

HOUSING

Introduction

This section is meant to analyze the impact of local government policies and regulations on the development of various types of housing. The analysis takes into account the current and projected housing demand and supply. A list of strategies that communities might use to implement some common housing goals is also included.

Housing is the single largest expenditure for most Wisconsin residents. According to the *Consumer Expenditure Survey*, prepared by the Bureau of Labor Statistics/U.S. Department of Labor (2000), households in the Midwest spend an average of 27% of their annual income on housing. Housing helps drive the economy and is a major source of employment and revenue for Wisconsin residents. While the housing market has been strong in past years, the need for affordable housing has never been greater due to the rise in housing costs exceeding the rise in average income. Also, the federal government has cut back on housing assistance, leaving state and local communities to deal with the problem.

The Village of Elmwood has not experienced the growth that has been occurring in the surrounding area. The number of houses in Elmwood shouldn't need to increase very much to keep up with demand because of relatively low projected population increases by 2030.

Age Characteristics

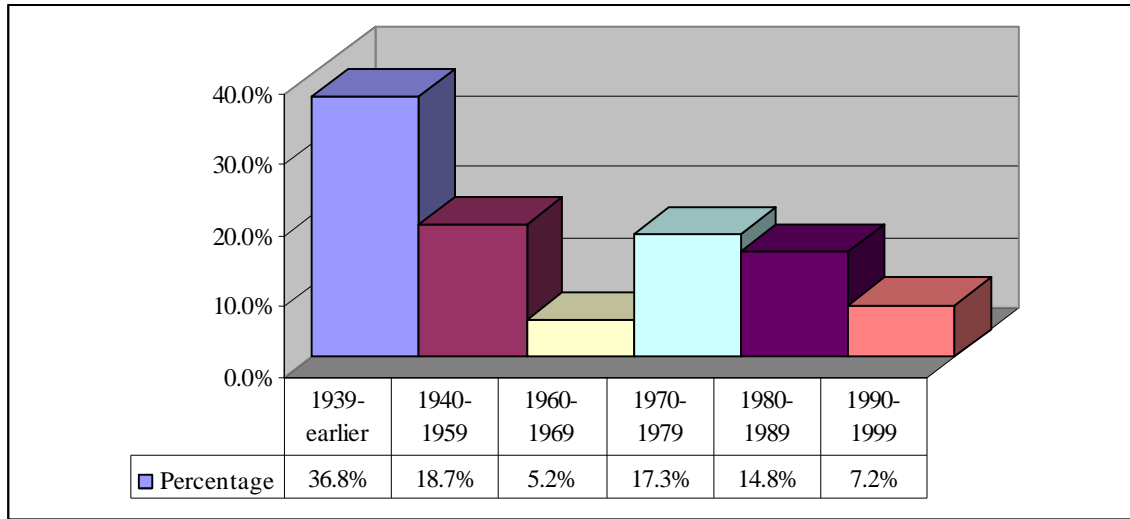
Looking at the age of the existing housing stock is important when analyzing a community's housing. The age of a house does not always determine its condition, since a properly maintained house can increase its durability and longevity. Houses that lack good care, however, can become run-down and dilapidated; blighting a neighborhood and reducing the value of the surrounding housing stock. Figure 2.1 shows the largest percentage of the existing housing stock in the Village of Elmwood was built before 1939 (36.8%). As a result, the condition of the housing stock in Elmwood may need to be more closely monitored over the life of this plan, since many of those homes will be almost 100 years old or older by 2030.

Housing Element Requirements:

A compilation of objective, policies, goals, maps, and programs of the local governmental unit to provide an adequate housing supply that meets existing and forecasted housing demand in the local governmental unit. The element shall assess the age, structural value, and occupancy characteristics of the local governmental unit's housing stock. The element shall also identify specific policies and programs that promote the development of housing for residents of the local governmental unit and provide a range of housing choices that meet the needs of persons of all income levels and of all age groups and persons with special needs, policies and programs that promote the availability of land for the development or redevelopment of low-income and moderate-income housing, and policies and programs to maintain or rehabilitate the local governmental unit's existing housing stock.

§ 66.1001(2)(b), Wis. Stat.

Figure 2.1: Village of Elmwood housing stock age (2000)



Source: U.S. Census Bureau, Census 2000

According to the Community Survey, a strong majority of respondents either strongly agreed or agreed that the external appearance of properties in their neighborhood was important to them (see Table 2.1), and felt that the Village of Elmwood needed to increase the enforcement of unsightly property ordinances (see Table 2.2).

Table 2.1: Importance of external appearance of residential properties

Response	Frequency	Percent
Strongly agree	80	52.6%
Agree	55	36.2%
Disagree	5	3.3%
Strongly disagree	2	1.3%
No opinion	4	2.6%
No answer	6	3.9%

Source: Village of Elmwood Community Survey (2008)

Table 2.2: Increased enforcement of unsightly property ordinances

Response	Frequency	Percent
Strongly agree	71	46.7%
Agree	44	28.9%
Disagree	13	8.6%
Strongly disagree	3	2.0%
No opinion	16	10.5%
No answer	5	3.3%

Source: Village of Elmwood Community Survey (2008)

Structural Characteristics

One unit, detached garage structures dominated the housing stock composition in the Village in 1990 and 2000 (see Table 2.3). The large percentage increases in higher density units are somewhat misleading because the actual number of units was relatively small over the decade.

1-Unit, Detached

This is a 1-unit structure detached from any other house; that is, with open space on all four sides. Such structures are considered detached even if they have an adjoining shed or garage. A one-family house that contains a business is considered detached as long as the building has open space on all four sides. Mobile homes or trailers to which one or more permanent rooms have been added or built also are included.

Table 2.3: Village of Elmwood housing units (1990-2000)

	1990	2000	Percent Change
Total Housing Units	335	364	7.8%
1-unit, detached	256	274	7.3%
1-unit, attached	1	5	400.0%
2 to 4 units	18	22	22.2%
5 to 9 units	23	31	34.8%
10 or more	14	18	28.6%
Mobile home	23	14	-39.1%

Source: U.S. Census Bureau, Census 1990 and 2000

According to the Community Survey, the majority of respondents felt that the Village had enough single-family homes, while duplexes/townhomes, apartment units, and senior housing were identified as having limited availability in the Village (see Table 2.4).

Table 2.4: Availability of housing types

Response	Too many	Right amount	Too few	No opinion	No answer
Single-family	7.2%	57.2%	5.9%	19.7%	9.9%
Duplexes/ Townhomes	0.7%	28.3%	24.3%	33.6%	13.2%
Apartment units	2.0%	42.1%	28.9%	16.4%	10.5%
Senior housing	1.3%	48.7%	22.4%	19.1%	8.6%
Assisted living facilities	0.0%	61.8%	8.6%	19.1%	10.5%
Nursing homes	0.0%	67.8%	3.9%	19.1%	9.2%

Source: Village of Elmwood Community Survey

Table 2.5 depicts the types of fuel Elmwood residents used to heat their homes; the vast majority of residents got their heating fuel from a utility gas line. Fuel oil, kerosene, and wood all declined substantially as heating fuel sources between 1990 and 2000. As fuel prices continue to increase residents may explore new ways to heat their homes, such as solar energy, or some may return to using wood.

Table 2.5: Village of Elmwood heating fuel (1990-2000)

	1990	2000	Percent Change
Utility gas	144	231	60.4%
Bottled, tank, or LP gas	15	17	13.3%
Electricity	58	58	0.0%
Fuel oil, kerosene, etc.	46	30	-34.8%
Coal or coke	0	0	0.0%
Wood	26	4	-84.6%
Solar energy	0	0	0.0%
Other fuel	0	0	0.0%
No fuel used	0	0	0.0%

Source: U.S. Census Bureau, Census 1990 and 2000

Value Characteristics

The median housing unit value in the Village of Elmwood in the year 2000 was \$69,600, and has probably increased since then, which was below the County average of \$123,100 (see Table 2.6). The overwhelmingly majority of homes in the Village were valued between \$50,000 and \$99,999 in 2000. The sharp decline in homes valued below \$50,000 from 1990 most likely contributed to the rise in the number of housing units in the \$50,000-\$99,999 range in 2000.

Table 2.6: Village of Elmwood housing values (1990-2000)

	1990	2000	Percent Change
Specified owner-occupied units	195	219	12.3%
Less than \$50,000	128	58	-54.7%
\$50,000 to \$99,999	67	141	110.4%
\$100,000 to \$149,999	0	15	-
\$150,000 to \$199,999	0	5	-
\$200,000 to \$299,999	0	0	0
\$300,000 to \$499,999	0	0	0
\$500,000 to \$999,999	0	0	0
\$1,000,000 or more	0	0	0
Median (dollars)	\$40,400	\$69,600	72.3%

Source: U.S. Census Bureau, Census 1990 and 2000

Housing Affordability

The U.S. Department of Housing and Urban Development (HUD) defines affordable housing as housing in which the occupant is paying no more than 30% of their yearly income in gross housing costs, including utilities. As shown in Table 2.7, 18.3% of selected households in the Village of Elmwood in 1999 were spending 30% or more of their monthly income on housing, which is only slightly higher than in the County as a whole (17.8%). In 2000, the median gross rent for selected renter-occupied units was \$411.00, which was significantly less than in the County as a whole (\$542.00) (see Table 2.8).

Table 2.7: Village of Elmwood housing costs (1999)

	Number	Percent
Less than 15 percent	90	41.1%
15 to 19 percent	35	16.0%
20 to 24 percent	42	19.2%
25 to 29 percent	12	5.5%
30 to 34 percent	9	4.1%
35 percent or more	31	14.2%
Not computed	0	0.0%

Source: U.S. Census Bureau, Census 1990 and 2000

Table 2.8: Village of Elmwood gross rental costs

	Number	Percent
Specified renter-occupied units	88	100.0%
Less than \$200	6	6.8%
\$200 to \$299	8	9.1%
\$300 to \$499	47	53.4%
\$500 to \$749	21	23.9%
\$750 to \$999	0	0.0%
\$1,000 to \$1,499	0	0.0%
\$1,500 or more	0	0.0%
No cash rent	6	6.8%
Median (dollars)	\$411.00	(X)

Source: U.S. Census Bureau, Census 2000

Occupancy Characteristics

As mentioned before, the most common type of housing in the Village is owner-occupied, single-family homes. Between 1990 and 2000, the number of owner-occupied homes increased by approximately 12% (see Table 2.9). High rates of home ownership often brings pride to communities, promotes neighborly activities, and leads to better maintenance and up-keep of property. It also reflects a successful economy and affordable housing. The number of vacant housing units decreased from 1990-2000. Vacant units can attract crime and negatively impact a neighborhood's property values and image. High foreclosure rates may force many municipalities to address prevention measures and enact regulations so that foreclosed homes are cared for and do not negatively impact surrounding property values.

Table 2.9: Village of Elmwood occupancy and tenure (1990-2000)

	1990	2000	Percent Change
Total Housing Units	335	366	9.3%
Occupied Housing Units	306	343	12.1%
Owner occupied	221	251	13.6%
Renter occupied	85	92	8.2%
Vacant housing units	29	23	-20.7%
For seasonal/recreational use	0	5	
Persons per owner-occupied unit	2.44	2.47	1.2%
Persons per renter-occupied unit	1.93	1.82	-5.7%

Source: U.S. Census Bureau, Census 1990 and 2000

In 2000, the Village had 343 households; out of those households, approximately 63% percent were family households (see Table 2.10).

Table 2.10: Village of Elmwood household characteristics (2000)

	2000
Total households	343
Family households (families)	218
With own children under 18 years	95
Married-couple family	178
With own children under 18 years	70
Female householder, no husband present	31
With own children under 18 years	19
Nonfamily households	125
Householder living alone	110
Householder 65 years and over	61
Households with individuals under 18 years	99
Households with individuals 65 years and over	117

Source: U.S. Census Bureau, Census 1990 and 2000

Future Housing Needs

There are numerous factors involved in the housing market that are difficult to predict and control, such as preferences and consumer income. But a simple model using estimates can be used to forecast the housing needs.

The total number of housing units in the Village increased approximately 7.8% from 335 in 1990 to 364 in 2000 (see Table 2.3). Table 2.9 shows the projected number of households in the Village up to 2030. The projected number of future housing units needed to meet development trends is calculated by subtracting the projected number of households from the number of existing households according to the 2000 Census data. The table does not take into consideration the number of vacant houses that will become occupied in future years or a prolonged stagnant housing market. According to the projections, the Village of Elmwood will experience decreasing persons per household. The projected number of additional households to be added by 2030 should not warrant a dramatic increase in the amount of additional housing needed in the Village.

Table 2.9: Village of Elmwood additional number of housing units (2000-2030)

Year	2000	Estimated 2005	Projected 2010	Projected 2015	Projected 2020	Projected 2025	Projected 2030
Population	841	831	834	844	854	862	864
Total Households	343	347	356	366	375	380	382
Persons/Household	2.45	2.39	2.34	2.31	2.28	2.27	2.26
Additional Housing Units Needed	-	4	13	23	32	37	39

Source: U.S. Census Bureau, Census 1990 and 2000 and Stevens Engineers, Inc.

Housing Assistance Programs and Agencies

Federal

- **Department of Housing and Urban Development (HUD)**

Primary responsibility includes housing programs and community development. The agency provides subsidized housing through low-income public housing and subsidies for private property owners renting to low-income households.

- **Rural Development – U.S. Department of Agriculture (USDA-RD)**

Provides a variety of housing and community development programs for rural areas. These are generally areas with population of 10,000 or less. It also provides support for rental housing development, direct and guaranteed mortgage loans for home buyers, and support for self-help and cooperative housing development.

State

- **Division of Housing and Intergovernmental Relations (DHIR)**

This is one of two state agencies that administer housing programs. It administers several programs that are funded by the state and any more that funded by HUD. These funds are used to help organizations develop the capacity to develop housing or to provide various types of financial assistance to homebuyers or renters through grants to local governments or non-profit agencies.

- **Wisconsin Housing and Economic Development Authority (WHEDA)**

This is a partial-governmental agency that helps develop housing through the sale of bonds. It receives no direct state-tax support. WHEDA provides mortgage financing for first-time homebuyers and financing for multi-family housing as well. Specific programs change with the needs of the housing market.

Local Programs

- **Housing Trust Funds**

These are financial resources available for housing projects targeting the needs of mid or low income households. Such funds can be used to fill financial gaps to make projects feasible. Trust funds may be replenished yearly or they may be designed to be perpetual and self-sustaining.

- **Housing Linkage Programs**

These programs encourage developers of office, commercial, retail, or institutional development to construct or make financial contributions towards affordable housing. The rationale behind these voluntary programs is that new non-residential development creates a need for housing by attracting employees to an area.

- **Tax Increment Financing (TIF)**

This is a planning tool available to cities and villages in Wisconsin under section 66.1105 of Wisconsin Statutes for development and redevelopment of blighted areas. TIF can be used to cover costs of public works or improvements including costs of demolition, land assembly, public improvements, and new buildings. Under TIF, new private development creates higher property values, thus creating an increased tax base over time. This increment, or a portion of the increment, is set aside for reinvestment in the area. Tax increment financing may assist in the building or rehabilitating of affordable housing for middle and lower income households.

Private Programs

- **Non-Profit Housing Development Corporations**

These organizations may qualify for tax-deductible donations, foundations grants, and public funds. To be eligible, the organizations must apply for and receive non-profit status from the IRS. Non-profits build and maintain housing projects in many areas of Wisconsin. Their projects help communities improve their range of housing opportunities.

SWOT Analysis: Housing

<p>STRENGTHS</p> <ul style="list-style-type: none"> • Adequate supply • Affordable • Quality housing stock • Good community/neighborhoods • Low crime rate • Quality schools • Access to medical services • Low vacancy 	<p>WEAKNESSES</p> <ul style="list-style-type: none"> • Age of housing stock • Aging population • Long commutes • Lack of commercial uses
<p>OPPORTUNITIES</p> <ul style="list-style-type: none"> • Available land to develop • Available land to annex • Available stock for first-time homebuyers • Increasing land values • Mobile home park 	<p>THREATS</p> <ul style="list-style-type: none"> • Decreased property maintenance due to age of housing stock • Lack of enforcement of property maintenance codes

Goals, Objectives, and Implementation

Goal #1: Maintain a high-quality housing stock that preserves residential neighborhoods and upgrades the existing housing stock.

Objectives:

- Removal or buffering of blighted non-residential uses that can negatively impact surrounding neighborhoods and downtown businesses.
- Elimination of blighting influences such as unkept yards, glaring lights, unscreened storage, and excessive vehicle storage on residential properties.

Implementation (Policies & Programs):

- Increase public awareness of state and federal housing improvement grants.
- Increase enforcement of the property maintenance ordinance.

Goal #2: Promote a variety of housing types.

Objectives:

- Provide housing that meets the physical and financial needs of residents.
- Promote affordable housing options for first-time homebuyers and renters.

Implementation (Policies & Programs):

- Encourage joint public and private participation with state and federal programs to provide incentive for affordable housing construction.