

Chapter 3: Housing

Introduction

Housing is an important element when looking at planning. For most Wisconsin residents, housing costs are the single largest expenditure. Planning for housing is important because housing is probably the largest land use in a given community. One of the biggest concerns behind the Wisconsin Comprehensive Planning Law is the issue of sprawl or low-density development, which many see as an inefficient use of our land. Sprawl not only develops land in large pieces, but also is more expensive to provide services and infrastructure.

Housing also provides a major source of revenue through property taxes. These taxes go towards the school district, vocational technical college, county and City.

The Housing Element will provide the City with insight into the following:

- Deficiencies in housing
- Housing developments trends
- A better understanding of the local housing situation

Housing Needs

Trends in housing can transform quickly. The state of housing has markedly changed since the original City of Menomonie Comprehensive Plan was adopted in 2007. At that time, the value of a single family home was rising because of prolonged population growth in western Wisconsin and corresponding residential development.

Since then, there has been a prolonged global economic downturn, which has adversely affected the housing market. This makes it challenging to identify long range trends in housing needs. In addition, the 2010 US Census did not provide the same extent of statistical information as the 1990 Census and 2000 Census making it further difficult to analyze these trends. Therefore, additional sources will be used to identify housing trends and needs in Menomonie.

Important issues to consider when planning for the existing and future housing needs of the City include the types of housing, housing options, demands of housing within the community, and redevelopment opportunities.

Age Characteristics

There is a close correlation between the age of an area's housing stock and the relative condition of those housing units. If a large percentage of housing is over 30 years old, there will be a greater need and demand for housing rehabilitation.

Table 3-1 shows indicators of the age of the housing stock in the City of Menomonie. Just over 63% of all housing units were built before 1980. The City's older housing stock may be in need of significant maintenance such as plumbing, heating, electrical, windows, etc. Also, if a home was built before 1980, it is presumed that it has lead-based paint that may have to be mitigated

at some point. Having older homes may be one reason that the cost of housing in Menomonie is relatively low.

Since the City of Menomonie has a number of older homes, efforts should continue to rehabilitate the existing housing stock. Various housing programs exist to address these issues. These programs are addressed later in this chapter.

Table 3-1 also shows a decline in the number of structures built beginning in 1990 with the biggest drop occurring between 2005 and 2010.

Table 3-1 – Year Structure Constructed

| Year Built | Homes | Percent of Total |
|-----------------|--------------|------------------|
| 2005 to 2010 | 107 | 1.8% |
| 1999 to 2004 | 362 | 6.3% |
| 1995 to 1999 | 480 | 8.4% |
| 1990 to 1994 | 436 | 7.5% |
| 1980 to 1989 | 731 | 12.6% |
| 1970 to 1979 | 1,094 | 18.9% |
| 1960 to 1969 | 503 | 8.7% |
| 1940 to 1959 | 949 | 16.4% |
| 1939 or earlier | 1,122 | 19.4% |
| Total | 5,784 | 100.0% |

Source: U.S. Census Bureau 2000

One way to analyze the quantity and types of new housing being built is to look at the number of building permits issued. The percentage of building permits issued for the development of single family units averaged 26.2% between 2000 and 2010 (see Table 3-2). The remainder was from multi-family units. The table shows a significant drop in new housing units beginning in 2007 due to the decline in the economy and housing market.

Table 3-2 – Building Permits City of Menomonie

| Year Issued | Total Housing Units | Single Family Housing Units | Multi-Family Housing Units | Percent Single Family |
|--------------|---------------------|-----------------------------|----------------------------|-----------------------|
| 2000 | 66 | 16 | 50 | 24.2% |
| 2001 | 85 | 18 | 67 | 21.2% |
| 2002 | 138 | 12 | 126 | 8.7% |
| 2003 | 83 | 27 | 56 | 32.5% |
| 2004 | 143 | 35 | 108 | 24.5% |
| 2005 | 80 | 34 | 46 | 42.5% |
| 2006 | 72 | 14 | 58 | 19.4% |
| 2007 | 29 | 21 | 8 | 72.0% |
| 2008 | 8 | 6 | 2 | 75.0% |
| 2009 | 20 | 4 | 16 | 20.0% |
| 2010 | 4 | 4 | 0 | 100.0% |
| Total | 728 | 191 | 545 | 26.2% |

Source: City of Menomonie Building Inspectors Department 2010

Structural Characteristics

According to the 2000 US Census, most of the homes in the City of Menomonie use utility gas (51.8%). The other dominant fuel type used in the City is electricity, which accounts for just over 33% of the heating fuel (see Table 3-3). Approximately 1.4% of the homes in Menomonie use wood or other fuel type as their source for heating fuel.

Most new structures built since 2000 will likely use utility gas or electric for its main heating source though with rising energy costs, Menomonie may see an increase in the use of solar and geothermal systems to heat homes.

Table 3-3 - Types of House Heating Fuel

| Fuel Type | Number | Percent |
|--------------------------|--------|---------|
| Utility Gas | 2,671 | 51.8% |
| Bottled, Tank, or LP Gas | 187 | 3.6% |
| Electricity | 1,739 | 33.7% |
| Fuel Oil, Kerosene, Etc. | 458 | 8.9% |
| Coal or Coke | 0 | 0.0% |
| Wood | 43 | 0.8% |
| Solar Energy | 0 | 0.0% |
| Other Fuel | 31 | 0.6% |
| No Fuel | 29 | 0.6% |

Source: U.S. Census Bureau 2000

Table 3-4 shows the number of housing units by the number of units in the structure between 1980 and 2010. Since 1980, the City of Menomonie has been experiencing increasing percentages of multi-family housing and declining percentages of single family homes in relation to total housing units.

The decreasing percentage of single-family homes is related to these homes being converted into apartments and more multi-family units being built compared to single family units.

Table 3-4 - Units in Structure (housing units) 1980, 1990, 2000, and 2010

| 1980 | | % | 1990 | | % |
|------------------|-------|---------|------------------|-------|---------|
| 1-unit, detached | 2,249 | 57.90% | 1-unit, detached | 2,267 | 52.70% |
| 1-unit, attached | 72 | 1.90% | 1-unit, attached | 68 | 1.60% |
| 2 units | 455 | 11.70% | 2 to 4 units | 738 | 17.20% |
| 3 and 4 units | 278 | 7.20% | 5 to 9 units | 528 | 12.30% |
| 5 or more units | 831 | 21.40% | 10 or more units | 697 | 16.20% |
| Total | 3,885 | 100.00% | Total | 4,298 | 100.00% |
| 2000 | | % | 2010 | | % |
| 1-unit, detached | 2,678 | 51.70% | 1-unit, detached | 2869 | 46.0% |
| 1-unit, attached | 116 | 2.20% | 1-unit, attached | 124 | 2.0% |
| 2 to 4 units | 835 | 16.10% | 2 to 4 units | 1156 | 18.5% |
| 5 to 9 units | 714 | 13.80% | 5 to 9 units | 736 | 11.8% |
| 10 or more units | 835 | 16.10% | 10 or more units | 1030 | 16.5% |
| | | | mobile home | 319 | 5.1% |
| Total | 5,178 | 100.00% | Total | 6234 | 100.0% |

Source: 1980-2010 US Census

Home Values

Median home values in the City of Menomonie rose 75% between 1990 and 2000 (see Table 3-5). This is due to two main factors. First, the demand for housing, not only in the City, but also in Western Wisconsin pushed up housing prices. Second, the housing values have naturally appreciated over the past decade. Home values have increased dramatically throughout the nation since the early 1990's. Since 2000, home values have continued to increase but at a slower pace.

Between 2006 and 2007, home values began to decrease due to a glut in vacant housing, foreclosures, and a poor economy. The 2010 US Census does not provide updated median housing values though many residents have experienced a decline in the assessed value of their homes.

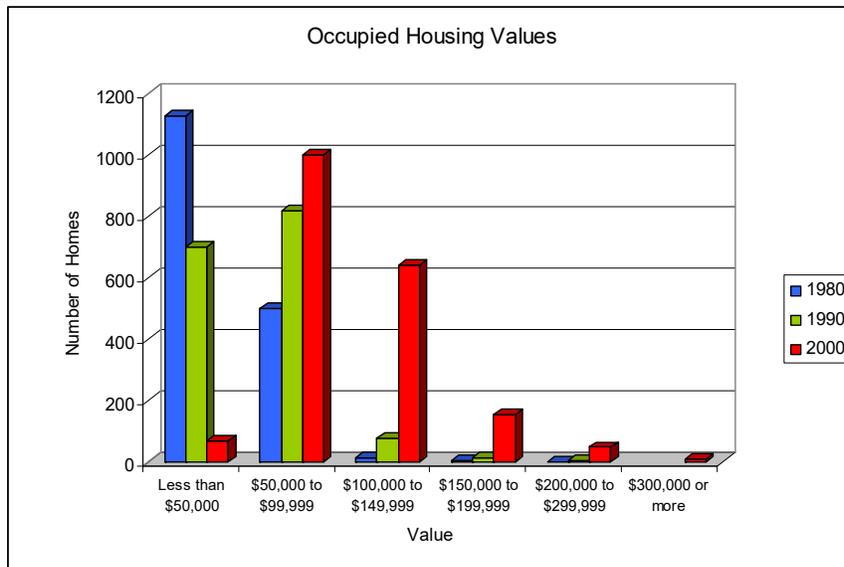
Table 3-5 shows that while the City of Menomonie's owner-occupied housing value outpaces Dunn County as a whole, it lags behind all of the surrounding towns. A previous search of the Multiple Listings Service of properties sold in the City of Menomonie in 2004 showed the median sale price for a home is approximately \$125,000. This is unchanged in 2010.

Table 3-5 – Median Housing Value for Owner Occupied Units: City of Menomonie and Area Communities

| Community | 1980 | 1990 | 2000 |
|--------------------------|-----------------|-----------------|-----------------|
| Dunn County | \$38,800 | \$49,000 | \$92,900 |
| City of Menomonie | \$41,100 | \$53,400 | \$94,200 |
| Town of Menomonie | \$54,900 | \$67,800 | \$116,700 |
| Town of Red Cedar | \$46,000 | \$57,100 | \$108,000 |
| Town of Sherman | \$45,000 | \$56,700 | \$106,500 |
| Town of Tainter | \$49,500 | \$63,400 | \$118,300 |

Source: U.S. Census Bureau 1980 - 2000

Figure 3-1 – Occupied Home Values



Source: US Census Bureau 1990, 2000

The changing value of housing is indicated in Table 3-6. In 1980, there were only four owner-occupied housing units reported to be worth at least \$150,000 and only one over \$200,000. By 1990, there were 20 owner-occupied houses worth at least \$150,000, 6 of those over \$200,000. In 2000, 57 owner-occupied houses were reported to be worth over \$150,000 in the city or about 2.5 percent of all owner-occupied housing. The percentage of owner occupied units with a value of under \$100,000 was 83% in 1980, 79% in 1990 and 76% in 2000.

Table 3-6 – Housing Value Owner Occupied Units 1980-2000

| Value | 1980 | 1990 | 2000 | Number and % Increase/Decrease (1990-2000) |
|------------------------|------|------|------|--|
| Less than \$50,000 | 1126 | 702 | 70 | -632 (-90.0%) |
| \$50,000 to \$99,999 | 498 | 816 | 1000 | 184 (22.6%) |
| \$100,000 to \$149,999 | 13 | 76 | 639 | 563 (740.8%) |
| \$150,000 to \$199,999 | 3 | 14 | 156 | 142 (1,014.3%) |
| \$200,000 to \$299,999 | 1 | 6 | 48 | 47 (4,700.0%) |
| \$300,000 or more | 0 | 0 | 9 | 7 (350.0%) |

Source: U.S. Census Bureau 2000

The most dramatic change came in owner-occupied housing units with a value between \$100,000 and \$149,000 which increased by over seven times between 1990 and 2000. Table 3-7 shows that the median value of owner-occupied housing was \$94,200 in 2000 which was an increase of 76%. There were 702 homes valued under \$50,000 in 1990. By 2000, that number had been reduced to 70 homes.

Table 3-7 – Median Owner Occupied Housing Value

| Median Owner-Occupied Housing Value | 1990 | 2000 | % Change |
|-------------------------------------|-----------------|-----------------|---------------|
| Menomonie* | \$53,400 | \$94,200 | 75.09% |
| Platteville* | \$51,100 | \$88,100 | 72.41% |
| River Falls* | \$71,000 | \$127,000 | 78.87% |
| Whitewater* | \$59,300 | \$115,500 | 94.77% |
| Chippewa Falls** | \$43,400 | \$81,300 | 87.33% |
| Hudson** | \$80,200 | \$139,900 | 74.44% |
| Onalaska** | \$66,700 | \$114,400 | 71.51% |
| Rice Lake** | \$47,600 | \$71,500 | 50.21% |

Source: US Census Bureau 1990, 2000, *Cities with Universities, **Similar sized cities

Looking at Table 3-7, you can compare the median owner-occupied housing in the City of Menomonie to both cities of comparable size with universities and cities with comparable size without universities. Of the nine cities, Menomonie had the 6th highest owner-occupied home value. When just comparing the cities that have universities, Menomonie ranked four out of five, having a higher housing value than only Platteville.

Occupancy Characteristics

All housing units are classified as either owner-occupied or renter-occupied. A housing unit is owner-occupied if the owner or co-owner lives in the unit even if it is mortgaged or not fully paid

for. All occupied housing units, which are not owner-occupied, whether they are rented for cash rent or occupied without payment of cash rent, are classified as renter-occupied.

Table 3-8 shows that as the number of total housing units has increased between 1980 and 2010, the percentage of owner-occupied housing has decreased. The number of vacant or seasonal homes jumped from 169 units between 2000 and 2010. This may be due to a large number of homes for sale or in foreclosure.

Table 3-8 - Housing Characteristics 1980, 1990 2000 and 2010

| | 1980 | 1990 | 2000 | 2010 |
|---------------------------|----------|----------|----------|-------|
| Total Housing Units | 3,976 | 4,539 | 5,441 | 6,234 |
| -Total Occupied Units | 3,803 | 4,323 | 5,119 | 5,743 |
| -Owner Occupied Units | 1,949 | 1,930 | 2,241 | 2,317 |
| Percent of Total Occupied | 51.2 | 44.6 | 43.8 | 40.3 |
| -Renter Occupied Units | 1,854 | 2,393 | 2,878 | 3,426 |
| Percent of Total Occupied | 48.8 | 55.4 | 56.2 | 59.6 |
| -Vacant/Seasonal Units | 173 | 216 | 322 | 491 |
| -Single Family Units | 2,321 | 2,335 | 2,794 | NA |
| -Multi-Family Units | 1,564 | 1,963 | 2,384 | NA |
| -Mobile Homes | 92 | 246 | 302 | NA |
| Median Home Value | \$41,100 | \$53,400 | \$94,200 | NA |
| Median Cash Rent | \$196 | \$297 | \$465 | NA |
| Household Size (persons) | 2.5 | 2.46 | 2.35 | 2.26 |

Source: 1980, 1990, 2000, 2010 US Census

Table 3-9 shows that the percentage of owner-occupied homes has dropped from 43.78% of housing units in 2000 to 40.34% in 2010. Due to the identified tenure and occupancy conditions, the City of Menomonie may want to explore policies that will encourage more single-family housing development targeted for owner-occupancy to bring the mix of its housing stock into more balance.

Table 3-9 - Owner-Occupied vs. Renter-Occupied Housing Percentages

| Year | 1990 | % of Total | 2000 | % of Total | 2010 | % of Total | Number and % Change |
|-------------------------------|-------|------------|-------|------------|-------|------------|---------------------|
| Owner-Occupied Housing Units | 1,930 | 44.64% | 2,241 | 43.78% | 2,317 | 40.34% | 387 16.7% |
| Renter-Occupied Housing Units | 2,393 | 55.36% | 2,878 | 56.22% | 3,426 | 59.66% | 1,033 30.2% |
| Total | 4,323 | 100.00% | 5,119 | 100.00% | 5,743 | 100.00% | - |

Source: 1990, 2000, 2010 US Census

On Campus Housing

The Census does not consider dorm rooms to be separate dwelling units and does not include them under the Housing categories. Although they are not included in the Census, dorms are an important housing source for students at UW-Stout.

Currently, UW-Stout has 11 residence halls with a housing capacity of 3,140 students located on the North and South Campus (see Table 3-10). The University plans to raze Jeter-Tainter-Callahan Hall but an existing building on campus will be renovated for additional housing to offset the loss of 319 units. When completed, the University should have approximately 2,900 housing units.

Table 3-10 - UW Stout Housing Capacity

| Residence Hall | Capacity |
|--------------------------------|--------------|
| Antrim-Froggatt-McCalmont Hall | 300 |
| Curran-Kranzusch Hall | 240 |
| Fleming-Hovlid Hall | 380 |
| Hansen-Keith Hall | 238 |
| Jeter-Tainter-Callahan Hall | 319 |
| Milnes-Chinnock Hall | 244 |
| North Hall | 366 |
| Red Cedar Hall | 205 |
| South Hall | 368 |
| Tustison-Oetting Hall | 238 |
| Wigen Hall | 242 |
| Total | 3,140 |

Source: UW-Stout-Department of Housing and Residence Life

Enrollment at UW-Stout was approximately 9,300 students in the fall of 2010. Although campus enrollment is growing, some of these students are taking online courses or commuting to campus and do not live in Menomonie. High School graduation trends also show smaller class through 2015. For these reasons, UW-Stout does not foresee a need for additional campus housing in the near future. A campus plan shows that all dorms will be renovated by 2025.

The University does plan to acquire a small number of properties near Red Cedar Hall on the North Campus. This will eliminate off-campus housing options for some students but will have little impact on the local housing market.

Because the student enrollment is large compared to the City of Menomonie's, this is an important demographic to consider when understanding the types of housing available and the percentage of renter-occupied homes.

Not all enrolled students live in the City where they attend college so it is difficult to assess accurately the affect the students have on the total population. Table 3-11 shows the ratio of a City's population to UW enrollment in order to evaluate what type of impact a University has on a community as a whole.

Table 3-11 - Enrollment and Population-University Communities

| Community | 2010 Population | 2010-2011 Enrollment | Enrollment to Population | Percentage of Enrollment to Pop. |
|------------------|-----------------|----------------------|--------------------------|----------------------------------|
| Menomonie | 16,264 | 9,339 | 1:1.74 | 57.4% |
| Eau Claire | 65,883 | 11,413 | 1:5.77 | 17.3% |
| Green Bay | 104,057 | 6,636 | 1:15.68 | 6.4% |
| La Crosse | 51,320 | 10,135 | 1:5.06 | 19.7% |
| Madison | 233,209 | 42,180 | 1:5.53 | 18.1% |
| Oshkosh | 66,083 | 13,629 | 1:4.85 | 20.6% |
| Platteville | 11,224 | 7,928 | 1:1.42 | 70.6% |
| River Falls | 14,477 | 6,902 | 1:2.10 | 47.7% |
| Stevens Point | 26,717 | 9,500 | 1:2.81 | 35.6% |
| Superior | 27,244 | 2,856 | 1:9.54 | 10.5% |
| Whitewater | 14,390 | 11,557 | 1:1.25 | 80.3% |

Source: Wisconsin Department of Administration and UW Systems

UW-Whitewater has the biggest single impact on a community with an enrollment ratio of one student per 1.25 residents (80.3% of the community population). Menomonie and Platteville have somewhat similar ratios.

From these enrollment statistics regarding Wisconsin Colleges, UW-Stout has a greater impact on the City of Menomonie than many of the others.

Table 3-12 compares the City of Menomonie’s housing occupancy with similar sized cities in Wisconsin. The table shows that universities located in smaller communities have a noticeable impact on the renter-occupied housing. Whitewater, Menomonie, and Platteville have more renter-occupied units than owner-occupied.

The table also compares these occupancy rates with similar sized communities in the area and show that these communities, without universities, have higher owner-occupied housing rates.

Table 3-12 Menomonie Housing Comparison for Selected Wisconsin Cities-2010

| Cities with Universities | Owner Occupied | Renter Occupied |
|-----------------------------|----------------|-----------------|
| Menomonie | 40.3% | 59.7% |
| Eau Claire | 55.1% | 44.9% |
| Platteville | 45.7% | 54.3% |
| River Falls* | 51.0% | 49.0% |
| Whitewater | 34.0% | 66.0% |
| Cities without Universities | Owner Occupied | Renter Occupied |
| Chippewa Falls | 55.7% | 44.3% |
| Hudson | 65.0% | 35.0% |
| Onalaska | 65.6% | 34.4% |
| Rice Lake | 54.9% | 45.1% |

Source: 2010 US Census *2010 data unavailable

Off-Campus Housing

Off-campus housing makes up a large percentage of rental properties in Menomonie. Adjacent to the UW-Stout Campus, rental properties are typically single family homes that have been converted to rental units (rooming and lodging houses). This trend has led to denser population clusters in the neighborhoods surrounding campus and has affected parking, green space, and land use conflicts with existing residential neighbors.

The City is addressing these issues by strengthening ordinances requiring more green space and parking in order to acquire new rooming and lodging licenses. While these ordinances have addressed new development, the existing, rooming and lodging homes are grandfathered in and remain a concern in the neighborhoods that surround campus.

Housing Unit Projections

The housing projections used for this plan are intended to provide an estimate of housing units that will be developed through the year 2030. Development of the housing projections is helpful in order to estimate the amount of land that may be consumed by future housing development. The projections are based on several assumptions. These assumptions create limitations that should be considered when reviewing and evaluating the projections. The assumptions include the following:

- The population projections developed as part of this plan are reasonable and will continue to be reasonable during the planning period
- The household projections developed as part of this plan are reasonable and will continue to be reasonable during the planning period
- The vacancy rate will remain constant during the planning period.

Table 3-13 Housing Unit Forecast 2000 to 2030

| City of Menomonie | 2000 | 2005 | 2010 | 2015 | 2020 | 2025 | 2030 |
|-------------------|--------|--------|--------|--------|--------|--------|--------|
| Population | 14,937 | 15,491 | 16,120 | 16,875 | 17,643 | 18,364 | 19,009 |
| Persons per HH | 2.92 | 2.81 | 2.77 | 2.72 | 2.69 | 2.67 | 2.66 |
| Households | 5,119 | 5,509 | 5,814* | 6,200 | 6,548 | 6,868 | 7,146 |

Source: Wisconsin DOA, Cedar Corporation *6,234 actual

Based on the developed housing projections as shown in Table 3-13, it is estimated that the City of Menomonie will have 7,146 housing units by the year 2030. This is an increase of 912 housing units between 2010 and 2030. It is projected that housing units will average an annual increase of approximately 46 housing units per year during the twenty-year period.

Housing Affordability Analysis

The United States Department of Housing and Urban Development (HUD) defines excessive housing costs as an amount exceeding 30 percent of household income. According to the U.S. Census Bureau, selected monthly owner costs are calculated from the sum of payment for mortgages, real estate taxes, various insurances, utilities, fuels, mobile home costs, and condominium fees. This can be used to measure housing affordability and shelter costs. Housing affordability is a concern in our society. People with low to moderate levels of income are not the only economic group seeking affordable housing. Young, working families just

starting out, elderly or other people on fixed incomes also require housing within their means in a rapidly changing housing market. If housing becomes too expensive in a community, residents may have a hard time finding affordable housing. This concern is multiplied by the current economic downturn.

In 1999, a majority of homeowners (80.6%) in the City of Menomonie were paying less than 30% of their household income towards homeowner costs. This could mean that owners have a smaller mortgage due to a larger down payment or that housing costs are not rising as fast as wages and salaries in the area. It could also mean that housing is considered affordable (see *Table 3-15*).

Table 3-15 Monthly Housing Costs-Percentage of Household Income 1999

| | Number | Percent |
|---------------|--------|---------|
| Less than 15% | 728 | 37.9% |
| 15 to 19% | 376 | 19.6% |
| 20 to 24% | 256 | 13.3% |
| 25 to 29% | 189 | 9.8% |
| 30 to 34% | 171 | 8.9% |
| 35% or more | 193 | 10.0% |
| Not computed | 9 | 0.5% |

Source: US Census Bureau 2000

One thing to keep in mind regarding these statistics is that college students do not often make large amounts of disposable income and therefore spend a significant percentage of their income on housing even though housing costs may not be high.

Table 3-16 reveals gross rent in relation to household income. Gross rent is the amount of the contract rent plus the estimated average monthly cost of utilities (electricity, gas, and water and sewer) and fuels if these are paid for by the renter (or paid for the renter by someone else). Although a majority of renters (58.2%) are paying less than 30% of their household income towards renting costs in 1999, more renters are paying a larger percent of their income to rent compared to homeowners.

Table 3-16 Gross Rent-Percentage of Household Income, 1999

| | Number | Percent |
|---------------|--------|---------|
| Less than 15% | 596 | 20.6% |
| 15 to 19% | 420 | 14.5% |
| 20 to 24% | 381 | 13.2% |
| 25 to 29% | 284 | 9.8% |
| 30 to 34% | 211 | 7.3% |
| 35% or more | 896 | 31.0% |
| Not Computed | 101 | 3.5% |

Source: US Census Bureau 2000

Regarding rental housing in Menomonie, Table 3-17 shows that the rents charged in the City have increased between 1980 and 2000. However, the student housing rental market is evident in the number of renter-occupied housing units with a rent under \$500. At the same time, there are over 300 rental units priced over \$750, which had not existed in the past.

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Table 3-17 Contract Rent Renter-Occupied Units - 1980, 1990 and 2000

| 1980 | | 1990 | | 2000 | |
|-----------------|-------|-----------------|-------|--------------------|-------|
| Less than \$250 | 1,346 | Less than \$250 | 717 | Less than \$200 | 233 |
| \$250 to \$499 | 407 | \$250 to \$499 | 1,359 | \$200 to \$499 | 1,469 |
| \$500 or more | 12 | \$500 or more | 242 | \$500 to \$749 | 807 |
| | | | | \$750 to \$999 | 236 |
| | | | | \$1,000 to \$1,499 | 92 |
| | | | | \$1,500 or more | 29 |

Source: U.S. Census Bureau 2000

Another way of calculating home-owner affordability is to do a housing-to-income analysis. We have based this analysis on the 2010 median sale price (\$125,250) of homes in Dunn County, and have taken in several factors related to homeownership that are listed *below* (see *Table 3-18*).

Table 3-18 – Housing Affordability Analysis

| Costs | 20% Down payment | 5% Down payment |
|-----------------------------------|--------------------------------------|--------------------------------------|
| *Median Sale Price of Home (2004) | \$125,250 | \$125,250 |
| Down Payment | \$25,050 | \$6,262.50 |
| Mortgage Principal | \$100,200 | \$118,987.50 |
| 30 Year Fixed Rate | 5.0% | 5.0% |
| Principal and Interest Payment | \$537/month | \$639/month |
| Homeowners Insurance | \$500 | \$500 |
| Property Taxes | \$3,006.00 (2010 Mill Rate of 24.00) | \$3,006.00 (2010 Mill Rate of 24.00) |
| Maintenance and Repairs | \$1,000 (Estimated Per Year) | \$1,000 (Estimated Per Year) |
| Total Annual Housing Costs (HC) | \$10,950.00 | \$12,822.00 |
| Income Needed (HC=30% of Income) | \$36,500.00 | \$42,740.00 |

The 2010 US Census did not provide updated median household income data but the median selling price of a home in 2010 was similar to what it was in 2004. Therefore, Table 3-18 should still provide a reasonable analysis of housing affordability.

The City's 2000 median income was \$31,103. Based on this, a person earning the median income would make \$4,603 less than the income needed (\$36,500 with a 20% down payment) to purchase affordable housing. If the down payment is only 5%, the annual cost of housing jumps to \$12,822 per year.

Initially, it appears that housing may not be affordable for many Menomonie residents but it should be stressed that the median income of residents is influenced by the number of college students who are not working full-time and have lower incomes.

Table 3-15 indicates a majority of homeowners (80.6%) in the City of Menomonie were paying less than 30% of their household income towards homeowner costs which does not match the analysis provided in Table 3-18. It can be reasoned that Table 3-15 is more accurate because it refers to homeowners who would typically not be made up of college students.

Mixed-Use Development Trends

Mixed-use development refers to different types of land uses, including residential, in one location. It can also refer to more than one type of use within a building.

Mixed-used developments used to be the norm a century ago and were often located near intersections and transit stops. As people became more mobile along with the introduction of zoning regulations, land uses in communities became segregated into areas for housing, commercial, and industrial activities.

The concept of mixed-used development is being reintroduced as a way to revitalize communities by creating places that are active throughout the day, reduce automobile dependence, increase housing options for a variety of ages and needs, promote



transportation alternatives, and creates a sense of space. At the same time, a mixed-use development can be complex to carry out and involve many diverse groups.

A mixed-use redevelopment study of the Menomonie downtown area was conducted in 2011. A Redevelopment Steering Group was created in 2010 with a goal of defining a mixed-use redevelopment strategy for downtown Menomonie. The group consists of the City of Menomonie, Dunn County, Dunn County Economic Development Corporation, Greater Menomonie Area Chamber of Commerce, Main Street of Menomonie, University of Wisconsin-Stout, and WESTconsin Credit Union. The study is looking at opportunities and strategies for redevelopment at the former Leever's site, Wilson Avenue, Sixth Street, South Broadway, along the Lake Menomonie

There are several challenges to the successful implementation of a mixed-use redevelopment. Residents may oppose a higher density in an area, parking competes with buildings for space, the cost of development may not match what residents and businesses can afford, and it may be difficult to obtain necessary financing.

A study of mixed-use redevelopments in the Twin Cities Area was done in 2003. The report finds that successful mixed-use projects share the following characteristics:

1. Specific goals for both the housing and commercial components of the project, informed by careful market analysis
2. Development teams with solid experience in mixed-use development
3. Sites are located within existing commercial districts with good visibility and access to transit and roads
4. Architectural design standards
5. Sufficient parking that will adequately serve the needs of commercial and housing tenants

6. Partnerships with the community for the financing of infrastructure improvements
7. Incorporation of civic spaces, public or green

The concept of mixed-use development is gaining greater acceptance among the public with some exceptions. A 2011 *Community Preference Survey* of 2,071 American adults showed that:

1. 60% of the participants indicated they preferred being within walking distance to shops and restaurants
2. 58% preferred to live in a neighborhood with a mix of houses, stores, and other businesses within an easy walk
3. 66% of participants indicated that being within an easy walk to places such as a grocery store, pharmacy, hospital, and restaurants was an important factor in deciding where to live.
4. Participants on each end of the socio-economic scale tend to prefer a smart growth type community with people in the middle are more inclined towards a sprawl-type community
5. 61% of participants would still choose a large lot and single family home if it meant having to drive more compared to having a smaller lot and being within walking distance to businesses.

Housing Assistance Programs and Agencies

There are several State and Federal programs and agencies that assist first time homebuyers, disabled and elderly residents, and Low-Medium Income citizens meet rental/home ownership needs. Many of the most often used are listed below.

The State of Wisconsin uses low to moderate income classification charts to determine if individuals or households meet requirements for financial assistance in purchasing a new home or improving an existing home.

The Wisconsin Comprehensive Planning legislation requires that all areas completing comprehensive plans compile a list of programs available to assist in providing an adequate supply of housing that meets existing and forecasted housing demand in the local unit of government. Following is listing of programs that are available and agencies involved in housing programs in Menomonie.

City of Menomonie CDBG Housing Revolving Loan Program

The CDBG program provides grants to local governments for housing rehabilitation programs that primarily benefit low and moderate-income households. Funding can be used to assist homeowners and proprietors in making essential improvements to properties and can assist rental households in purchasing homes. The Dunn County Housing Authority administers a CDBG program on behalf of Dunn County. Additionally, the City of Menomonie also administers its own CDBG programs.

Community Options Program (COP)

Community Options helps people who need long term care to stay in their own homes and communities. Its purpose is to provide cost-effective alternatives to expensive care in institutions and nursing homes. Elderly people and people with serious long-term disabilities receive funds and assistance to find services they are not able to get through other programs.

The Wisconsin Department of Health and Family Services administers this program through the Dunn County Department of Health and Dunn County Human Services.

Dunn County Housing Authority

The Dunn County Housing Authority provides rental assistance for low income housing for families, the elderly and disabled adults.

Habitat for Humanity

Local affiliates, including dozens in Wisconsin, are responsible for raising funds, recruiting volunteers and identifying project sites and constructing owner-occupied housing for the benefit of participating low-income families. So far, two homes have been complete in the City of Menomonie and one more is in the process of being constructed as of the spring of 2005.

Historic Home Owner's Tax Credits

A 25% Wisconsin investment tax credit is available for people who rehabilitate historic non-income-producing, personal residences, and who apply for and receive project approval before beginning physical work on their projects. This program is administered by the Wisconsin Historical Society.

HOME-Homebuyer and Rehabilitation Program (HHR)

A program established to provide essential home purchase assistance and necessary home rehabilitation, and other vital improvements for dwelling units occupied by low- and moderate-income households. The source of funds is the U.S. Department of Housing and Urban Development (HUD) HOME Investment Partnerships Program (HOME), and the American dream Down payment Initiative (ADDI) program. The Wisconsin Department of Commerce, DHCD awards these funds to local units of government and local housing organizations through a biennial funding cycle.

Home Investment Partnership Program (HOME)

A variety of affordable housing activities may be supported by federal HOME awards including down payment assistance to homebuyers, rental rehabilitation, weatherization-related repairs, accessibility improvements and rental housing development. The program is administered by the Wisconsin Division of Housing and Intergovernmental Relations (DHIR).

HUD

The U.S. Department of Housing and Urban Development provides subsidized housing through low-income public housing and the Section 8 Program. Under the Section 8 Program, rental subsidies are given to low-income households, including households renting private apartments. The Dunn County Housing Authority administers Section 8 programs in the county. HUD is also responsible for providing funds to communities through various grant programs.

Menomonie Housing Authority

The Menomonie Housing Authority is responsible for the construction and operation of federally-financed public housing. They provide housing for low income families and elderly based on 30% of gross income. This board is a separate entity from the City of Menomonie. The Menomonie Housing Authority provides low income housing to residents of Menomonie and has 145 housing units all of which are multi-family homes and apartments. The apartment complexes (80 units) are mainly set aside for the disabled and the elderly (Classified as 55 years of age and older).

Property Tax Deferred Loan Program (PTDL)

This state program provides loans to low and moderate income elderly homeowners to help pay local property taxes, so that the elderly can afford to stay in their homes. To be eligible, individuals must be at least 65 years old with a spouse that is at least 60 years old, unless one is disabled.

Rural Development –United States Department of Agriculture

Provides housing opportunities for individuals living in predominantly rural areas (population <10,000). The Rural Development Program provides support for rental housing, mortgage loans for homebuyers, and support for cooperative housing development.

Subsidized Housing Units

Subsidized housing units are found in Menomonie. These units are run by housing authorities, nonprofit organizations, or other private individuals. Low-income, family, elderly, and disabled units are available.

Wisconsin Housing and Economic Development Authority (WHEDA)

The Wisconsin Housing and Economic Development Authority serves Wisconsin residents and communities by working with others to provide creative financing resources and information to stimulate and preserve affordable housing, small business, and agribusiness. This agency finances housing development through the sale of bonds. WHEDA provides mortgage financing to first-time homebuyers, and financing for multi-family housing.

Wisconsin Community Action Program (WISCAP)

WISCAP and its member agencies are dedicated to advancing safe and affordable housing, through development of resources, training and opportunities. The organization serves as an advocate for policy and program development, and provides technical assistance expertise on housing issues. Dunn County is served by West CAP out of Glenwood City.

West CAP is non-profit corporation that works in partnership with local communities to plan and develop good quality, affordable housing for low and moderate-income families and individuals. Their HomeWorks program constructs and manages new housing, and provides a variety of renovation, weatherization, and energy efficiency services for existing homes and apartments.

Wisconsin Home Energy Assistance Program (WHEAP)

The Energy Services Bureau oversees Wisconsin's Low Income Home Energy Assistance Program. This includes the federally funded Low Income Home Energy Assistance Program (LIHEAP) and other related programs. Households with incomes at or below the federal poverty level may be eligible for assistance. Many households with income from farms, offices, factories and other work places receive LIHEAP assistance.

Wisconsin Rural Development, Rural Housing Service

The mission of the Rural Housing Service is to enhance the quality of life of rural people through the creation of safe, affordable, housing where people can live, work and prosper as part of a community. The Wisconsin Rural Housing Service offers housing preservation grants, loans and grants for farm labor housing, loans and grants for home improvement and repairs, loans for financing housing site development, loans for home purchase or construction, loans on apartment buildings and self-help technical assistance grants.

Housing Goals, Objective, Programs, Policies & Actions

Goal 1: Ensure land is available for future housing needs.

Objective

1. Maintain steady and planned growth in the City of Menomonie.

Programs, Policies, and Actions

1. Use proposed land use map to guide residential growth.
2. Explore extra-territorial zoning with surrounding towns to avoid land use conflicts.

Goal 2: Provide a balance between single family and multi family housing.

Objectives

1. Increase owner-occupied home ownership.
2. Protect property values.

Programs, Policies, and Actions

1. Help residents locate housing programs and agencies that will help them achieve home ownership.
2. Encourage developers to provide a variety of housing sizes and styles to meet the needs of all residents.
3. Encourage R-1, R-2, and R-4 zoning over the full multiple-family zoning of R-3 because they are more compatible and are more easily intermixed.
4. Encourage the use of Traditional Neighborhood Development (TND) that is served by a network of paths, streets and lanes suitable for pedestrians as well as vehicles and includes a variety of housing types and land uses in a designated area.
5. Require 70% of dwelling units in new subdivisions to be single family/owner.
6. Review existing zoning map for rezoning of multiple family areas to single family areas when redevelopment occurs.

Goal 3: Address the aesthetics of new developments and housing.

Objective

1. Avoid residential development that uses repetitive styles and colors.

Programs, Policies, and Actions

1. Specify housing aesthetics in the developer's agreement.
2. Encourage the use of Traditional Neighborhood Development (TND) that is served by a network of paths, streets and lanes suitable for pedestrians as well as vehicles and includes a variety of housing types and land uses in a designated area.
3. Require developments to use a variety of building footprints, colors, windows, etc...
4. Discuss possible ordinances on property maintenance code.

Goal 4: Encourage infill development on vacant lots within the City Limits.

Objectives

1. Reduce urban sprawl.
2. Lower the cost of infrastructure expansion.

Programs, Policies, and Actions

1. Allow for the extension of utilities to the vacant lots within the City.
2. Review stormwater ordinance requirements for infill development.
3. Analyze the potential for incentives to lower costs for those building on infill lots.
4. Promote the housing program to assist lower income families to build.

Goal 5: Support and encourage sustainable design of residential development including “Green Building.”

Objectives

1. Reduce energy consumption.
2. Promote environmental sustainability and responsibility.

Programs, Policies, and Actions

1. Work with local contractors to construct a home that meets the Leadership in Energy and Environmental Design (LEED) Standards.
2. Encourage architects and developers to incorporate LEED Standards and promote “green buildings.”
3. Review ordinances to identify opportunities to provide incentives for green building.
4. Develop standards and incentives for promoting greenspace and walkability in residential developments.