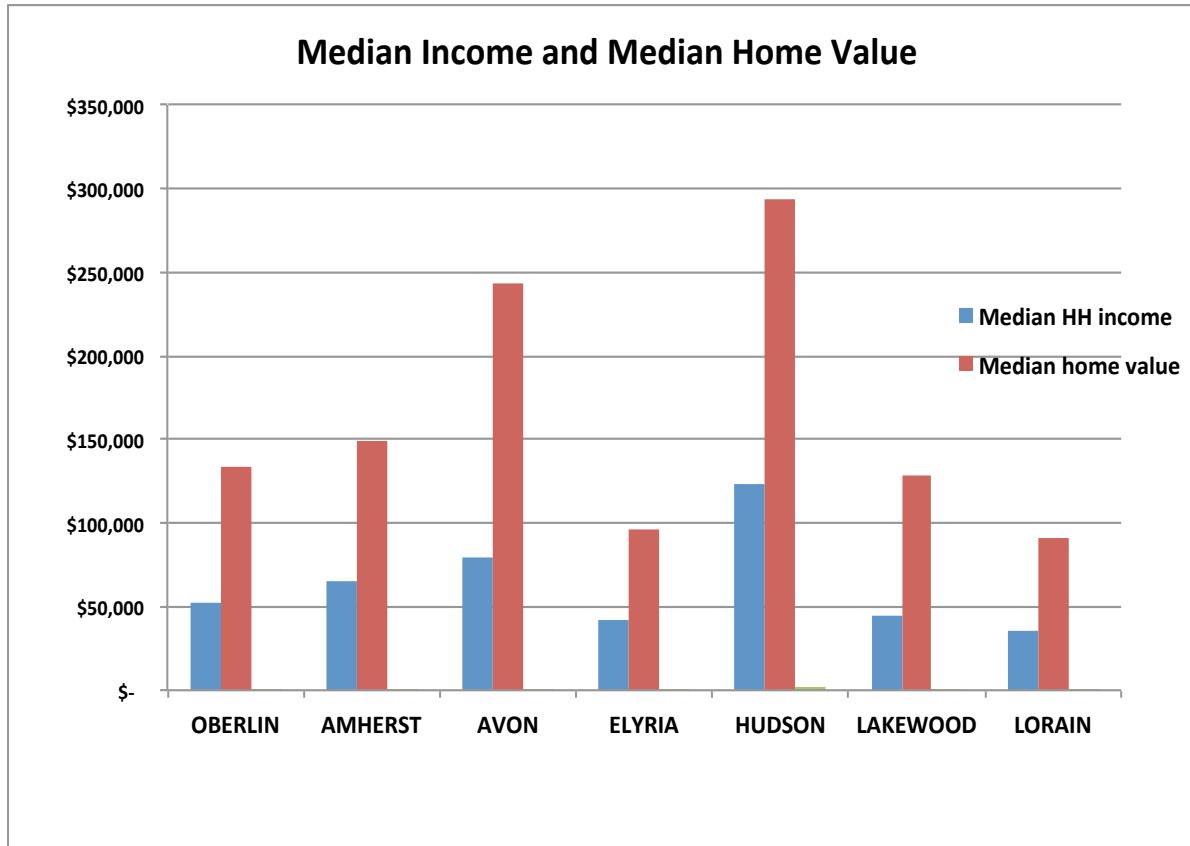
City Comparison: People



- 18 to 24 year olds much larger in Oberlin
- Children much smaller in Oberlin, much larger in Hudson/Avon
- Other age groups more similar (even seniors)

ACS 2010-2014 5-year estimates

City Comparison: Income and Home Value



Value:

- Oberlin, Amherst and Lakewood in the mid-range
- Elyria/Lorain lower

Income:

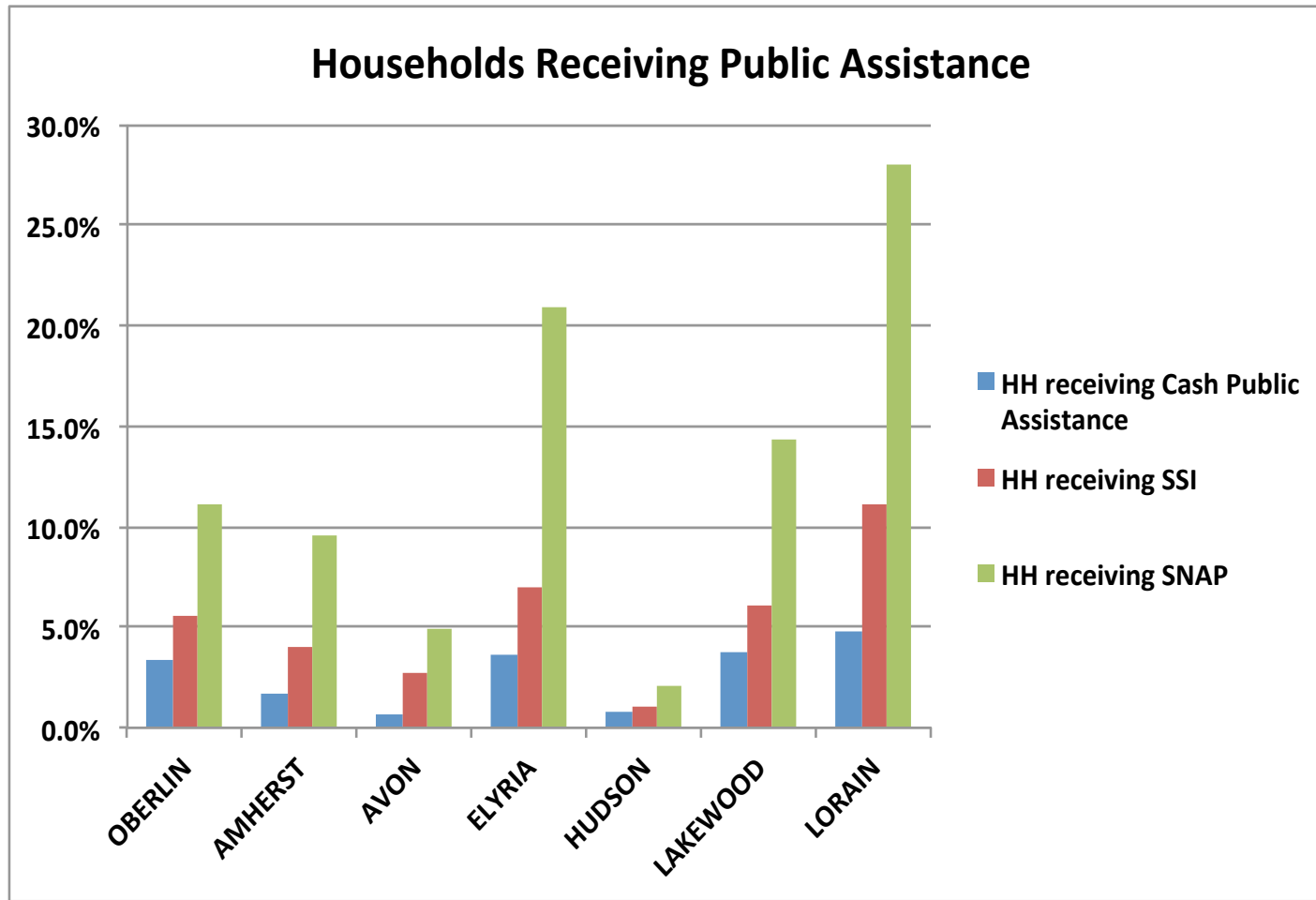
- Oberlin at mid-level

ACS 2010-2014 5-year estimates

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City Comparison: Public Assistance



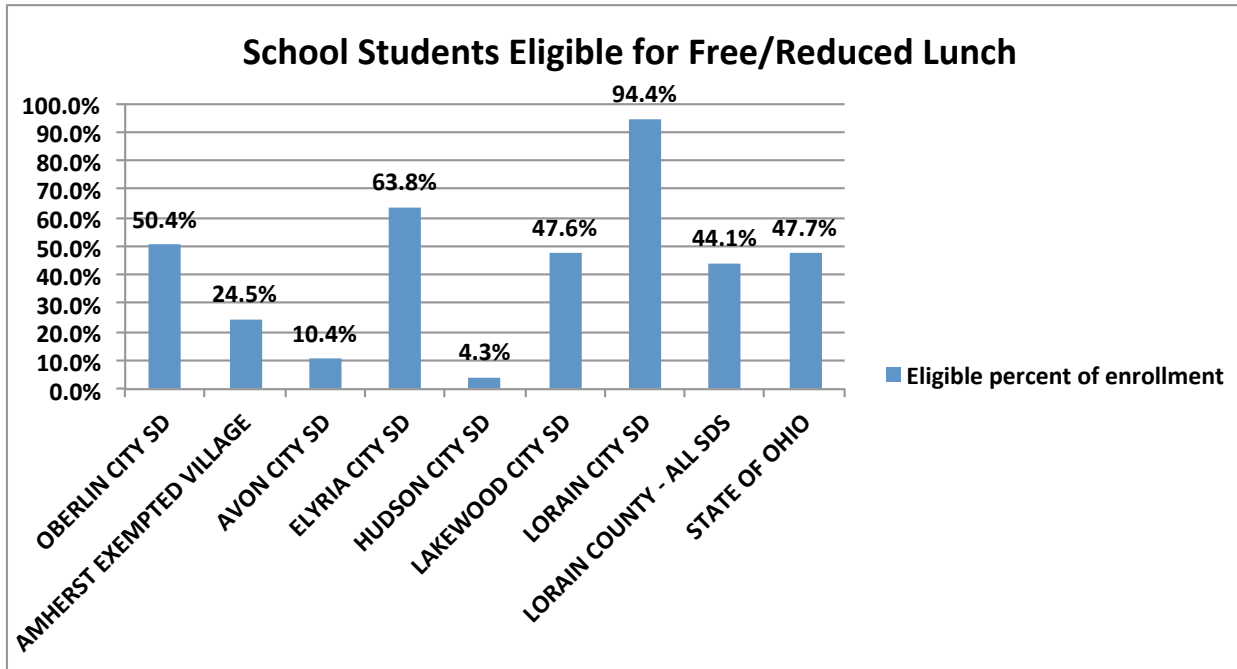
- Oberlin in mid-group

ACS 2010-2014 5-year estimates

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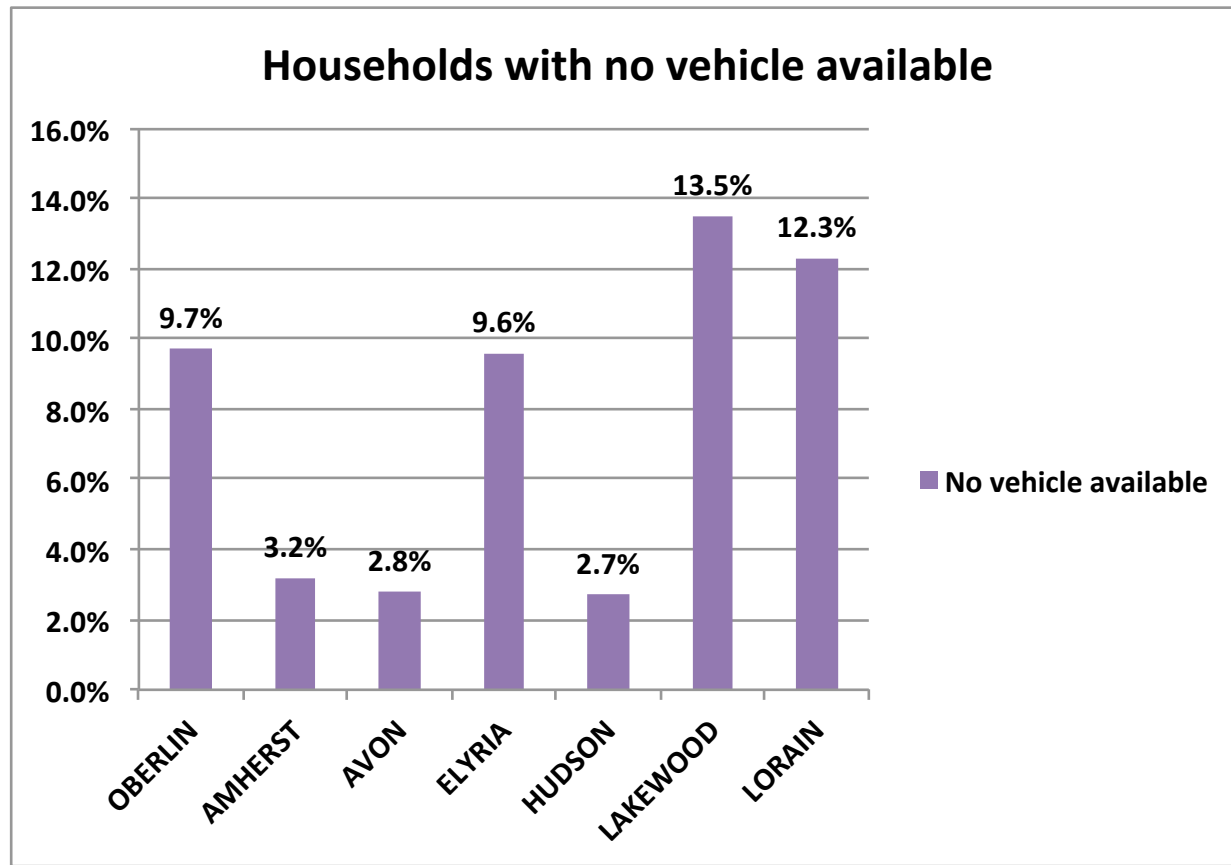
City Comparison: Student Free/Reduced Lunch



- Oberlin close to state average

Source: Ohio Board of Education

City Comparison: Household Vehicle Access



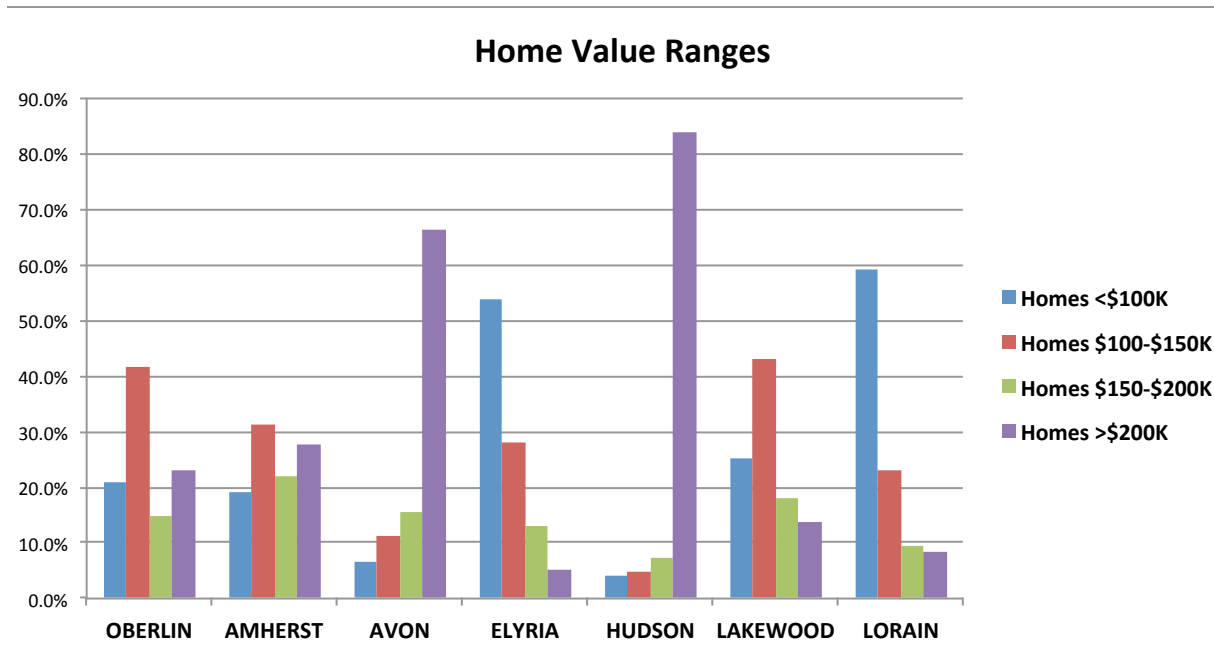
- Reflects walkability, household income

ACS 2010-2014 5-year estimates

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City Comparison: Home Values

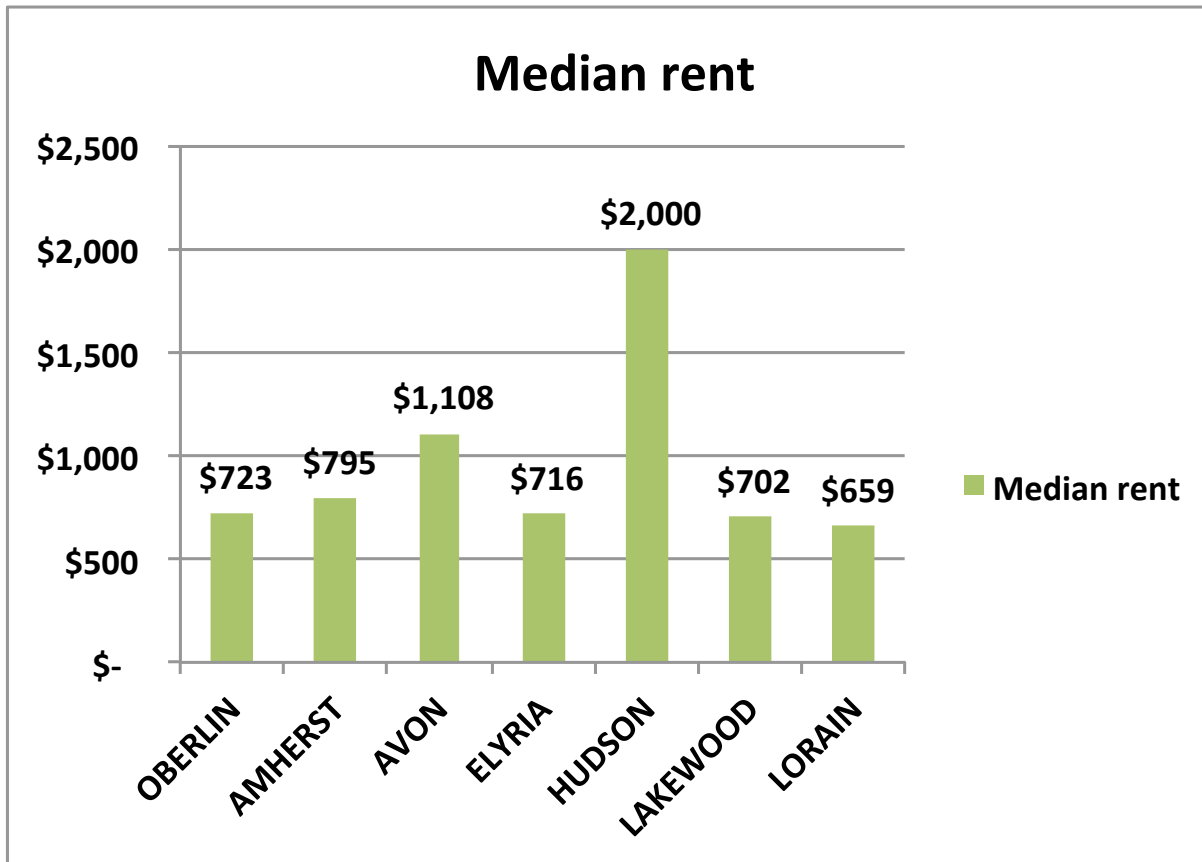


ACS 2010-2044 5-year estimates

Proportions:

- Oberlin's highest at \$100-150K
- Oberlin at mid-group for under \$100K
- Avon/Hudson outliers for high value homes
- Note condition not a factor!

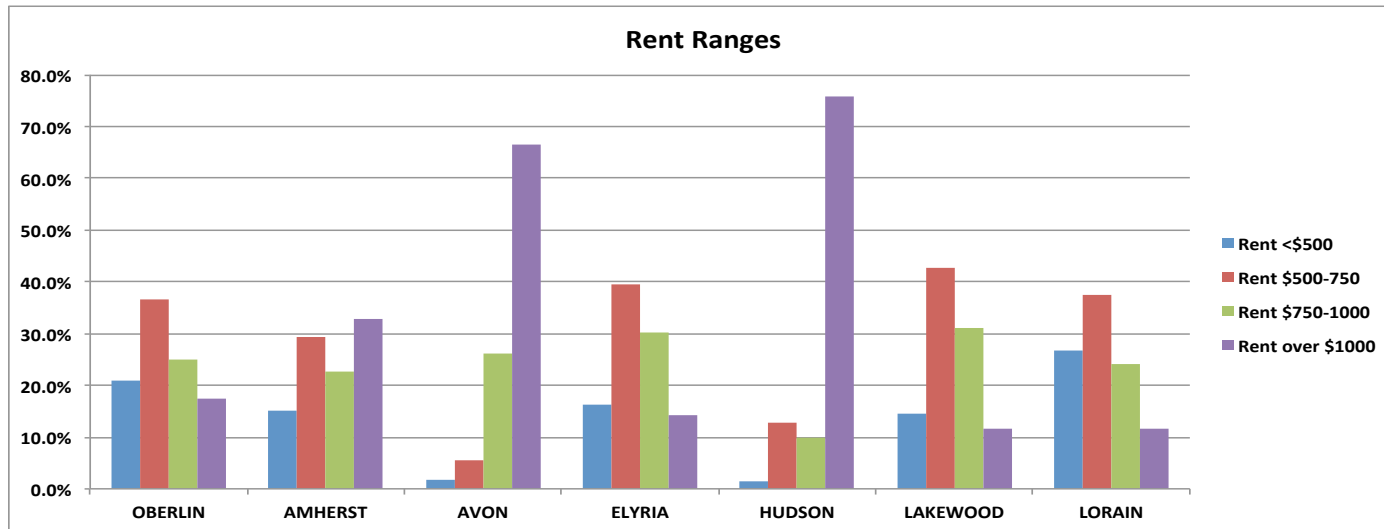
City Comparison: Median Rent



- Oberlin at mid-group

ACS 2010-2014 5-year estimates

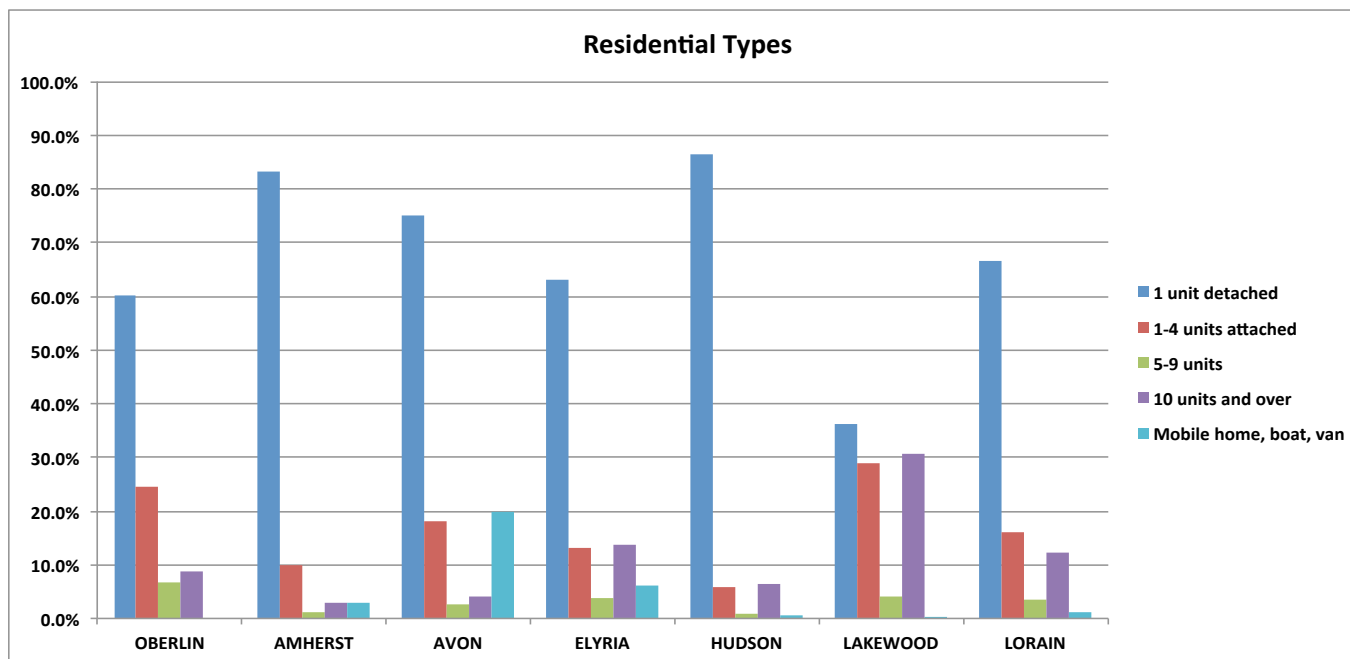
City Comparison: Gross Rent Ranges



ACS 2010-2014 5-year estimates

- Oberlin follows similar pattern to most
- Avon and Hudson are exceptions
- Note condition is not a factor!

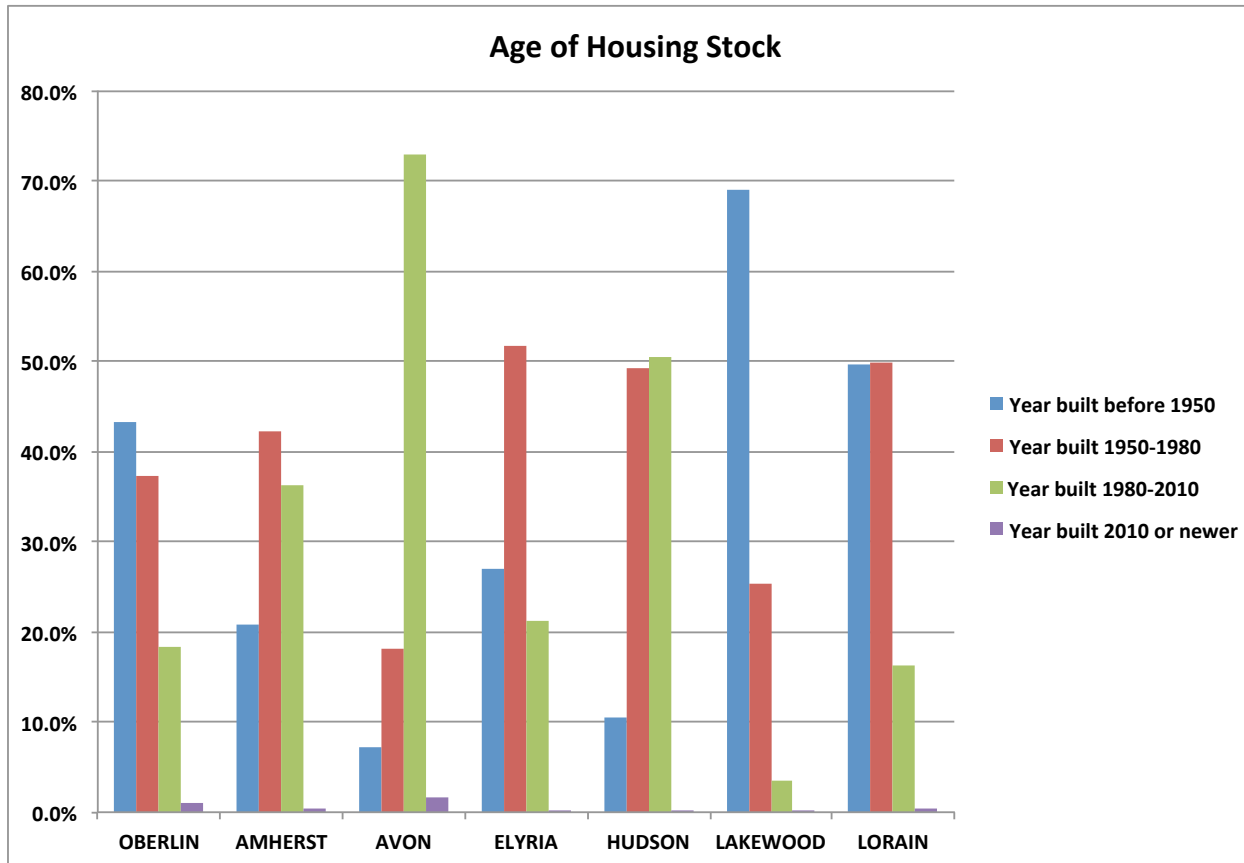
City Comparison: Housing Type



ACS 2010-2014 5-year estimates

- All Cities: Single Family by far dominates
- Lakewood stands out
- Oberlin on the low end of typical pattern for SF, 10 or more
- Oberlin on high end of typical for 1-4 units, 5-8 units

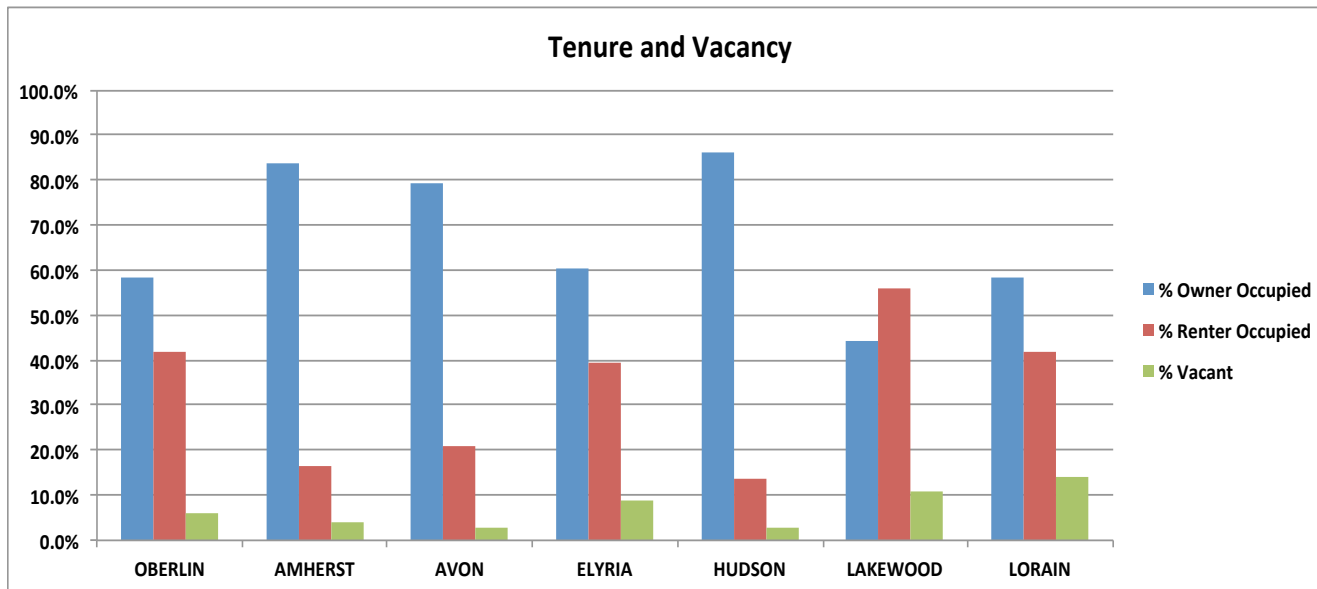
City Comparison: Age of Housing Stock



ACS 2010-2014 5-year estimates

- Oberlin, Lakewood, Lorain are older: over 40% prior to 1950
- Avon and Hudson have the most new housing
- Noone has much since 2010

City Comparison: Tenure and Vacancy

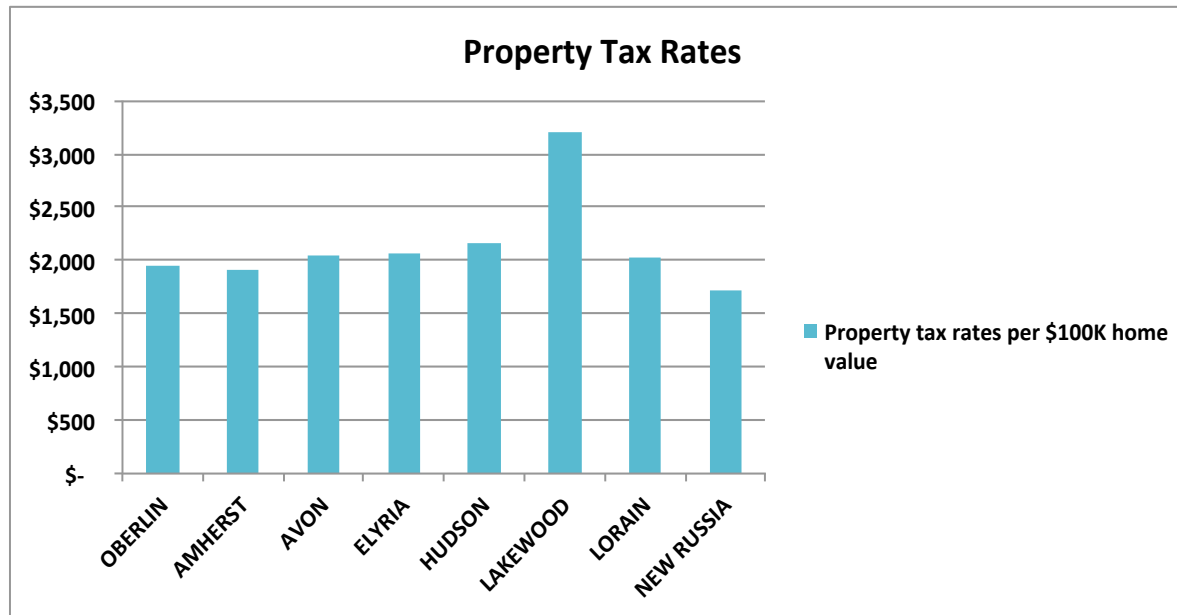


ACS 2010-2014 5-year estimates, City of Oberlin

- Oberlin in mid-group
- Avon, Amherst, Hudson, high owner proportion
- Lakewood higher renters

- Oberlin's vacancy is in mid-group

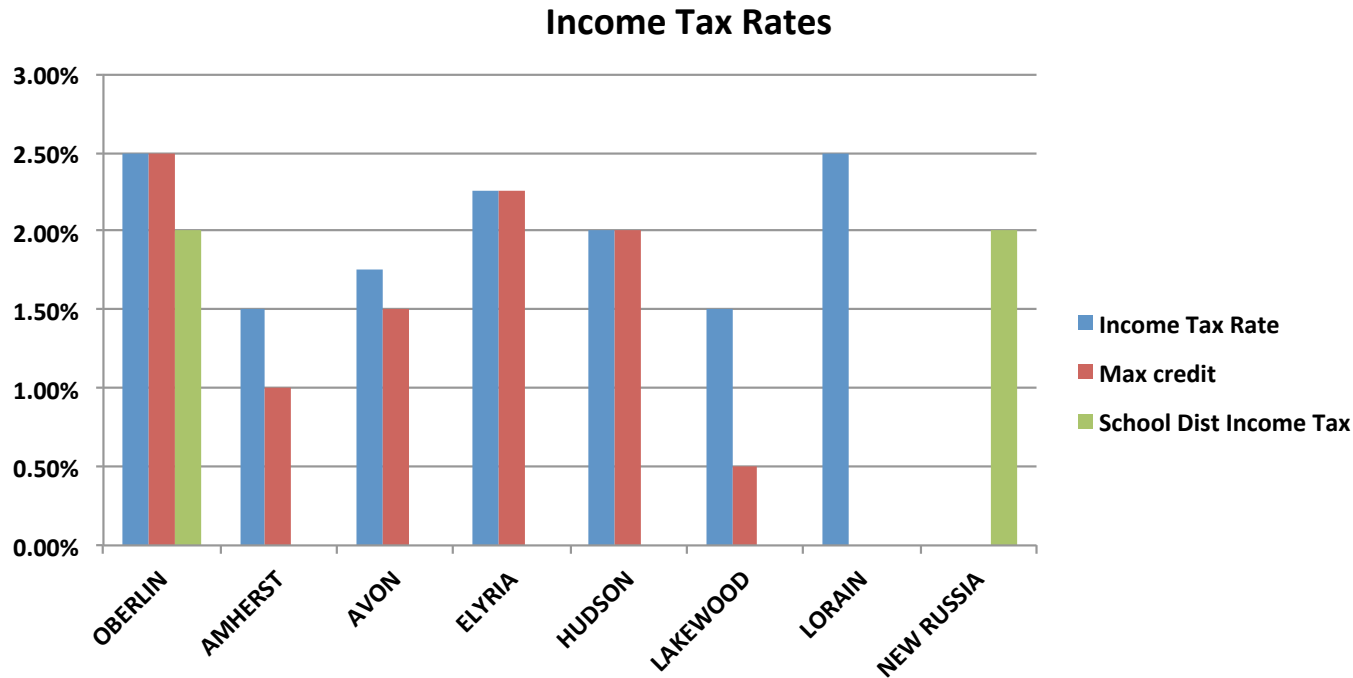
City Comparison: Property Tax Rates



- Oberlin is well in mid-range
- However, 48% of land in Oberlin is not taxable: College, churches, parks, municipal, institutions

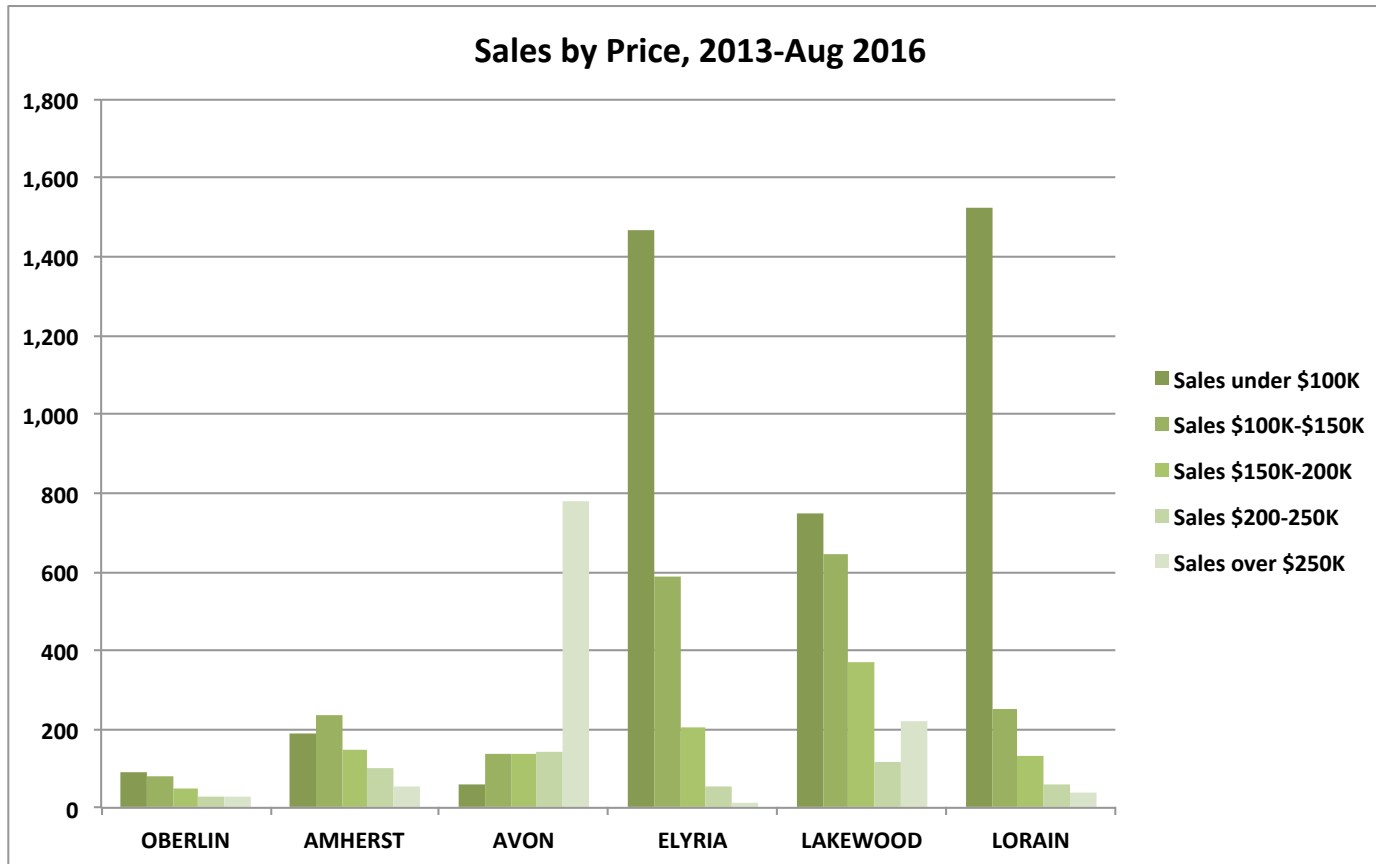
Cleveland.com

City Comparison: Income Tax Rates



- Oberlin is highest including SD income tax
- SD income tax balances low overall property tax revenue

City Comparison: Total Sales by Price



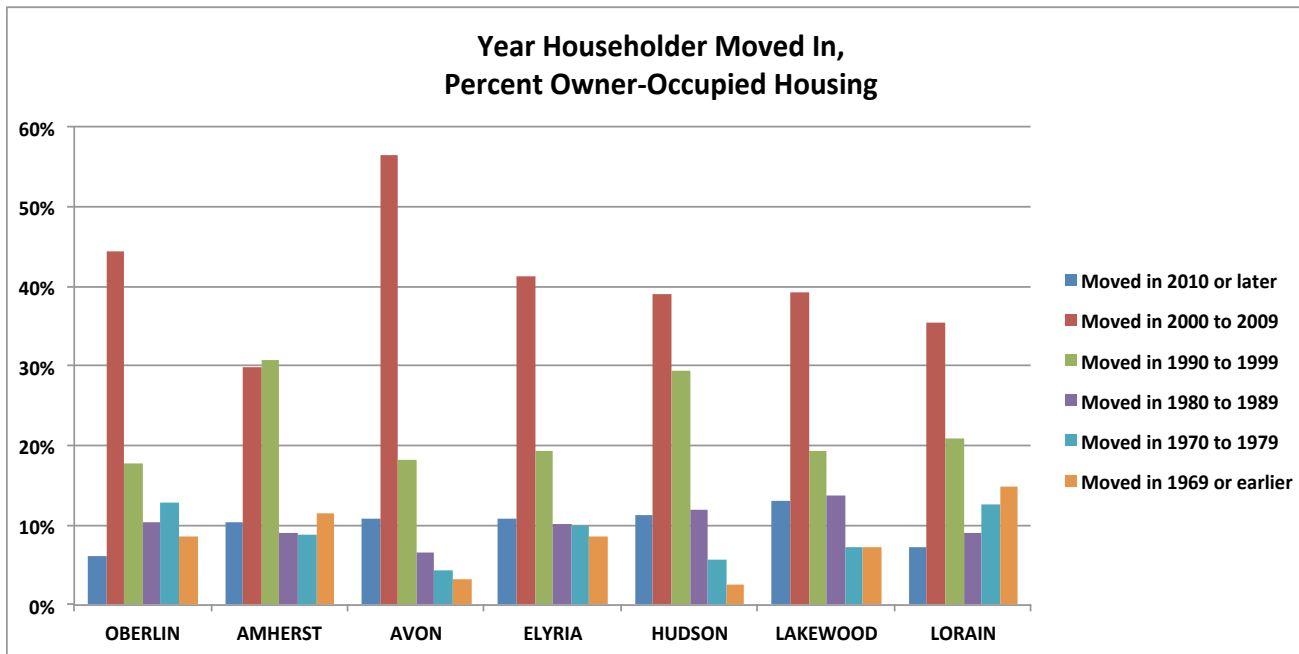
- Note low sales volume overall

NE Ohio Real Estate Multiple Listing Service (NORMLS)

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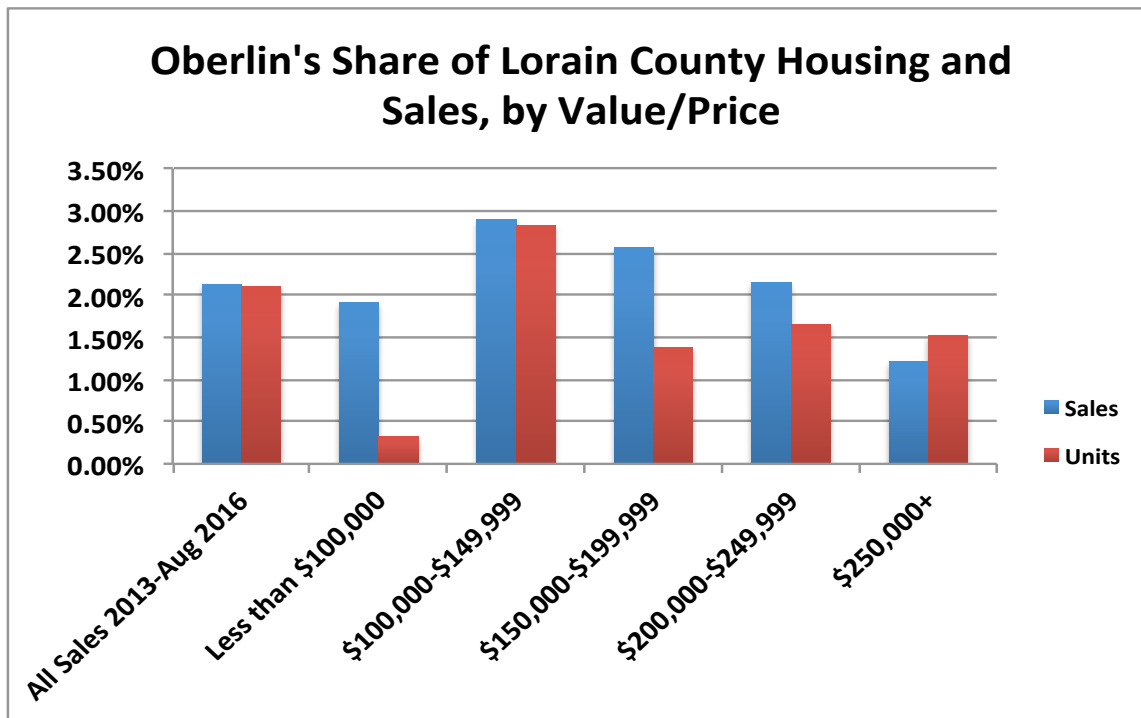


City Comparison: Slow Sales in Oberlin?



- Most homeowners moved in 2000-2009
- Oberlin in mid-range for % move-ins prior to 1970
- Approximately 300+ in Oberlin prior to 1970

Oberlin's share of single unit residential sales in Lorain County



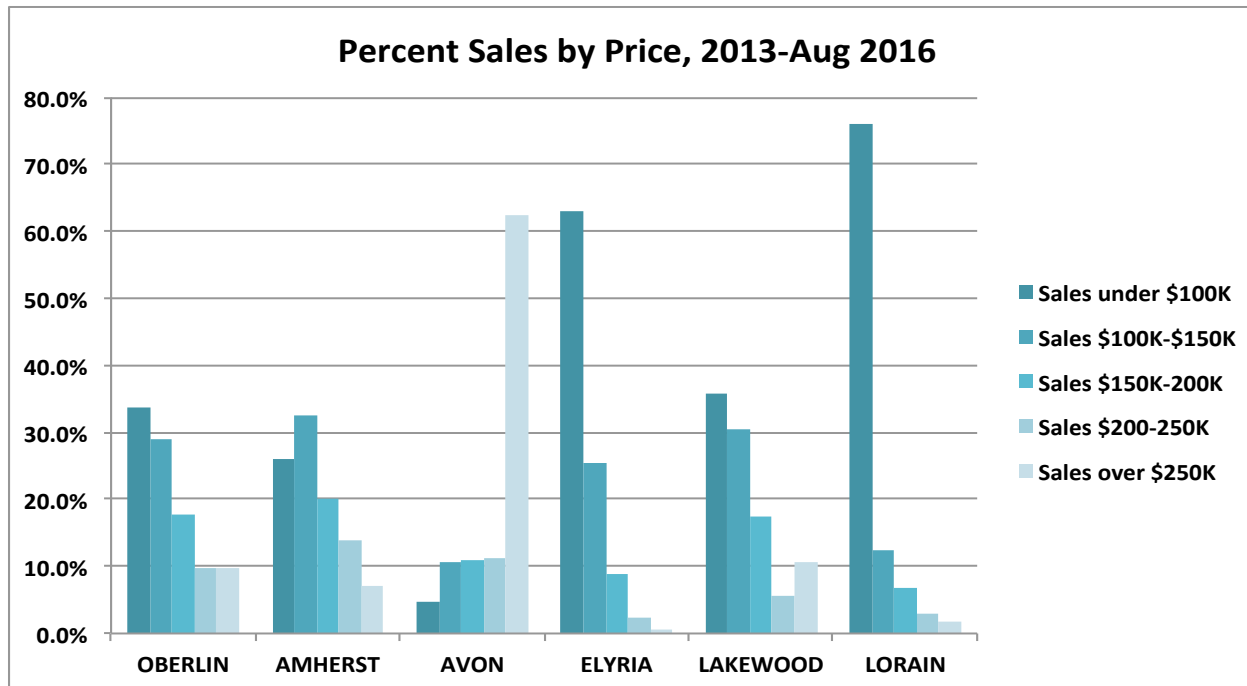
- Overall, Oberlin's share of sales is proportional to its share of housing
- Oberlin's share of sales of homes less than \$100K is much higher than its share of housing
- Only for higher cost housing is Oberlin's share of sales lower in proportion to its share of housing

NORMLS, Lorain County Auditor

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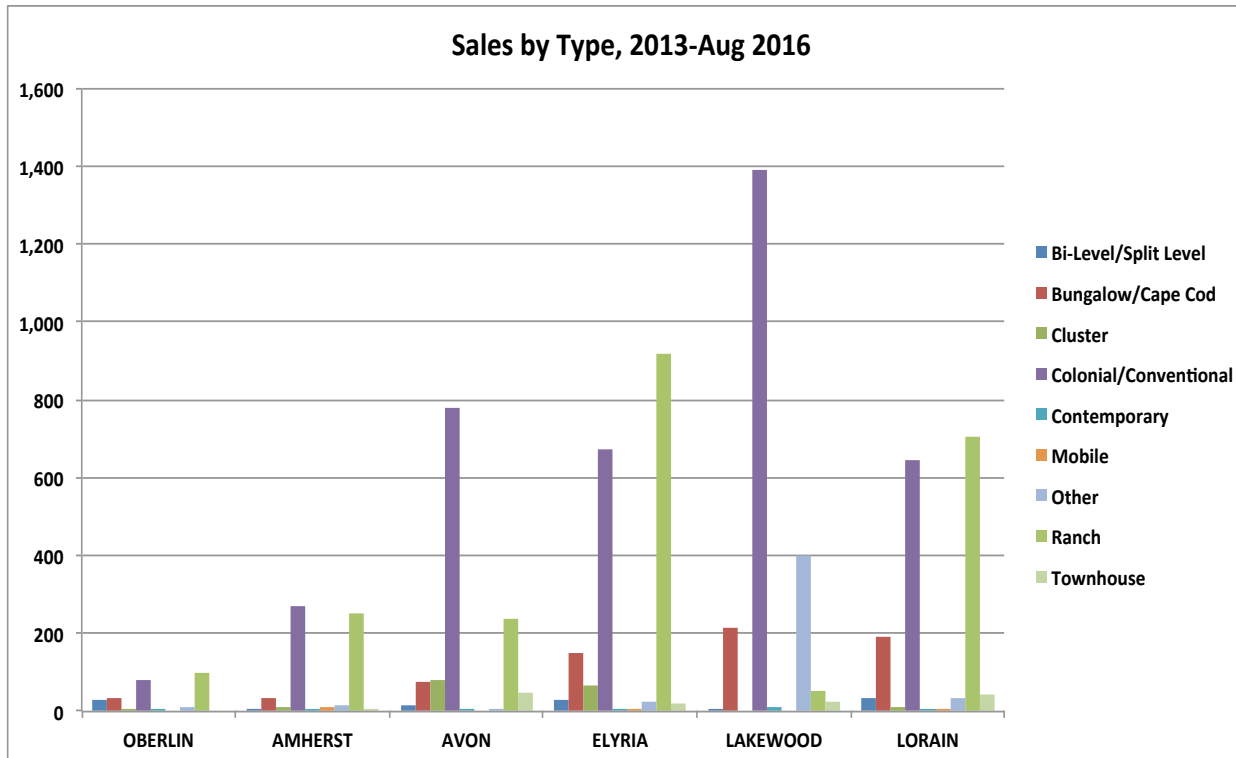
City Comparison: Sale Price



NE Ohio Real Estate Multiple Listing Service (NORMLS)

- Oberlin in mid-range for most housing types
- Sales under \$100K - \$150K still the largest
- Lorain, Elyria stand out for under \$100K sales
- Avon stands out for higher-end sales

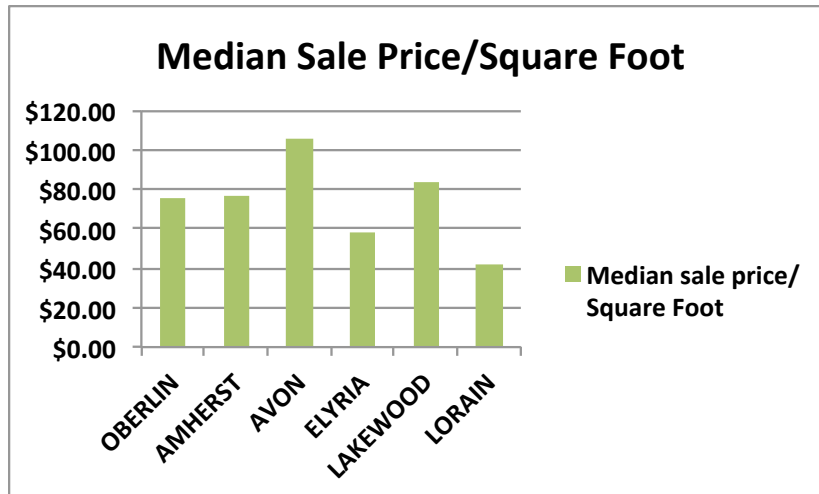
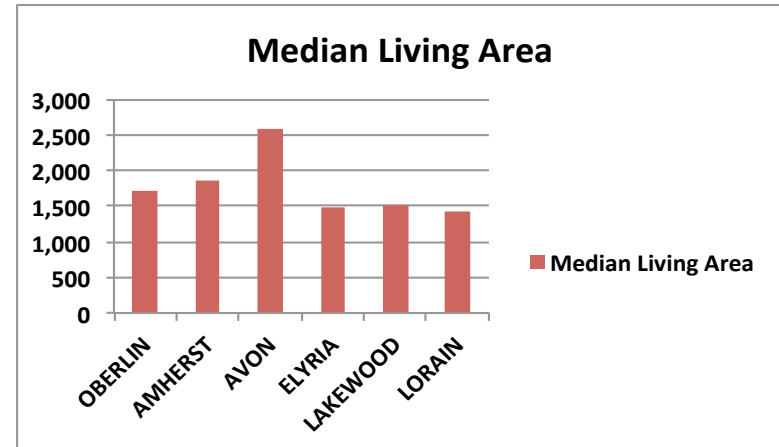
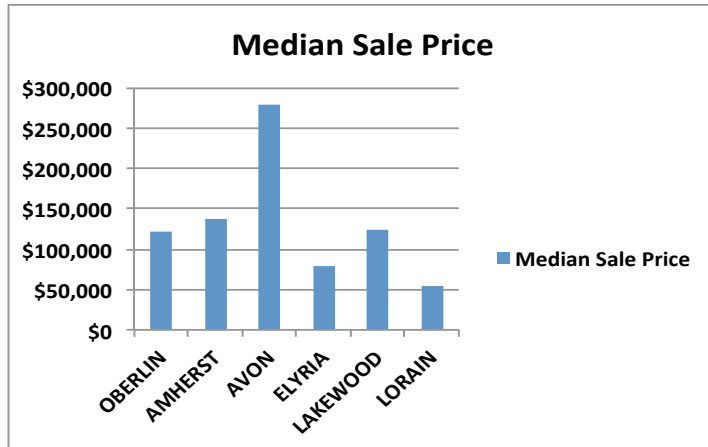
City Comparison: Sales by Type



- Ranches and Colonials predominate everywhere
- Some diversity in Lakewood, Elyria, and Lorain

NE Ohio Real Estate Multiple Listing Service (NORMLS)

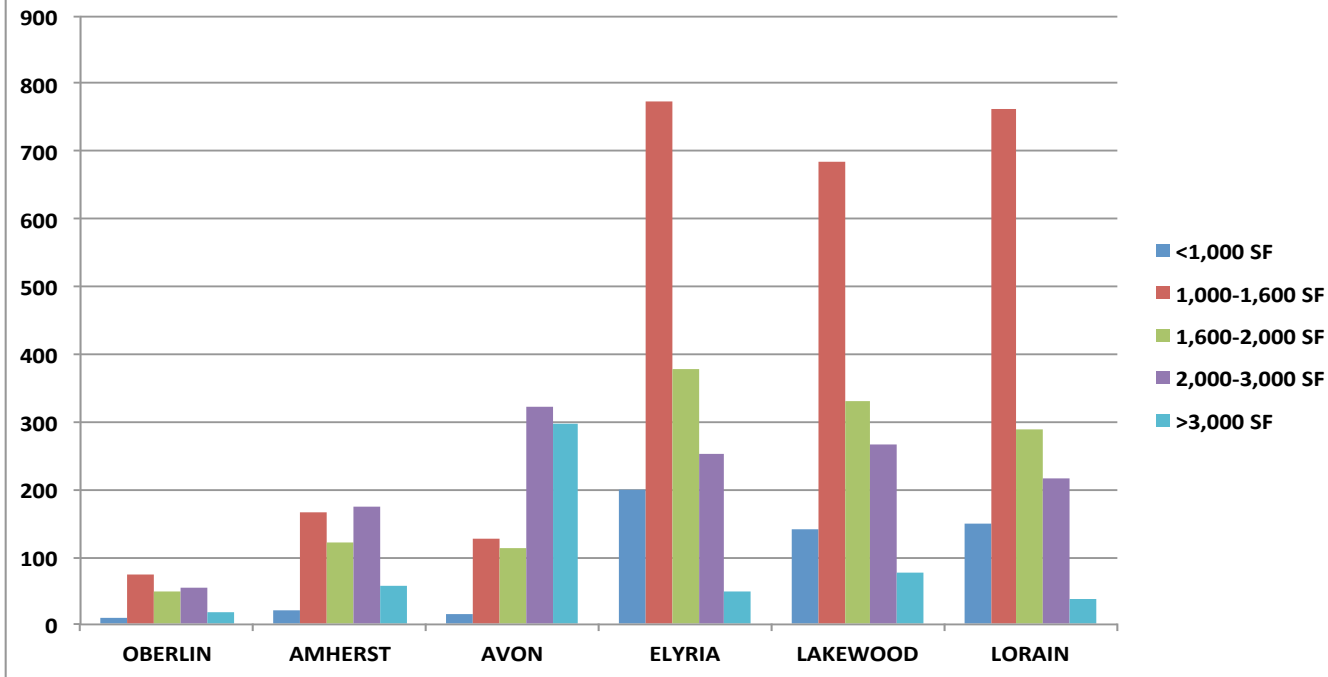
City Comparison: Home Basics



- Oberlin generally in mid-range for all measures

City Comparison: Sales by Living Area

Sales by Living Area, 2013-Aug 2016



- Many small homes available in Elyria and Lorain
- 1,000-1,600 dominant except Amherst/Avon

NE Ohio Real Estate Multiple Listing Service (NORMLS)

Oberlin Employee Choice: Location

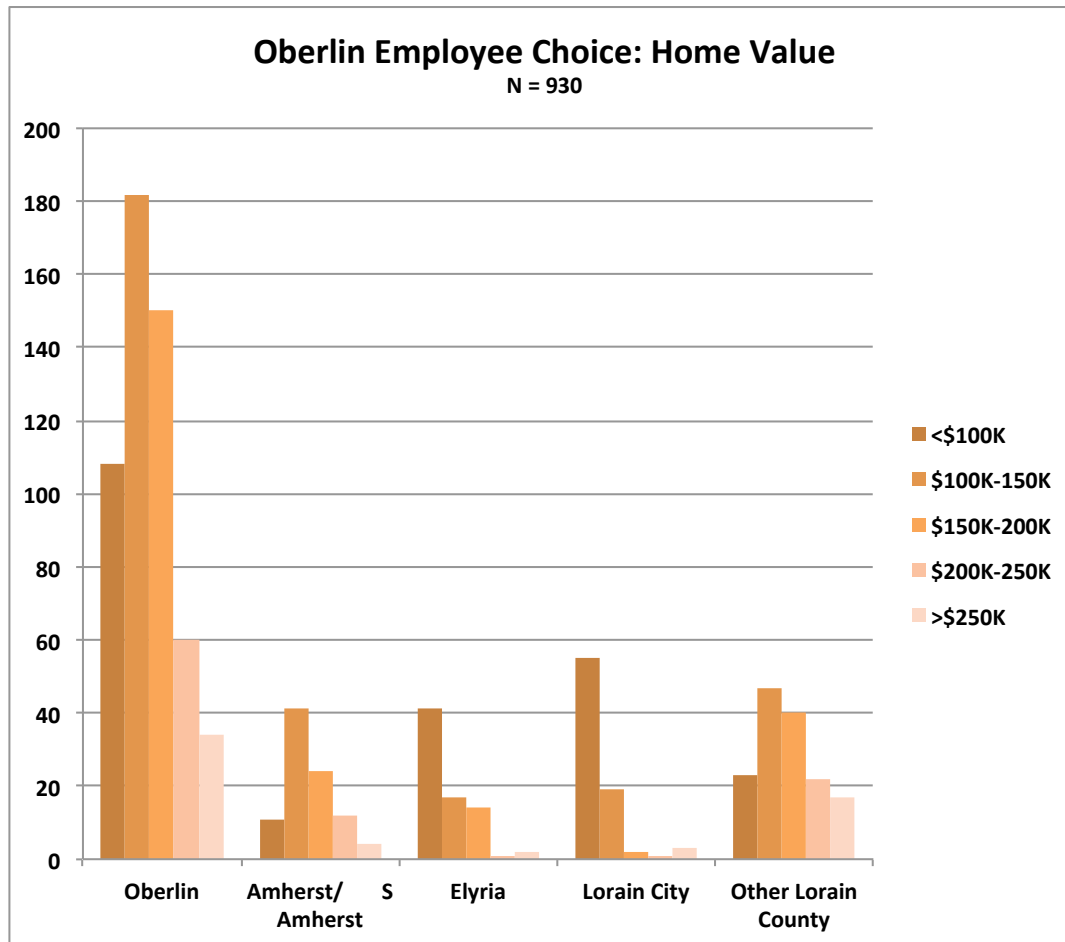
TOP 10 EMPLOYEE RESIDENCE CITIES

Oberlin city	812	40.9%
Elyria city	116	5.8%
Lorain city	116	5.8%
Amherst city	67	3.4%
Wellington village	60	3.0%
New Russia township	48	2.4%
Amherst township	42	2.1%
Wakeman township	38	1.9%
North Ridgeville city	35	1.8%
Lakewood city	31	1.6%

Source: Oberlin employers

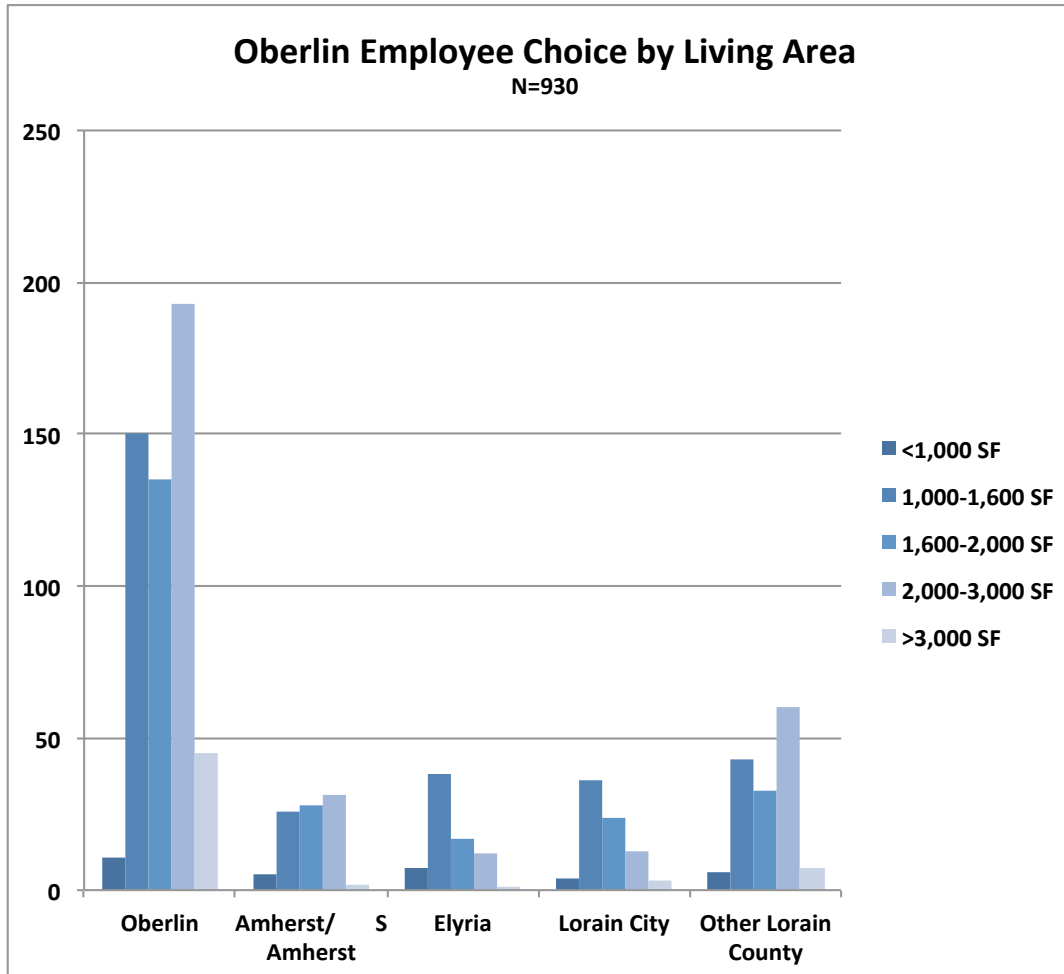
- 1,983 cities/zip codes collected from 5 employers
- Majority in Oberlin
- Almost all top 10 are in Lorain County

Oberlin Employee Choice: Home Value



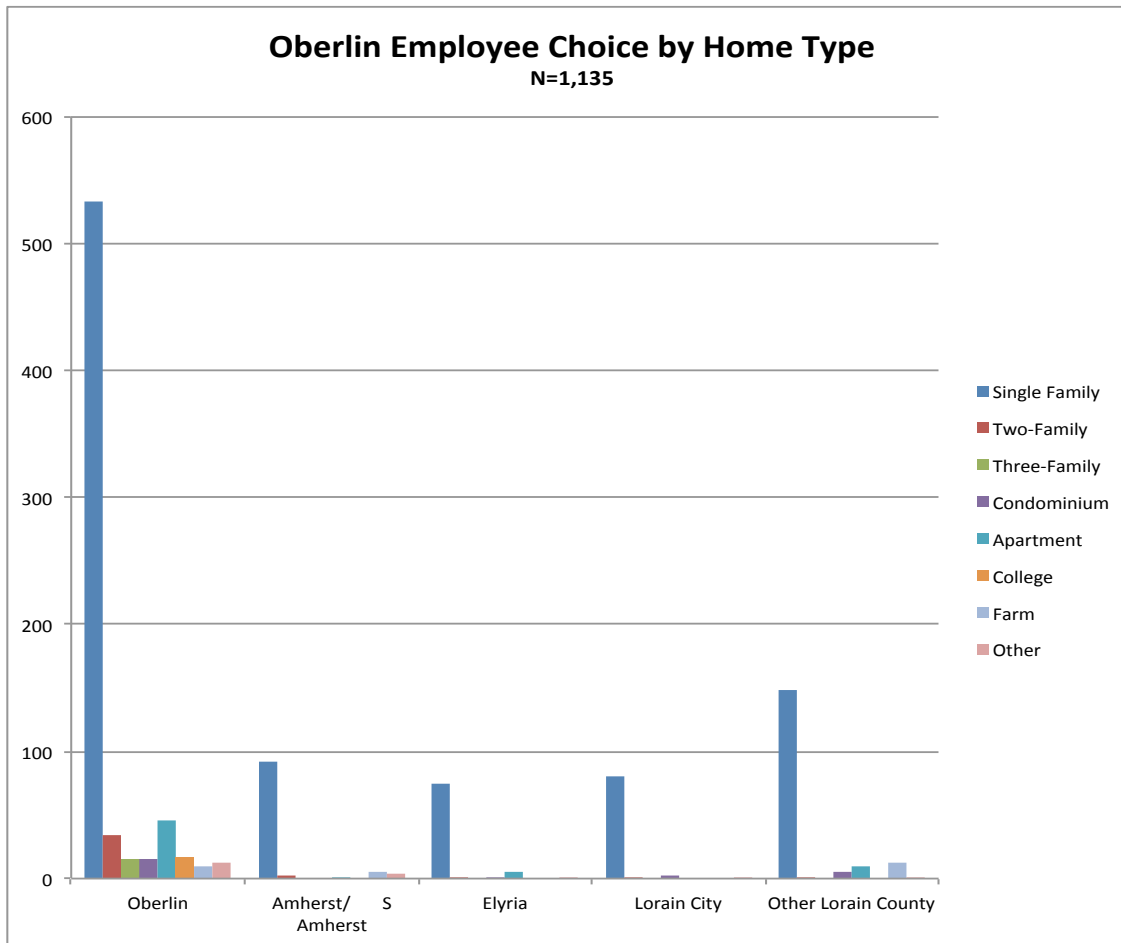
- In Oberlin, \$100K-\$200K predominates
- Under \$100K also strong
- In Elyria/Lorain, < \$100K predominates

Oberlin Employee Choice: Home Living Area (SF)



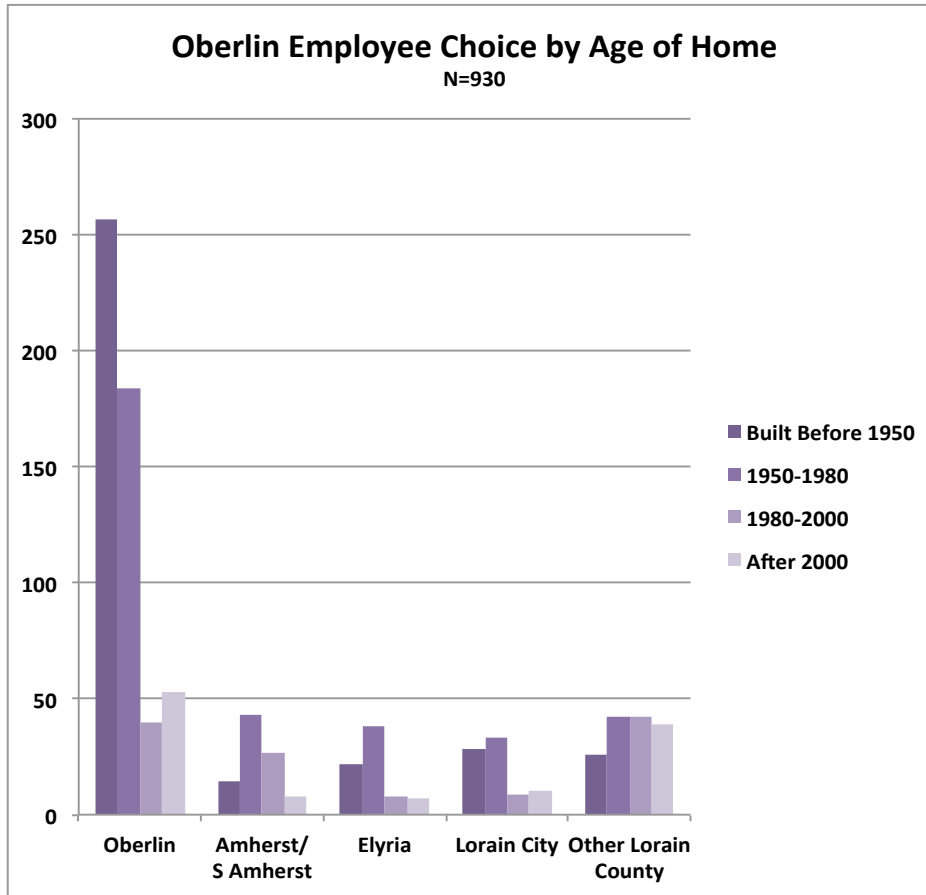
- In Oberlin, 2,000-3,000 SF strong, also 1,000-2,000
- Elyria and Lorain stronger for 1,000-1,600

Oberlin Employee Choice: Home Type



- Single family dominates, especially outside of Oberlin
- Apartments next in Oberlin
- Alternative home types are stronger in Oberlin than elsewhere

Oberlin Employee Choice: Age of Home



- In Oberlin, older homes dominate
- Other Lorain has equal parts of age ranges, less older

Market Niche: Overall Price Ranges

RENTAL UNIT MARKET NICHE ANALYSIS

Supply	Gross Rent Ranges		Surplus/ (Gap)
	LOW	HIGH	
30	\$ -	\$ 102	-120
103	\$ 102	\$ 253	34
194	\$ 254	\$ 507	-67
419	\$ 509	\$ 762	359
218	\$ 763	\$ 1,270	139
12	\$ 1,271	\$ 1,524	-180
0	\$ 1,526	\$ 2,033	-21
78	\$ 2,034	\$ -	-85
1053	Net total		60

ACS 2010-2014 5-year estimates; CCPD

- Gross rent includes utilities/ other costs
- Inflated to 2016 dollars
- Gaps in lower, upper end of rent ranges

Market Niche: Overall Price Ranges

FOR SALE HOUSING MARKET NICHE ANALYSIS

HOUSING PRICE RANGES			
SUPPLY	LOW	HIGH	Surplus (Gap)
9	\$ -	\$ 15,254	-3
9	\$ 15,255	\$ 22,883	-1
10	\$ 22,883	\$ 30,509	0
39	\$ 30,510	\$ 50,849	11
12	\$ 50,850	\$ 61,019	-70
122	\$ 61,020	\$ 81,359	101
106	\$ 81,360	\$ 101,699	-17
610	\$ 101,700	\$ 152,549	386
216	\$ 152,550	\$ 203,399	-99
246	\$ 203,400	\$ 305,099	39
77	\$ 305,100	\$ 508,499	-184
15	\$ 508,500	\$ -	-115
1,453	Total		41

Source: ACS 2010-2014 estimates, CCPD

- Assumes 30% housing cost/month
- Assumes 66% of housing cost will be mortgage, 33% will be expenses (utilities, maintenance, insurance)
- Assumes 4.2% interest rate
- Inflated to 2016 dollars
- Gaps in lower, upper end of price ranges
- Note peoples' choices could vary this considerably

Market Niche: Supply

OBERLIN HOUSING INVENTORY

Housing Type	Count	Unit
Market Rate Rentals	355	units
Subsidized rentals - senior	101	units
Subsidized rentals - family	53	units
Additional family tenant vouchers	39	vouchers
Rooming houses - active	64	beds
Rooming houses - inactive	114	beds
Green homes	2	units
Group Homes	24	beds
Skilled nursing/assisted living	181	beds
Condominiums	56	units
Kendal owner cottages	187	units
College housing - dorms/programs	1956	beds
College housing - village/homes	245	beds
College housing - village/multi-family	227	beds
Remaining Single Family Homes	1983	units

City of Oberlin, CCPD, Kendal, Oberlin College, WRLC inventory

- Note single family homes include both rented and owner-occupied
- Note some bed estimates are approximate
- Draft numbers, still adjusting

Market Niche: Seniors

SENIOR HOUSING MARKET NICHE

Demand/Supply	Count	Comments
Senior-led HH likely needing below-market-rate	65-360	\$30,000 income and below
Subsidized housing available	101	LMHA and Concord Manor
Senior-led HH in higher price range	36-224	\$100,000 income and above
Kendal units available	187	Includes continuous care
Senior-led HH in mid-range	174-798	\$30,000-\$100,000 income

ACS 2010-2014 5-year estimates; CCPD

- Affordability test: 30% monthly income, vs median rent for Oberlin
- “Senior HH” are HH with householder over age 65
- Ranges account for margins of error in data
- Note that only about 25% of Kendal residents come from NEO, less from Oberlin
- Mid-range are opportunity for “empty nester” housing
- Note Kendal at Home serves 50 Oberlin residents

Market Niche: Low Income

LOW INCOME HOUSING NICHE

Item	Count	Comments
Households likely needing below-market-rate	478-742	Less than \$35,000 income
Available subsidized housing for families	53	LMHA

Source: ACS 2010-2014 5-year estimates; LMHA

CCPD

- Affordability test: 30% household monthly income vs median rent for Oberlin (\$723)
- Excludes senior households on previous slide
- Note that 39 Section 8 vouchers are in use in Oberlin
- Range is due to margins of error in data

Development Potential: Infill and New Areas

FUTURE DEVELOPMENT POTENTIAL

Land use classification	Area (Acres)	Zoning or equivalent	Lot size (SF)	Potential Units
Infill over 3 acres	44	R-1A	15,000	102
Infill over 3 acres	96	R-1B	11,250	297
Cluster residential	37	---	4,000	326
Med/high density residential	283	R-2	5,000	1,973
Low density residential	524	PUD	43,560	419

Source: Oberlin- Pittsfield Twp annexation agreement; Lorain Co auditor; CCPD

INFILL LOTS LESS THAN 3 ACRES

Description	No. of lots
Street Frontage	
Less than 1/2 acre	57
1/2 to 1 acre	32
1-2 acres	14
Total	103
Landlocked	
Less than 1/2 acre	30
1/2 to 1 acre	7
1-2 acres	5
Total	42
Grand total	145

Oberlin has plenty of land for growth; *the question is, how much would the community like to grow?*

Notes:

- Map analysis still in progress
- Zoning not assigned to Oberlin-Pittsfield area; above represent assumptions based on existing zoning and typical scenarios
- Calculations assume 20% inefficiency of land use for roads, etc
- Low density residential could be conservation development approach with 1/4-1/2 acre lots and 50-75% open space

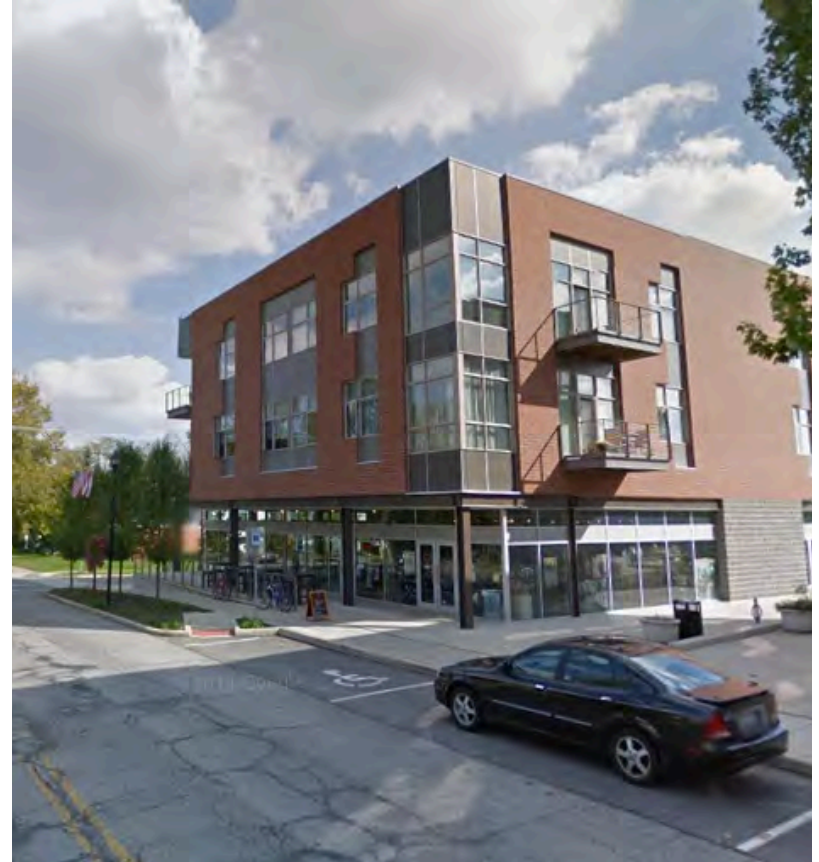
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Recommendations: The Market

Key: “The Oberlin Lifestyle”: small, friendly, progressive, walkable, sustainable, convenient, high culture

- People who grew up in Oberlin
- Oberlin College grads (all ages)
- Oberlin College faculty/staff, current and retiring
- People who work here
- Outside “globals” and empty nesters
- Possibly mainstream families in growth area to the south, willing to commute in exchange for lifestyle (will demand return over time?)(can Oberlin lifestyle be provided?)



Recommendations:

Broad Action Steps

- Provide infill small and mainstream housing, ranch and bungalow preferred (one story) – custom at first
- Provide affordable multi-family rental housing for seniors and families
- Provide new affordable small homes as infill on a pilot basis: tiny homes, cottage clusters, townhomes, co-housing, intergenerational housing – custom at first
- Adopt aggressive policies and programs to support (and/or require) home and apartment maintenance and renovation, improvements for energy efficiency, sustainability
- Improve connections, street safety to enlarge the area that is safely walkable/bikeable, particularly to the south – continue to work on transportation options
- Engage in visioning/comprehensive planning to understand how much Oberlin would like to/needs to grow
- Update codes and explore incentives to encourage the above
- Develop marketing/communications to promote vision/Oberlin lifestyle/amenities

Next Steps



- Programs: possible action steps and opportunities to address needs; aspirational cities comparison
- Codes: review of Oberlin's housing and building codes in light of recommendations and opportunities
- Draft report: Summarize key elements of the discussion and recommendations



Questions?

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