



WAUPUN
CITY OF SCULPTURE

Housing Study and Needs Analysis

February 2020



Cedar
corporation

Table of Contents

Chapter 1 – Affordable Housing.....	1
Introduction	1
Initial Affordable Housing Issues Identified	1
Focus of the Housing Study and Needs Analysis and Planning Process	1
What is Considered Affordable Housing?	2
Data Sources and Limitation	2
 Chapter 2 - Community Demographics.....	 4
Introduction	4
Historic Population and Population Projections	5
Household Projections	5
Age of Residents	6
Sensitive Populations	9
 Chapter 3 – Existing Housing Characteristics	 13
Introduction	13
Apartment Complex Vacancy and Occupancy	15
 Chapter 4 – Economic Factors and Housing Affordability Gap	 18
Introduction	18
Income and Housing Affordability	18
Affordable Housing Gap.....	23
Development and Public Infrastructure Costs.....	24
 Chapter 5 – Stakeholder Interviews	 26
Personal Perspective.....	26
Apartment Owners and Property Managers	26
Contractors and Developers	29
Business Leaders	30
Realtors	31
Waupun’s Homeless Population	32
Key Takeaways from the Stakeholder Interviews.....	35

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Chapter 6 – Land Use Planning and the Municipal Code	35
Comprehensive Plan and Related Policies	37
Municipal Code and Incentives	37

Chapter 7 – Housing Needs and Recommended Actions42

Introduction	42
Housing Need #1: Promote Housing Development to Meet The Projected Demand	42
Housing Need #2: Replace 101 Affordable Housing Units Going to Market Rate.....	43
Housing Need #3: There is no Transitional Housing in City	44
Housing Need #4: There is a Demand for Higher Price Homes (\$300,000+)	45
Housing Need #5: Rehabilitation of the Older Housing Stock	46
Housing Need #6: Need for More Senior Housing.....	47
Housing Need #7: Housing for Sensitive Populations.....	48
Recommended Actions to Benefit All Housing Development Types	49

Tables

Table 1: Historical Population-City of Waupun.....	5
Table 2: Projected Population-City of Waupun	5
Table 3: Households-City of Waupun	5
Table 4: Household Population-City of Waupun	6
Table 5: Persons Per Household-City of Waupun	6
Table 6: Number of Persons in Household-City of Waupun	6
Table 7: Age of Residents-City of Waupun	8
Table 8: Disability Status of the Civilian Noninstitutionalized Population.....	10
Table 9: Population by Race-City of Waupun	10
Table 10: Single Parent Households.....	11
Table 11: Grandparents	11
Table 12: Health Insurance	11
Table 13: Low to Moderate Income Limits	13
Table 14: Year Structure Built-City of Waupun.....	14
Table 15: Residential Building Permits.....	15
Table 16: Occupancy Rates	15
Table 17: Housing Values	16
Table 18: Selected Monthly Owner Costs as a Percentage of Household Income	19
Table 19: Gross Rent as a Percentage of Household Income	20

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Table 20: Industry Snapshot in the City of Waupun	21
Table 21: Occupation Wages, Average Annual in City of Waupun	22
Table 22: Affordable Housing Gap Analysis	24
Table 23: Street and Utility Costs for New Development.....	25
Table 24: Infrastructure Costs Per Lot	25

Figures

Figure 1: Household Lifecycle Diagram.....	7
Figure 2: Age of Residents-City of Waupun	9

Maps

Map 1: City of Waupun	4
Map 2: Single Family and Twin Homes Values Under \$100,000 ...	13
Map 3: Single Family and Twin Home Property Values	17
Map 4: Residential Development Opportunities	38

Appendix A – Apartment Analysis Report

Appendix B – Housing Programs and Funding

Chapter I

Affordable Housing

Introduction

The lack of affordable housing is a nationwide problem. Communities are experiencing shortages of housing that meet the physical and economic needs of residents. These shortages have resulted in higher rents and homes that are selling higher than assessed values. There is no single reason for the decline of affordable housing, but several factors and trends have emerged that have affected housing costs.

- Incomes have not kept up with rents and home values
- There is a labor shortage in the home construction sector
- The cost of construction materials has risen over 20% since 2008
- People are staying in their homes longer, slowing the turnover rate
- There is less profit made on entry-level or starter homes
- Interest rates remain low reducing the costs of borrowing, enabling sellers to price homes higher
- Multi-family housing continues to have a negative image

Initial Affordable Housing Issues Identified

In 2018, the City of Waupun adopted its updated Comprehensive Plan. The Plan's Housing chapter identified gaps in affordable and accessible housing and recommended that the City increase housing options for seniors and special needs populations. The updated Comprehensive Plan also identified a need to upgrade and maintain existing housing stock.

In 2019, the City hired Cedar Corporation to conduct a Housing Study and Needs Analysis to further explore housing issues so that elected officials, City staff, stakeholders, and community members can better understand the housing market, identify community housing priorities, and evaluate local policy and regulations in order to make informed decisions related to public expenditures for housing.

Focus of the Housing Study and Needs Analysis and Planning Process

The City of Waupun identified the following questions that the Housing Study and Needs Analysis should help answer.

- How will anticipated economic, employment, and population growth impact housing demand, especially when it comes to sensitive populations and workforce housing needs?
- What are the current 5-year/10-year housing needs in the City? Where do gaps exist in terms of types and/or price range? Where should the needed housing types be located?

- Does Waupun have the right balance between owner-occupied and rental housing? If not, what strategies could be employed to improve the balance?
- What impact is the addition of new multi-family housing structures likely to have on aged rental housing stock?
- What are the City's strategic options for promoting or attracting market rate developers, especially those willing to build speculative homes? What housing demand will likely not be met without incentives, if any?
- How are workforce and sensitive population housing needs impacted in terms of price and community livability? What steps can be done by the City to remedy that?
- What strategies and programs should Waupun pursue or provide for the development and/or redevelopment of necessary housing within the community? How should the community maximize the use of limited public funds to support the potential housing market?
- How can community partners (e.g. major employers, hospital, school district) support Waupun as the community of choice, and the preferred location for employees to live? How can community partners support the development of quality housing or rehabilitation of existing housing in Waupun?
- Does the current City code and zoning allow for the recommended strategies? If not, what are the recommended best practices?

To answer these questions, existing demographic data sources, economic data sources, the City of Waupun Comprehensive Plan, the Waupun Municipal Code, housing related programs, and personal interviews were used to gather information in order to formulate realistic responses to the questions and to identify housing priorities and steps to address them.

What is Considered Affordable Housing?

For the purposes of the Housing Study and Needs Analysis, the standard definition for affordability is used. This states that households should pay no more than 30% of their gross income for housing and related costs (property taxes, utilities, maintenance, etc.), which would leave 70% of a household's income for food, clothing, transportation, and other necessities. If a household spends more than 30% of its income on housing and related costs, then the household is considered overburdened.

Data Sources and Limitations

The Housing Study and Needs Analysis uses a number of data and information sources throughout the document.

- The Wisconsin Demographic Services Center (DCS) provides population and household projections for all municipalities in the state
- The U.S. Census Bureau Decennial Census (2010) and American Community Survey 5-Year Estimates (2013-2017) provides a majority of the demographic and housing data
- Chmura JobEQ supplies economic and workforce data
- Personal interviews provide insight into individual housing experiences

- The State Cartographers Office provides mapping data

Although there are some limitations to the accuracy of all data and information sources, those used in the Housing Study and Needs Analysis should provide an accurate picture of existing housing conditions and trends in the City of Waupun. Other factors such as changing City, state or federal policies or programs, new technologies, consumer preferences, and market forces can influence housing and are more difficult to predict and factor in.

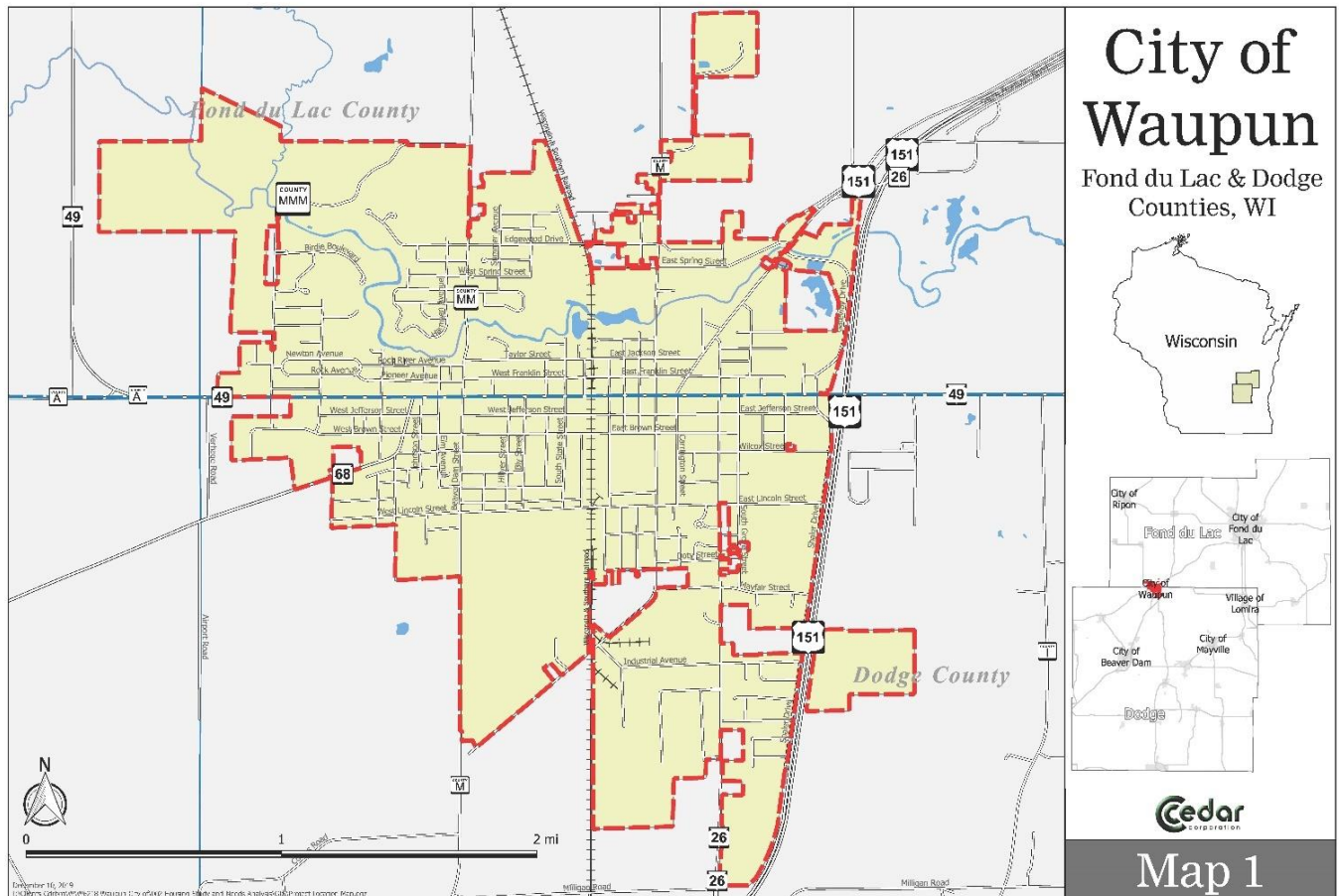
Chapter 2

Community Demographics

Introduction

The City of Waupun has a population of 11,340 (2010 Census). It is located in southeastern Wisconsin in Dodge County and Fond du Lac County (see Map 1). People can travel to and from Waupun on S.T.H. 26, 49 and 68 and U.S.H. 151. The main employers include three prisons, a hospital, and a variety of manufacturers.

Analyzing existing demographic and economic data can provide one picture of future housing needs, gaps in types of housing, the condition of the City's housing stock, and the affordability of housing in the City of Waupun. In turn, the findings can be compared to other sources to validate the recommendations in this study.



Historic Population and Population Projections

The Demographic Services Center (DSC) develops yearly population estimates and population projections for all Wisconsin towns, villages, and cities. The population projections consider births, deaths, migration, and age distribution. They do not guarantee what will happen in the future but what could happen if past patterns and probable future trends hold true.

The City of Waupun has historically experienced population growth. Table 1 shows that the City's population has increased each decade beginning in 1970. Between 1970 and 2010, the City's population has grown 42%. It should be noted that these numbers also include the institutionalized population of the three prisons located in the City.

Table 1: Historical Population-City of Waupun

Year	1970	1980	1990	2000	2010
Population	7,946	8,132	8,844	10,718	11,340
% Change	-	2.3%	8.8%	21.2%	5.8%

Source: U.S. Census Bureau

The DSC projects that Waupun's population will continue to grow and then slightly decrease. Table 2 shows that by 2040, the City's population is projected to be 12,300 residents. This is an 8.7% increase over the 2010 population. In general, more residents will require more housing.

Table 2: Projected Population-City of Waupun

Year	2010	2018 est.	2020	2025	2030	2035	2040
Population	11,340	11,591	11,810	12,160	12,445	12,480	12,330
% Change	-	2.2%	1.9%	3.0%	2.3%	0.3%	-1.2%

Source: U.S. Census Bureau, Wisconsin Demographic Services Center 2013/12/10

Household Projections

A household is one or more people who occupy a dwelling unit. People in a household may or may not be related. Household projections do not include the institutionalized population in the City. Therefore, these figures provide a better indicator of the number of residential dwelling units needed to house the projected growing noninstitutionalized population.

Table 3 shows that between 2010 and 2040, there will be an additional 662 households in the City of Waupun. The additional households will need housing. Some housing needs can be met by the existing housing stock, but new construction will be required to meet the full housing needs.

Table 3: Households-City of Waupun

2010 Census	2015 Projection	2020 Projection	2025 Projection	2030 Projection	2035 Projection	2040 Projection	2010-2040 Change
3,485	3,637	3,844	4,026	4,166	4,206	4,147	662

Source: Wisconsin Demographic Services Center 2013/12/10

Table 4 shows the total population that makes up the households. This increased by 665 residents between 2010 and 2040.

Table 4: Household Population-City of Waupun

2010 Census	2015 Projection	2020 Projection	2025 Projection	2030 Projection	2035 Projection	2040 Projection	2010-2040 Change
8,194	8,305	8,649	8,933	9,125	9,078	8,857	665

Source: Wisconsin Demographic Services Center 2013/12/10

Table 5 shows by 2040, the DSC estimates that the average household size will be 2.14 people. This is down from 2.35 people in 2010. As household size decreases, fewer people are living in housing units. This may indicate a need for smaller homes or rental units.

Table 5: Persons Per Household-City of Waupun

2010 Census	2015 Projection	2020 Projection	2025 Projection	2030 Projection	2035 Projection	2040 Projection
2.35	2.28	2.25	2.22	2.19	2.16	2.14

Source: Wisconsin Demographic Services Center 2013/12/10

Table 6 shows that approximately 64% of Waupun households are 1 or 2-person households. About 15% are 3-person households and 21% are 4-person or more households. This provides some insight into the number of bedrooms in a dwelling unit needed to meet the household sizes.

Table 6: Number of Persons in Household-City of Waupun

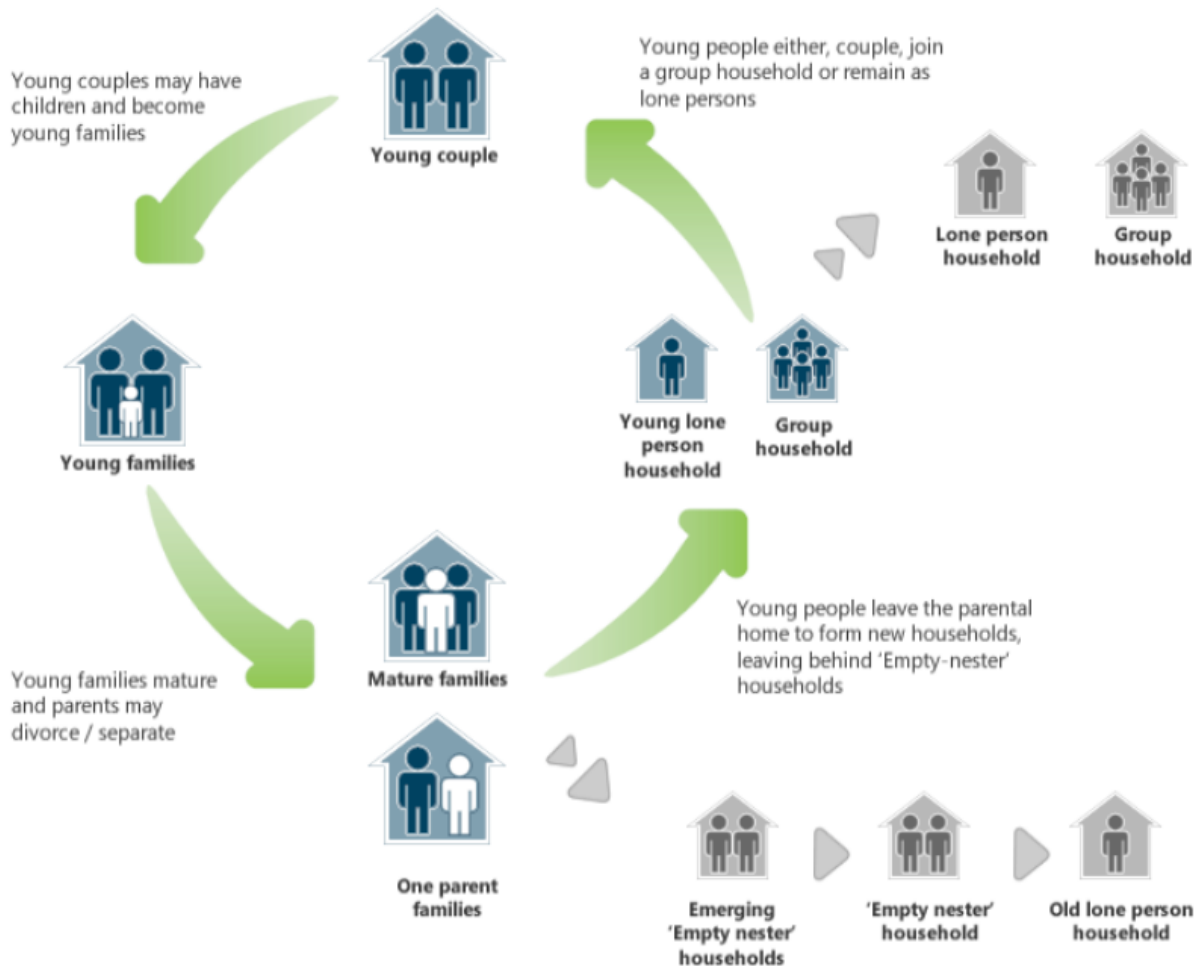
	Households	Percent
Total Number of Households	3,880	100.0%
1-person household	1,225	31.6%
2-person household	1,268	32.7%
3-person household	559	14.4%
4-or-more-person household	828	21.3%

Source: 2013-2017 ACS 5-Year estimate

Age of Residents

Different age groups have different housing needs. As people go through the “household cycle,” the need or desire to rent or own a dwelling changes as well. As a person gets older, there may be a need for personal care as well. Figure 1 depicts the lifecycle of an average household.

Figure 1: Household Lifecycle Diagram



Source: .id the population experts

As shown in the Household Life Cycle diagram, a household goes through several stages.

- A Young Lone Person or Group Household will typically rent.
- A Young Couple will typically rent but may begin planning for a home.
- A Young Family may rent but look at homeownership as well. A small home may transition to a larger home.
- Mature Families will generally own a home and may look at aging in place as their children grow older.
- Couples may divorce creating One Parent Households or a Lone Person Household. They may rent or own a home.
- As children grow older and leave home, Empty Nester Households are created. These households may no longer need their larger home and want to downsize to a smaller home, apartment or condominium. They may also need care as they get older so there may be a need for senior housing, assisted living facilities or nursing homes.

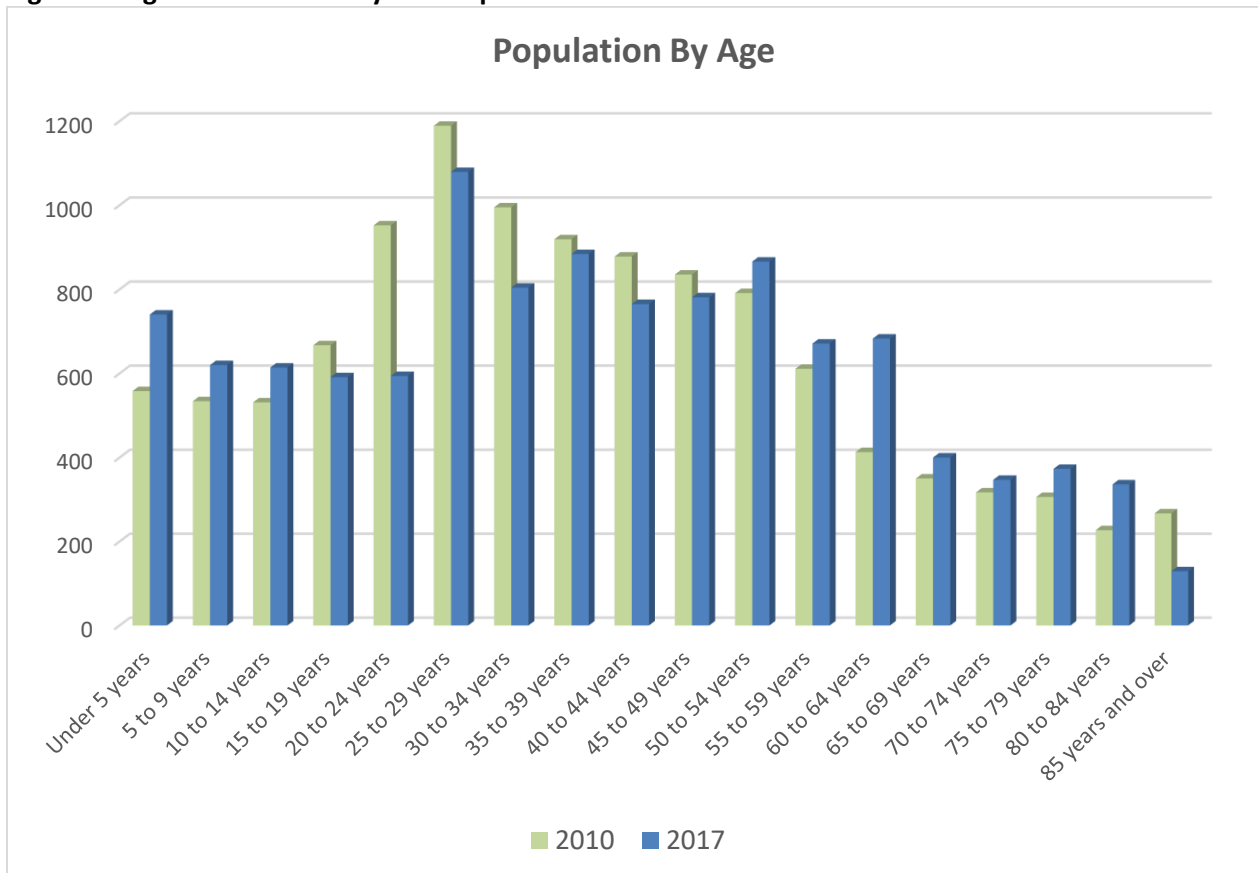
Table 7 and Figure 2 compare the number of residents in 2010 and 2017 by age group. The table shows three distinct age groupings.

- First, the number of residents from *Under 5 years to 10 to 14 years* is increasing indicating increasing households with younger children.
- It shows a decreasing number of residents from *15 to 19 years through 45 to 49 years* of age. These declining numbers may be due to decreasing household sizes, young adults in college, or younger working adults and families moving away for work or other reasons.
- The population *50 years and older* is growing. Some older residents prefer to stay in their homes as long as possible, but others may prefer to live in apartments or condominiums where mowing, shoveling and home maintenance is not their responsibility.

Table 7: Age of Residents-City of Waupun

Age	2010	2017	Change
Under 5 years	558	740	182
5 to 9 years	534	620	86
10 to 14 years	531	614	83
15 to 19 years	667	591	76
20 to 24 years	952	594	358
25 to 29 years	1189	1079	110
30 to 34 years	995	804	191
35 to 39 years	919	884	35
40 to 44 years	878	765	113
45 to 49 years	835	781	54
50 to 54 years	791	866	75
55 to 59 years	611	671	60
60 to 64 years	413	683	270
65 to 69 years	350	400	50
70 to 74 years	317	347	30
75 to 79 years	306	373	67
80 to 84 years	227	336	109
85 years and over	267	129	138

Source: 2010 U.S. Census Bureau and 2013- 2017 ACS 5-Year estimate

Figure 2: Age of Residents-City of Waupun

Source: 2010 U.S. Census Bureau and 2013-2017 ACS 5-Year estimate

Sensitive Populations

Sensitive populations include the economically disadvantaged, racial and ethnic minorities, the uninsured, low income children, the elderly, the homeless, and those with other chronic health conditions. Sensitive populations are finding housing options that meet their needs non-existent, limited, and/or unaffordable.

The American Community Survey tries to identify six aspects of disability including hearing, vision, cognitive, ambulatory, self-care, and independent living. Table 8 shows that almost 12% of the Waupun civilian noninstitutionalized population is disabled. The largest percentage of disabled people occurs in the 65 years or over group where 36.6% of that population has a disability.

There is an ever-increasing need for “aging in place” type homes that allow the elderly or disabled population to stay in their homes or move to dwellings that are ADA compliant (single family or rental). Although some homes or apartments are wheelchair accessible, many, due to their age, do not allow a person to “age in place.” This means that these homes may need a ramp at the front door, grab bars in the tub or shower, nonskid floors, more comfortable handles on doors or faucets, etc. to allow people to stay in their home. Older homes may need

remodeling to accommodate elderly or disabled residents because rooms and hallways tend to be smaller, which makes it difficult to use a wheelchair, stairs prohibit access to the second floor and, in some instances, there is no bathroom on the first floor. There are City and County housing programs that can help low to moderate income residents to make accessibility improvements in their homes.

Table 8: Disability Status of the Civilian Noninstitutionalized Population

Type of Household	Population	Percentage
Total Civilian Noninstitutionalized Population	9,524	100.0%
With a disability	1,137	11.9%
Under 18 years	2,276	100.0%
With a disability	43	1.9%
18 to 64 years	5,737	100.0%
With a disability	541	9.4%
65 years and over	1,511	100.0%
With a disability	553	36.6%

Source: 2013-2017 ACS 5-Year estimate

Although predominately White, the race of Waupun residents is becoming more diverse (see Table 9). Since 2000, the percentage of residents who identify themselves as White decreased from 84.7% to 83.0% in 2017. The percentage of African Americans and American Indians has decreased in population while the number of people who identified themselves as Asian or Pacific Islander, Other Race, Two or More Races or Hispanic Identity has increased. Table 9 includes the institutionalized populations in Waupun.

Table 9: Population by Race-City of Waupun

Year	2010		2017		Percent Change 2010-2017
Race	Population	Percent	Population	Percent	
White	9,609	84.7%	9,904	83.0%	3.1%
African American	1,384	12.2%	702	5.9%	-49.3%
American Indian	133	1.2%	54	0.5%	-59.4%
Asian or Pacific Islander	55	0.5%	178	1.5%	223.6%
Other Race	60	0.5%	300	2.5%	400.0%
Two or More Races	99	0.9%	139	1.2%	40.4%
Hispanic Identity	217	1.9%	655	5.5%	201.8%

Source: US Census 2010 100% data and 2013-2017 ACS 5-Year estimate

Table 10 shows that 9% of the households have one parent and no spouse. A single parent may not be able to find affordable housing when there is only one income in the household.

Table 10: Single Parent Households

Type of Householder	Number	Percentage
Total Households	3,880	100.0%
Male householder, no wife, with own children under 18	201	5.2%
Female householder, no husband, with own children under 18	148	3.8%

Source: 2013-2017 ACS 5-Year estimate

Sometime parents are unable to care for their children and the grandparents become responsible for them. This can be difficult because many grandparents are on fixed incomes and may have health limitations as well. Table 11 shows that 1.3% of households consist of grandparents taking care of their grandchildren.

Table 11: Grandparents

Type of Householder	Number	Percentage
Total Households	3,880	100.0%
Grandparents responsible for Grandchildren	49	1.3%

Source: 2013-2017 ACS 5-Year estimate.

If a person lacks health insurance, they may avoid seeking medical help because of the cost, or they will see a doctor, but then have to pay medical expenses out of pocket. An unexpected expense like this can make having money for housing, food and other essentials very difficult to save for. Table 12 shows that 95.2% of civilian noninstitutionalized have some form of health insurance.

Table 12: Health Insurance

Age	Total		Insured	
	Number	Percent	Number	Percent
Civilian Noninstitutionalized Population	9,524	100.0%	9,063	95.2%
Under 19 years	2,419	100.0%	2,371	98.0%
19 to 64 years	5,594	100.0%	5,181	92.6%
65 years and older	1,511	100.0%	1,511	100.0%

Source: 2013-2017 ACS 5-Year estimate

Table 13 shows the household and income limits for low to moderate Income (LMI) residents. In the City of Waupun, Dodge County, 44.12% of households are considered LMI compared to 36.59% of Waupun households in Fond du Lac County. There are financial aid programs for housing and City infrastructure projects if they serve LMI households.

Table 13: Low to Moderate Income Limits

County	CMI %	Size of Household							
		1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person
Dodge	30%	\$15,300	\$17,500	\$21,300	\$25,750	\$30,170	\$34,590	\$39,010	\$43,430
	50%	\$25,500	\$29,150	\$32,800	\$36,400	\$39,350	\$42,250	\$45,150	\$48,050
	80%	\$40,800	\$46,600	\$52,450	\$58,250	\$62,950	\$67,600	\$72,250	\$76,900
Fond du Lac	30%	\$15,850	\$18,100	\$21,330	\$25,750	\$30,170	\$34,590	\$39,010	\$43,430
	50%	\$26,400	\$30,150	\$33,900	\$37,650	\$40,700	\$43,700	\$46,700	\$49,700
	80%	\$42,200	\$48,200	\$54,250	\$60,250	\$65,100	\$69,900	\$74,750	\$79,550

Source: U.S. Department of Housing and Urban Development

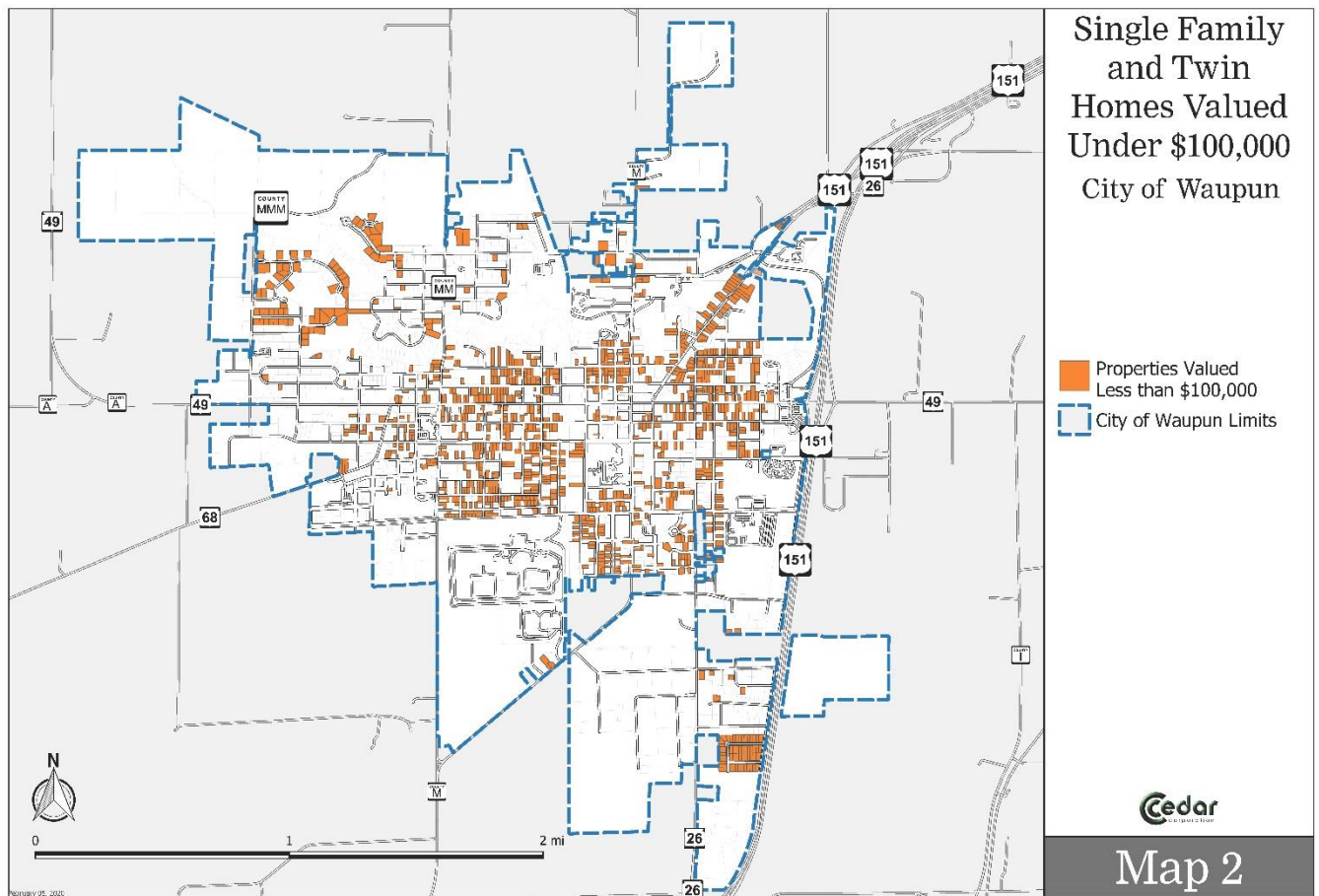
Chapter 3

Existing Housing Characteristics

Introduction

Existing housing statistics can provide insight into the age of housing, potential condition, and the ratio of homeowners to renters. This can tell us the possible need for housing rehabilitation, new housing, and what types of housing may be in demand.

Map 2 shows the location of single family and twin homes with combined land and improvement values of \$100,000 or less. We assume homes in this value range are older and smaller and may have some of the issues highlighted earlier such as inefficient heating and cooling systems, inefficient window, or old water and sanitary sewer pipes. These conditions can make inexpensive homes expensive to maintain. Some of these properties are in newer subdivisions but do not have homes on them therefore the value represents only the land. Most of the homes are located in the areas of the City that were first developed.



Analyzing the age of the housing stock in the City of Waupun can give us a sense of the condition and accessibility of dwellings. In Waupun, almost 76% of all housing stock was built in 1980 or earlier (see Table 14).

Although the 2013-2017 data does not indicate the condition of the housing stock, homes built in 1980 or earlier may have structural, mechanical, or other conditions that may make them expensive to maintain, heat/cool, inaccessible to handicapped residents, or may have an impact on a person's health. Typical conditions of an aging housing stock include:

- Lead paint
- Asbestos in building materials
- Inefficient heating and cooling systems
- Old water and sanitary sewer systems
- Inadequate insulation and inefficient windows
- Steps into the home and bedrooms and bathrooms on the 2nd floor
- Narrow hallways and stairs and overall small rooms

Table 14: Year Structure Built-City of Waupun

Year Structure Built	Units	Percentage
Total House	4153	100.0%
Built 2014 or later	0	0.0%
Built 2010 to 2013	40	1.0%
Built 2000 to 2009	432	10.4%
Built 1990 to 1999	525	12.6%
Built 1980 to 1989	300	7.2%
Built 1970 to 1979	336	8.1%
Built 1960 to 1969	388	9.3%
Built 1950 to 1959	584	14.1%
Built 1940 to 1949	292	7.0%
Built 1939 or earlier	1256	30.2%

Source: 2013-2017 ACS 5-Year estimate

Table 15 shows the number of residential dwelling units constructed since 2010. This can be used to supplement the information in Table 14. In most communities, home construction came to a halt when the Great Recession started in 2008 and is slowly recovering. Between 2010 and 2019, the City of Waupun saw 59 new single family homes and 66 rental units built for a total of 125 new dwelling units in the City. In some cases, these dwellings were occupied by people already living in Waupun, therefore, freeing up their homes and apartments for others.

Table 15: Residential Building Permits

Year Structure Built	Single Family Units	Multi-Family Units	Total Dwelling Units
2010	2	0	2
2011	2	0	2
2012	3	32	35
2013	5	32	37
2014	4	0	4
2015	5	0	5
2016	8	0	8
2017	4	0	4
2018	13	0	13
2019	10	2	12
Total	56	66	122

Source: City of Waupun Building Inspector

Homeownership is a goal for many in the United States though not everyone will want to own a home or may not have the means to own a home. Table 16 shows that 65.6% of housing units are owner-occupied and 34.4% are renter-occupied, which is similar to the state ratio.

Table 16: Occupancy Rates

Housing Tenure	Estimate	Percentage
Occupied Housing Units	3,880	100.0%
Owner-Occupied	2,545	65.6%
Renter-Occupied	1,335	34.4%

Source: 2013-2017 ACS 5-Year estimate

Apartment Complex Vacancy and Occupancy

The 2013-2017 ACS 5-Year estimate does not provide adequate vacancy data however, in 2017, the City of Waupun performed an Apartment Vacancy Analysis that surveyed apartment complexes registered in the City. The report took sourced market data for apartments in the City and combined it with direct information from property managers of apartment complexes.

As of May 2017, there was a total of 27 apartments registered of which 23 complexes were surveyed about their number of units, occupancy, vacancy, year built, property type, primary reasons they are unable to rent, and monthly rent range. Of the total 23 complexes surveyed, there were a total of 655 total units in the City indicating the following occupancy and vacancy rates:

- City Apartment Occupancy Rate: 94.96% 622 units
- City Apartment Vacancy Rate: 5.04% 33 units

The full Apartment Analysis Report is found in Appendix A.

In our recent conversations with homebuilders, realtors, and property managers, they indicated that current vacancy rates are low and homes do not stay on the market long. A search of Realtor.com shows that there are typically 40 to 50 homes for sale in the City of Waupun. Realtors have stated that the asking price of homes is often above the assessed value and that the accepted offer can be even higher than the asking price because of the demand. This will be discussed more in Chapter 5.

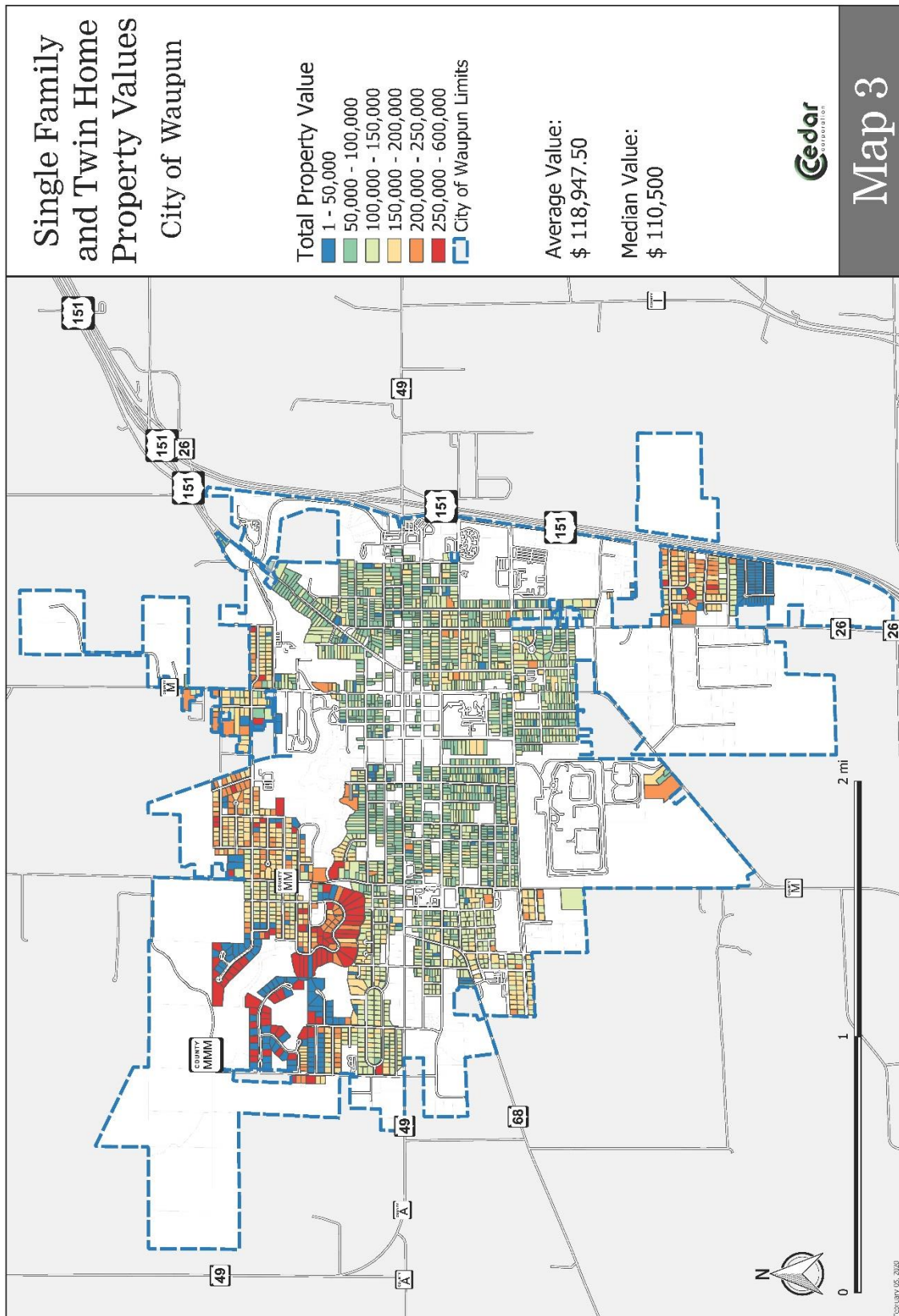
Table 17 shows estimated home values in the City of Waupun. About 30% of homes are valued at \$99,999 or less, approximately 41% are valued between \$100,000 and \$149,999 and approximately 25% are valued between \$150,000 and \$249,999. Many new homes constructed since 2010 fit into this last range though some are valued higher.

Table 17: Housing Values

Value	Number	Percent
Total Housing	2544	100.0%
Less than \$10,000 to \$49,999	66	2.6%
\$50,000 to \$99,999	703	27.6%
\$100,000 to \$149,999	1,051	41.3%
\$150,000 to \$199,999	458	18.0%
\$200,000 to \$249,999	166	6.5%
\$250,000 to \$600,000	100	3.9%

Source: 2013-2017 ACS 5-Year estimate

Map 3 shows the distribution of single family and twin home land and improvement values in the City of Waupun. Not surprisingly, the older parts of the City have the lower home values because of being older and smaller homes while the outer edges of the City have been built up more recently and have larger lots and larger homes. The areas showing lower property values can be targeted for housing program information that can be used to remodel older properties.



Chapter 4

Economic Factors and Housing Affordability Gaps

Introduction

Employment opportunities, wages, and construction costs directly affect the type of housing a person can afford. There are a number of ways we can try to determine if housing is affordable for residents, where there are gaps in affordable housing, and reasons for high housing costs.

Income and Housing Affordability

As mentioned in Chapter 1, affordable housing is housing where a household pays no more than 30% of their gross income for housing and related costs (property taxes, utilities, maintenance, etc.). This applies to both homeowners and renters.

Table 18 shows selected monthly owner costs as a percentage of household income. When looking at all households in the City of Waupun earning \$20,000 or less, 256 households or 85% of those households, are spending 30% or more of their income on housing related costs.

For households in the City of Waupun earning \$20,000 to \$34,999, 142 households or 59% of those households, are spending 30% or more of their income on housing related costs.

Approximately 33% of households earning between \$35,000 and \$49,999 are spending 30% or more of their income on housing related costs. Housing becomes more affordable once household income reaches \$50,000.

Table 18: Selected Monthly Owner Costs as a Percentage of Household Income

Household Income Bracket	Selected Monthly Owner Costs as a Percentage of Household Income	Number of Households	Percent of Households in Income Bracket
Less than \$20,000	Less than 20 percent	9	3%
	20 to 29 percent	37	12%
	30 percent or more	256	85%
\$20,000 to \$34,999	Less than 20 percent	48	20%
	20 to 29 percent	49	21%
	30 percent or more	142	59%
\$35,000 to \$49,999	Less than 20 percent	197	55%
	20 to 29 percent	46	13%
	30 percent or more	118	33%
\$50,000 to \$74,999	Less than 20 percent	410	70%
	20 to 29 percent	149	26%
	30 percent or more	23	4%
\$75,000 or more	Less than 20 percent	902	87%
	20 to 29 percent	131	13%
	30 percent or more	9	1%
Zero or negative income		18	N/A

Source: 2013-2017 ACS 5-Year estimate.

Table 19 shows selected monthly renter costs as a percentage of household income. For households earning \$20,000 or less, 329 households or 95% of those households, are spending 30% or more of their income on gross rent.

Households earning \$20,000 to \$34,999, 169 households or 50% of those households, are spending 30% or more of their income on gross rent.

Renting becomes more affordable once household incomes reaches \$35,000 with only 12% or 26 households spending 30% or more of their income on rent.

Table 19: Gross Rent as a Percentage of Household Income

Household Income Bracket	Gross Rent as a Percentage of Household Income	Number of Households	Percent of Households in Income Bracket
Less than \$20,000	Less than 20 percent	19	5%
	20 to 29 percent	0	0%
	30 percent or more	329	95%
\$20,000 to \$34,999	Less than 20 percent	0	0%
	20 to 29 percent	169	50%
	30 percent or more	169	50%
\$35,000 to \$49,999	Less than 20 percent	133	60%
	20 to 29 percent	63	28%
	30 percent or more	26	12%
\$50,000 to \$74,999	Less than 20 percent	110	64%
	20 to 29 percent	63	36%
	30 percent or more	0	0%
\$75,000 or more	Less than 20 percent	186	100%
	20 to 29 percent	0	0%
	30 percent or more	0	0%
Zero or negative income		51	N/A
No cash rent		18	N/A

Source: 2013-2017 ACS 5-Year estimate.

Table 20 shows the type of industries in the City of Waupun provided by the North American Industry Classification System (NAICS). NAICS is the standard used by Federal statistical agencies in classifying business establishments for the purpose of collecting, analyzing, and publishing statistical data related to the U.S. business economy. We can use this information to evaluate local average annual wages by industry to determine if wages are adequate to afford housing in Waupun.

In the City of Waupun, the top four (4) industries employ an estimated 2,641 workers who have average annual wages between \$41,398 and \$53,141. When cross-referenced with Tables 18 and 19, we can conclude that these wages would allow a person to afford housing in Waupun. The next three (3) industries employ an estimated 716 workers who have average annual wages between \$14,289 and \$28,628. Crossing-referencing Tables 18 and 19 one can see that these wages would make it difficult for that person to find affordable housing in Waupun. Finally, Table 20 does not show any statistically significant employment growth over the next five (5) years in any industry assuming historical growth remains the same.

Table 20: Industry Snapshot in the City Of Waupun, WI

Table 20: Industry Snapshot in City of Waupun, WI

NAICS	Industry	Current			5-Year History		5-Year Forecast				
		Empl	Avg Ann Wages	LQ	Empl Change	Ann %	Total Demand	Exits	Transfers	Empl Growth	Ann % Growth
92	Public Administration	1,317	\$44,298	7.13	41	0.6%	573	254	345	-26	-0.4%
62	Health Care and Social Assistance	521	\$42,580	0.92	53	2.2%	268	122	127	19	0.7%
31	Manufacturing	402	\$53,141	1.24	74	4.1%	190	76	130	-16	-0.8%
61	Educational Services	401	\$41,398	1.25	14	0.7%	175	88	95	-8	-0.4%
44	Retail Trade	327	\$26,956	0.80	-5	-0.3%	218	96	122	0	0.0%
72	Accommodation and Food Services	233	\$14,289	0.66	16	1.5%	191	84	105	2	0.2%
81	Other Services (except Public Administration)	156	\$28,628	0.92	4	0.5%	91	41	48	1	0.2%
54	Professional, Scientific, and Technical Services	98	\$50,204	0.37	-10	-2.0%	44	16	26	1	0.3%
48	Transportation and Warehousing	97	\$52,931	0.55	23	5.6%	49	22	29	-2	-0.5%
52	Finance and Insurance	92	\$56,776	0.60	3	0.7%	41	16	27	-2	-0.4%
23	Construction	73	\$63,625	0.32	-3	-0.7%	45	13	24	8	2.0%
42	Wholesale Trade	64	\$53,424	0.43	5	1.8%	33	13	21	0	0.0%
11	Agriculture, Forestry, Fishing and Hunting	42	\$41,644	0.79	-1	-0.6%	23	10	13	0	0.2%
71	Arts, Entertainment, and Recreation	42	\$17,903	0.53	-10	-4.3%	30	13	16	1	0.4%
53	Real Estate and Rental and Leasing	41	\$41,467	0.60	6	3.1%	21	9	11	0	0.1%
22	Utilities	10	\$56,794	0.49	-7	-10.3%	5	2	3	0	0.3%
56	Administrative and Support and Waste Management and Remediation Services	6	\$30,875	0.02	-6	-13.8%	3	1	2	0	0.3%
51	Information	2	\$34,009	0.03	-9	-27.8%	1	0	1	0	-0.8%
55	Management of Companies and Enterprises	2	\$100,069	0.04	-1	-6.0%	1	0	1	0	0.0%
21	Mining, Quarrying, and Oil and Gas Extraction	1	\$49,560	0.08	-2	-14.3%	1	0	0	0	-1.3%
	Total - All Industries	3,926	\$46,546	1.00	185	1.0%	2,115	915	1,221	-21	-0.1%

Source: JobsEQ 2018

Table 21 shows occupation wages based on Standard Occupational Classification (SOC) system data for the City of Waupun. The SOC system is a federal statistical standard used by federal agencies to classify workers into occupational categories for the purpose of collecting, calculating, or disseminating data.

For each occupation, the mean or average annual wage is shown for a worker in Waupun as well as the entry-level and experienced averages. This is compared to the mean in Wisconsin and the USA. In most categories, the mean wage in Waupun is less than that of Wisconsin and, except for one category, is less than the mean in the USA. It should be noted that salaries attributed to the prisons are incorporated in NAICS 92.

Cross-referencing Tables 18 and 19 with table 21 shows that residents in occupations paying \$50,000 or more would have the most success finding an affordable home or apartment in the City of Waupun and it would become more difficult as occupation wages decrease.

Table 21: Occupation Wages, Average Annual in City of Waupun, WI

SOC	Occupation	Mean	Waupun		Mean	
			Entry Level	Experienced	Wisconsin	USA
11-0000	Management Occupations	\$101,100	\$56,100	\$123,500	\$110,900	\$120,900
13-0000	Business and Financial Operations Occupations	\$61,700	\$39,600	\$72,800	\$65,200	\$76,900
15-0000	Computer and Mathematical Occupations	\$67,900	\$42,100	\$80,900	\$77,200	\$91,600
17-0000	Architecture and Engineering Occupations	\$69,300	\$48,400	\$79,700	\$72,900	\$87,400
19-0000	Life, Physical, and Social Science Occupations	\$60,500	\$38,300	\$71,600	\$64,600	\$76,000
21-0000	Community and Social Service Occupations	\$44,800	\$29,500	\$52,400	\$44,800	\$49,200
23-0000	Legal Occupations	\$62,500	\$38,900	\$74,300	\$97,200	\$109,000
25-0000	Education, Training, and Library Occupations	\$46,200	\$29,600	\$54,600	\$51,400	\$56,500
27-0000	Arts, Design, Entertainment, Sports, and Media Occupations	\$42,100	\$24,200	\$51,000	\$46,500	\$59,300
29-0000	Healthcare Practitioners and Technical Occupations	\$78,600	\$54,400	\$90,700	\$81,500	\$82,100
31-0000	Healthcare Support Occupations	\$32,000	\$25,300	\$35,400	\$32,600	\$32,300
33-0000	Protective Service Occupations	\$45,900	\$34,700	\$51,500	\$44,600	\$48,400
35-0000	Food Preparation and Serving Related Occupations	\$22,800	\$17,400	\$25,500	\$23,300	\$25,600
37-0000	Building and Grounds Cleaning and Maintenance Occupations	\$28,800	\$19,000	\$33,800	\$29,000	\$29,900
39-0000	Personal Care and Service Occupations	\$26,400	\$20,000	\$29,600	\$25,900	\$28,100
41-0000	Sales and Related Occupations	\$38,100	\$19,200	\$47,500	\$40,400	\$41,900
43-0000	Office and Administrative Support Occupations	\$35,900	\$23,000	\$42,400	\$37,300	\$39,000
45-0000	Farming, Fishing, and Forestry Occupations	\$31,000	\$22,100	\$35,500	\$30,600	\$29,200
47-0000	Construction and Extraction Occupations	\$50,000	\$32,900	\$58,600	\$53,700	\$51,200
49-0000	Installation, Maintenance, and Repair Occupations	\$47,800	\$33,100	\$55,100	\$47,800	\$48,900
51-0000	Production Occupations	\$38,200	\$28,800	\$42,900	\$39,100	\$39,200
53-0000	Transportation and Material Moving Occupations	\$35,900	\$25,500	\$41,200	\$37,100	\$38,100
00-0000	Total - All Occupations	\$45,000	\$27,400	\$53,800	\$47,400	\$51,800

Source: JobsEQ 2018

Affordable Housing Gap

To identify gaps in affordable housing, household incomes are used to calculate what the household could pay for housing that would be considered affordable. Then the number of homes that fit those incomes are compared to see if there is a shortage of homes for households to purchase.

Table 22 shows the gap between household income and levels and approximate home value. To calculate this, these assumptions were made.

- A 5% down payment was provided.
- The home loan has a fixed rate of 3.75% for 30 years.
- Property taxes were based on a 0.02% mill rate.
- Yearly homeowners insurance is 0.0035% of the assessed value.
- Twenty-two percent of gross income is spent on the mortgage.

The Table shows that there is a gap (shortage) in housing that would be considered affordable (homes that costs 30% of the household income or less) for the following incomes:

- \$20,000 or less
- \$50,000 to \$74,999
- \$75,000 or more

There is an excess amount of homes considered affordable (homes that would cost 30% of the household income or less) for households earning the following incomes:

- \$20,000 to \$34,999
- \$35,000 to \$49,999

Table 22 shows that there are an estimated 1,624 households with income levels over \$50,000. This income group can afford homes that cost \$150,000 or more. However, Waupun has an estimated shortage of 900 homes that households in this income level could afford. The result is that these households are buying lesser valued homes, competing directly with households in lower income levels. This increased buying demand forces up home prices for the lower income level households forcing them to spend more than 30% of their income on housing (and foregoing other expenditures) or to seek lower priced homes, homes below their household affordability level.

Table 22: Affordable Housing Gap Analysis

Household Income Level	Total Households	Minimum Affordable House Value	Maximum Affordable House Value	Approximate Home Value	Estimated # of Houses at or Below Maximum Affordable House Value	Estimated # of Houses between Min and Max House Value	Housing Gap
Less than \$20,000	302	\$0	\$56,495	Less than \$60,000	102	102	200
\$20,000 to \$34,999	239	\$56,495	\$94,448	\$60,000 - \$100,000	769	667	428
\$35,000 to \$49,999	361	\$94,450	\$132,403	\$100,000 - \$150,000	1,820	1,051	690
\$50,000 to \$74,999	582	\$132,406	\$195,662	\$150,000 - \$200,000	2,278	458	124
\$75,000 or more	1042	\$195,665	Or More	\$200,000+	2,544	266	776
Zero or Negative Income	18						

Source: US Census 2017 ACS 5 year estimate

By constructing more homes valued at \$150,000 or more, households with higher incomes may purchase them, freeing up lower cost housing for others but this does not address affordable housing for the lowest of household incomes. Most homes available for \$60,000 or less are typically mobile homes or small single-family homes in need of rehabilitation.

Development and Public Infrastructure Costs

A major reason housing development is becoming prohibitively expensive is that costs associated with construction and related infrastructure have gone up considerably over the last 20 years. The housing industry lost many homebuilders and developers after the Great Recession who went out of business. Today, according to a recent study released by the Wisconsin Realtors Association, construction costs are rising faster than inflation and incomes due to increases in material prices coupled with severe labor shortages. Currently, 73% of Wisconsin construction firms have labor shortages. Finally, those homebuilders and developers who are willing to make the large investment in land and infrastructure to build homes are only focusing on the larger homes in well-known markets located in larger cities in proven neighborhoods.

Another key factor related to increased housing costs is the costs of public infrastructure. Cedar Corporation researched costs for streets and utilities that it received for projects bid in 1998, 2008, and 2018. Table 23 shows the costs for per linear foot for street, sidewalk, watermain, storm sewer, and sanitary sewer construction have increased by 184.7% between 1998 and 2018. During the same time, the national inflation rate rose 54.1% meaning that the infrastructure costs associated with home development far outpaced inflation.

This large increase in street and utility costs is a main contributor to the financial gap developers have when trying to construct affordable housing.

Table 23: Street and Utility Costs for New Development

	1998	2008	2018
Street	\$80.02	\$134.28	\$224.67
Sidewalk	\$9.94	\$16.97	\$21.78
Watermain	\$36.25	\$70.28	\$109.74
Storm Sewer	\$26.12	\$35.00	\$78.91
Sanitary Sewer	\$32.19	\$53.94	\$90.23
Total per Foot	\$184.52	\$310.47	\$525.33

Source: Cedar Corporation

Table 24 takes the total per foot construction costs from Table 23 and applies it to different lot widths. This table assumes a house is being built on both sides of the street thus sharing the linear foot costs. The smaller lot sizes allow for a better distribution of construction costs, lowering each lot's share of the infrastructure costs.

Table 24: Infrastructure Costs Per Lot

	1998	2018
100' wide lot:	\$9,200	\$26,250
80' wide lot:	\$7,380	\$21,000
50' wide lot:	\$4,600	\$13,125

Source: Cedar Corporation

Using the cost per linear foot in Table 23 it would cost an estimated \$173,250 to construct 330 feet of road assuming a 36' wide road with a 5' sidewalk on one side

Table 25 shows that if six homes, three per each side of the street, were constructed and valued at \$250,000 each, it would take approximately 10 years for a TIF District to recover the costs to build the street.

Table 25: Example TIF Payback

Assuming a Mill Rate	\$20.00
Interest Rate	4.50%
Construction Cost	\$1,500,000
Assessed Value	\$1,500,000
Taxes Per Yr.	\$30,000
TIF Payback	
5 yrs.	\$75,519.27
7 yrs.	\$120,601.00
10 yrs.	\$181,201.51

Source: Cedar Corporation

Street and utility costs remain one of the biggest obstacles to affordably priced housing resulting in most, if not all, of the communities that Cedar has worked with over the past year having to support the costs of the public infrastructure costs or they would not have occurred. This support typically takes the form of TIF dollars being used to offset or pay for the public infrastructure.

Example Projects and the Capital Stack

Below are two cases studies on projects that have been completed by Movin Out, an affordable housing developer from Madison, Wisconsin, that Cedar Corporation has worked with. The Capital Stack represents the different layers of financing sources that go into funding the purchase and improvement of a real estate project. Neither project would have occurred without multiple sources of funding including TIF.

Elven Sted Apartments – Stoughton



TOTAL DEVELOPMENT COST \$7,344,000	
First Mortgage	\$640,000
9% Tax Credit Equity	\$5,550,000
Tax Incremental Financing	\$428,000
City Discount on Land Sale	\$164,000
HOME Funds	\$372,000
State of Wisconsin Brownfield Grant	\$190,000

- 33 units of mixed-income apartments
- 11 units targeted to households where one family member has a permanent disability
- Worked with City to plan and develop City-owned site as part of the City's Downtown Redevelopment Plan

Pioneer Ridge –Wisconsin Dells



TOTAL DEVELOPMENT COST \$13,055,713	
First Mortgage	\$2,675,000
9% Tax Credit Equity	\$7,234,277
Tax Incremental Financing (TIF)	\$715,000
WHEDA Second Mortgage	\$560,000
State HOME Funds	\$500,000
Federal Home Loan AHP Funds	\$675,000
Deferred Developer Fee	\$21,436

- 72 units of mixed-income housing
- 18 units targeted to households where one family member has a permanent disability.

Chapter 5

Stakeholder Interviews

Personal Perspective

Over 30 community stakeholders were invited to discuss their experiences and perspectives related to housing in the City of Waupun. The purpose of the interviews was to collect anecdotal information relative to Waupun's housing needs. Each stakeholder group had a unique perspective on housing needs in Waupun. The information gathered can help elected officials, City staff, stakeholders, and community members develop a meaningful sense of the housing market.

The information that follows is a summary of the personal perspective of stakeholders who met with Cedar Corporation, individually, or in a group, to discuss housing.

Apartment Owners and Property Managers

Apartment owners and property managers were asked questions related to the number of units they managed, who they rent to, number of bedrooms in the apartments, income requirements, and perceived community needs to gain their perspectives on housing needs.

The Landings Apartments and Lincoln School Apartments

The Landings Apartments and Lincoln School Apartments are affordable apartments created under the Section 42 Housing Program. Section 42 housing is a federal tax program that allows builders and developers to provide affordable housing. Developers receive a federal tax credit from the government. In order to receive the tax credit, the developer agrees to maintain properties in a safe and decent condition, plus maintain income and rent restrictions while they are receiving the credit. The income and rent restrictions must be maintained for 30 years.

Landing Apartments

The Landings Apartment were built in 1996. There are 64 apartment units in eight (8) buildings. Twenty-four (24) garage spaces are available to residents for an additional fee. The Landings Apartments have the following units:

- Twelve (12) 1-bedroom units charging \$525 to \$550/month
- Thirty-two (32) 2-bedroom units charging \$575 to \$625/month
- Twenty (20) 3-bedroom units charging \$675 to \$725/month

Water and garbage collection is included in all rents. Thirty-two (32) first floor apartments are handicapped accessible but not ADA accessible. Generally, the vacancy rates are low but there is no waiting list. When apartments become available, they are rented within a few months. The Landings Apartments accepts housing vouchers.

The Apartment Manager feels that based on the number of people inquiring about the availability of apartments, there appears to be a need for senior housing, handicapped accessible units, and 3+ bedroom apartments and that many people applying to rent these units do not qualify because they earn too much income or too little income to afford the rent.

Lincoln School Apartments

The Lincoln School Apartments were built in 1992. There are 45 units in one building. All units are 2-bedroom and 1-bathroom. Eight (8) of the units are market rate. The subsidized units are \$575 to \$625 per month and the market rate units are \$650 to \$700 per month. Vouchers are accepted. Vacancy rates are low but there is not a waiting list at this time. None of the units are handicapped accessible.

Experiences with applicants for the Lincoln School Apartments also indicated there was a need for senior housing, handicapped accessible units, and 3+ bedroom apartments.

The Apartment Manager stated that approximately 60% of people applying for apartments at either location are turned away because of having too much income, having a criminal background, or having bad credit. For both locations, most renters are working but have lower paying jobs.

The Lincoln School Apartments in 2022, and the Landings Apartments in 2027, will both convert to all market rate rents when their 30-year commitment to Section 42 requirements expire. The Landings Apartments and Lincoln School Apartments were the only apartment owners/property managers who were interviewed that stated they would eventually go to market rate rents, but there may be other apartment complexes in the City that were created under Section 42 that may also go market rate in the future.

The Parkview Apartments

The Parkview Apartments were built in the late 1970's. There are 64 2-bedroom 1-bathroom units in four (4) buildings. The apartments are 700 sq. ft. and all have attached 1-car garages. Rents are market rate, but they accept Section 8 vouchers. Seniors prefer the lower level units. These units have a six (6) to nine (9) month waiting period before a unit becomes available. The upper level apartments do not have a waiting list. Utilities are included in the rent except electricity and cable TV.

Based on people inquiring about the availability of apartments, the Apartment Manager feels that there is a need for senior housing and 3+ bedroom apartments. Additionally, the Manager stated that 2-bedroom apartments are easy to rent with most Parkview renters being younger couples starting out and seniors. Most renters are working.

The Westview Apartments

The Westview Apartments were built in 1970 and have the following units in two buildings:

- Forty (40) 2-bedroom units charging \$701/month)
- Eight (8) 1-bedroom units charging \$601/month)

Some units are reserved for Section 8 rental assistance, and the others have HUD income qualifications. All utilities are included except phone and cable. Only two people are allowed per bedroom. There is a 5% vacancy rate with apartments available most months due to a high renter turnover. The waiting list for an apartment can be three (3) to six (6) months due to the high number of people interested in the apartments.

Westview apartments do not rent 2-bedroom apartments to single persons to ensure the highest number of renters can find housing. The Westview Apartments get at least one call a week from someone looking for a 3+ bedroom unit.

The Whispering Oaks Apartments

The Whispering Oaks Apartments is a “55 years of age and older” apartment building. It is located in downtown Waupun and was the former High School that was remodeled into the following units:

- Twenty (20) 1-bedroom/1-bathroom apartments charging \$575 to \$600/month
- Seven (7) 2-bedroom/1-bathroom apartments charging \$700/month

Whispering Oaks provides all utilities and accepts vouchers. Parking spaces are provided, but there are no garages. Renters have access to several amenities including a community room, exercise room, fire pit, grills, and theater/TV room. All units are occupied, but there is no waiting list. Four (4) of the units are ADA compliant.

The Apartment Manager stated that generally, the 2-bedroom units rent faster than the 1-bedroom units. When a 2-bedroom unit becomes available, an existing renter in a 1-bedroom unit will move into it. The 2-bedroom units are more popular, but the owner believes there is a need for higher end senior apartments in the City.

The Former Christian Home Apartments

The former Christian Home and Rehabilitation Center has been remodeled into the following rental units:

- Nineteen (19) studio apartments charging \$550/month
- Five (5) 2-bedroom apartments charging \$800/month

All units are handicapped accessible and ADA compliant. Heat is included in the rent and vouchers are accepted. The remodeled units opened in September 2019. There is no waiting list at this time. Some of the units are rented to short-term employees such as traveling nurses, young professionals, or employees at the prisons who will live and work in Waupun for a limited time.

The owner believes there is a demand for more 2-bedroom apartments in Waupun. The owner had a good experience working with the City and found staff to be helpful. In general, a faster process to be able to complete the review and approval process would be helpful.

Contractors and Developers

Contractors and developers were asked questions related to the types of housing they are building, price range, experience working with City staff, homebuyer or renter desires, and perceived needs in the City of Waupun.

Contractor-Single Family Residential

The contractor is currently building one-story single-family homes in Waupun on 13 lots that were purchased from the City. All of the homes have been “spec” homes on approximately 0.3-acre lots and sold before construction was completed. The cost of the new homes ranged from \$240,000 to \$280,000. The contractor purchased the lots and built in Waupun because the City owned the lots and sold them at a fair price.

In the contractor’s opinion, the most important factor to his homebuyers was the price of the home compared to lot size or community amenities. The homes built appealed to entry level and mid-level homebuyers. The contractor also has a 2-bedroom and 2-bathroom model with an unfinished basement and egress window that he is able to sell at approximately \$200,000. This model would be an entry-level new home with the ability to add a bedroom and finished basement in the future.

In general, the contractor found working with the City of Waupun on this project was a positive experience and felt that City staff was helpful and the Common Council was knowledgeable. He believed everyone was flexible and open to ideas. One suggestion was to shorten the time it takes from concept to construction and that it would benefit all builders and developers in the future.

Developer-Multi-Family Homes

The developer is currently working with the City of Waupun on two proposed projects to construct single-story multi-family homes in two locations in the City. The proposed units would be 2-bedroom 2-bathroom 1,260 sq. ft. with an attached single car garage.

The proposed rents would be between \$1,100 and \$1,200 per month. All units would be handicapped accessible with utilities included except for electricity and phone. The apartments would have a manager on site. Typically, 90% of the developer’s renters tend to be seniors who are now renting because they no longer want a home but want to stay in Waupun.

The developer is proposing to construct the multi-family units in Waupun because of the aging population and believed their apartment layout was very attractive to older residents. Another reason was that the City reached out to them and negotiated a fair price for the land, which helped offset the expense of utilities. In the developer’s opinion, the biggest development costs are land acquisition and utilities.

The developer stated that the City has been easy to work with, communicates well, and that everyone works well together. The developer feels the development approval process could be

streamlined to reduce the time it takes to develop a property. A suggestion is to have a “developer’s packet” that would have all fees, timelines, and regulations in one location.

Business Leaders

Local business leaders were asked questions related to employment needs, the employees experience looking for housing in Waupun, employees perceived community needs, and overall perceived housing needs in the City.

All three businesses that were part of the discussion are currently seeking a limited number of employees over the next year or two. Each business was concerned about their aging workforce and that they will not be able to find a qualified workforce to replace the upcoming retirements. The businesses stated their workforce is comprised of both married and single individuals with a smaller percentage being couples just starting families but a high percentage of employees nearing retirement age. People applying for work typically have experience within the field they are applying for with many having at least a 2-year degree.

The business leaders have only heard of a few cases where a potential employee could not find housing that met their needs. In all cases, these employees were in upper management and ended up finding housing in surrounding communities. The businesses felt that this was due to most of the potential employees were already living in surrounding communities and were willing to continue to live there and commute to Waupun.

Depending on the employee, they are either looking for 1- and 2-bedroom apartments or higher-end homes to purchase. Some of the businesses have employees who will live in Waupun for a short time and are only looking for apartments. Higher end larger homes are hard to find in Waupun for employees in management positions. The shortage of homebuilders, many who went out of business after the Great Recession, results in longer wait times for custom homes and has resulted in employees seeking housing outside of Waupun.

In only one instance did a prospective employee turn down a job offer due to housing. This appeared to be because the only homes for sale were near the prisons. The businesses felt that not only is there a lack of the right kind of housing, but also a lack of amenities in the community such as restaurants and shopping choices that impact an employee’s choice of where to live. All the businesses stated that at least one-half to two-thirds of their workforce lives in Waupun and that they predominantly fill their new positions with individuals from other communities who are willing to commute to Waupun. This willingness to drive may be tied to many of the employees and perspective employees having families and have set their roots down in communities outside of Waupun.

The businesses felt that factors potential employees consider when choosing a place to live in are perceived higher quality of life along with more restaurant and shopping choices. Additionally, the lack of population diversity was seen as a hindrance in attracting a diverse workforce to Waupun.

According to the business leaders, the biggest housing challenge is a lack of good quality 1- and 2-bedroom apartments coupled with the need for higher end homes that are either ready to be occupied or custom-built homes that can be constructed quickly.

None of the businesses have considered partnering with a developer/builder to construct housing however, the following ideas were discussed to help attract new residents.

- Working with developers of rental units to reserve/guarantee a number of units for short-term employees.
- Creating a community welcome package for potential employees that promotes the City and all it has to offer to a new family or individual.
- Creating a community welcome group where the traveling spouse could meet other spouses and learn about the City and all it has to offer.

Realtors

Realtors were asked questions related to housing demand, costs, what clients are looking for in a home, what is available, and perceived housing needs.

The realtors who participated in the discussion felt that there was a strong demand for senior condominium housing that was built on one level with shared yard and amenities. They stated that there are a large number of seniors who are looking to downsize and move into this type of living arrangement. Further, when these types of homes come onto the market, the realtors see multiple offers.

There is a shortage of homebuilders in Waupun meaning less homes are being built even though there is a demand. People are looking for 3-bedroom 2-bathroom homes. Many older people, although they need less space, also want a 3-bedroom home for the resale value. The minimum new home size is typically 1,600 to 2,000 sq. ft. with an open concept and 3-car garage. Lot size is not a factor for buyers looking in the City. People want convenience in the form of “live in place” homes, zero thresholds, and door openings of 36”.

All age groups are looking for homes. People in their first home are finding it difficult to find their next home. There is a lack of land available for new subdivisions and housing is needed near the Industrial Park.

The quality of the School District is important to homebuyers with children. More retail options would also help bring people into Waupun. It is important that people can live, work, and shop in the City. More people are improving their residential properties, which makes the community more attractive and commercial property owners in the downtown should continue making improvements. Community promotion could be improved by bringing back the “Welcome Wagon” idea and keeping websites that promote the City current and attractive.

The homebuyer market is very competitive right now and there is a small amount of homes for sale at any given time. Homes are selling quickly and usually above asking price. For lower wage

earners, it is difficult to afford a new home and existing homes, in their price range are hard to find. Some of this is related to the small number of homes priced \$275,000 and above. Households who can afford those homes cannot find them, therefore, they buy lower priced homes, which makes those unavailable to households with lower incomes. Homes in this price range also act as the second home for many and, if they are not available, those residents stay in their first homes longer tying up affordable housing stock.

Currently, it is difficult to find homes for sale in the \$180,000 to \$260,000 range, and any single-story home priced up to \$275,000 sells quickly. There is also a growing demand for homes in the \$300,000 range.

A few of the realtors stated that It would be helpful if the City owned land designated for residential development to help offset builder costs. One realtor knew people who were looking to build duplexes in Waupun but cannot find “reasonably priced land.” The general feeling was the City, through land control, could transfer City-owned land for a reduced cost to stimulate housing development.

Many of the existing homes are dated and need some work, but younger buyers want a “finished home” that is “move in ready.”

Waupun’s Homeless Population

Identifying the homeless population in a community is difficult as most homeless people are mobile and tend to move frequently depending on the season and weather. A diverse group of agencies was asked questions related to identifying the homeless population in the City, perceived causes of homelessness, and housing related needs for the homeless and other residents who need help due to the risk of becoming homeless.

Police Department

The City of Waupun Police Department (WPD) does not keep records of the number of homeless people encountered each year, and there are no official policies and/or procedures in place if a homeless person or family is identified. Typically, the WPD is made aware of a homeless person when that person contacts them for assistance. In most cases, these homeless are traveling through Waupun to reach another destination.

According to the Police Department, the most common reasons for their situation are related to mental illness or drugs and alcohol. Most do not engage in criminal activity while in Waupun.

To help the homeless, the Salvation Army-Dodge County will provide vouchers for 1-night stays in a local hotel and then transportation for them the next day. Money for the vouchers is provided by local individuals, groups, and businesses.

The WPD is aware of local residents living with family or friends because of being homeless.

Central Wisconsin Christian School

The Central Wisconsin Christian School (CWCS) does not maintain a count of homeless students or have specific policies in place if a homeless student is identified. If someone is identified, it is usually through a counselor or other staff member.

If a student has any financial need, school staff, parents, and supporters of the school come together to help. In general, this extends to housing as well. Any housing needs of families that they are aware of tend to be temporary and people within the CWCS community join together to help.

Waupun Area School District

The Waupun Area School District (WASD) identifies homeless students through a variety of ways including information from teachers, other students, City of Waupun Police Department, and a parent survey. To register for school, parents are asked if they are homeless.

On average, there are approximately 28 students per year that are homeless in the School District. Approximately 40%-50% of students are eligible for free or reduced lunches, which would indicate lower household incomes. Some families have left the School District because of a lack of affordable housing and have relocated in surrounding communities where more housing programs and options were available. Homeless students are spread out through all grades.

Many of the homeless students and families are sharing housing with another family member or a friend. Some stay in hotels or motels short term with the use of vouchers. Some older students move from house to house staying with friends. The main underlying reasons resulting in student homelessness are medical related (mental illness or a disability), unaffordable housing options in the community, and a lack of reliable transportation, which can make it difficult to get to work some days or may limit their employment options because they may have to walk to work.

School counselors and the affected parents are notified if a homeless student is identified. The Salvation Army and Food Pantry can assist with limited stays in hotels/motels, but often rooms available for these families are full. If nothing is available in Waupun or the need for housing is more long-term, families have to go to shelters in Beaver Dam, Fond du Lac, or Oshkosh. These are often full as well, especially in the winter. Most homeless students are in single-parent households, and the numbers are growing.

The School District provides transportation vouchers for taxis to get students to and back home from school when they are temporarily living outside the School District. To help homeless students have the same opportunities as other students, fees are waived for school activities. Students can also get free lunches, school supplies, clothes, eyeglasses (if broken), and winter clothing.

The representative from the WASD indicated there is a need for public income-based housing where you pay a percentage of your income. There is a lack of housing for larger families (3+ bedrooms) and people with past evictions have difficulty finding housing. Having a car or access to transportation is essential. Parents without reliable transportation cannot drive to work on a regular basis, which makes it difficult to maintain employment and afford housing. Having more housing options available to meet their needs and access to reliable transportation, homeless families would be better suited to rent or own their own dwelling and remain in the School District.

City of Waupun Food Pantry

The City of Waupun Food Pantry provides food assistance for residents in the City of Waupun and Town of Alto. Only one visit per month is permitted and residents must call ahead. Residency and income limits are verified. Visitors to the Food Pantry must wait four (4) weeks between visits.

At the time of this interview, 43 families used the Food Pantry that week. Many of the visitors are the elderly on fixed incomes and the working poor who are employed but do not earn enough and need assistance to pay for basic monthly living expense. Over the past five years, the use of the Food Pantry has increased and the clientele has changed with more elderly using the Food Pantry.

The City of Waupun Food Pantry believed the underlying reasons for residents needing to use the Food Pantry are underemployment, divorce, fixed incomes, drug or alcohol use, and limited housing options that are affordable. A common situation for residents using the Food Pantry is a single person who is living with another family because they cannot afford an apartment or home on their own. Another common living situation is too many people living in a house or apartment with not enough bedrooms to accommodate them all. This situation is often related to larger families with limited incomes that cannot find or afford homes or rental units that can accommodate the household size. This is especially common among the Hispanic population.

The Food Pantry does not have any specific policies in place if a homeless person is identified but they can recommend that person go to the Salvation Army for help. It is estimated that approximately 60% of the people using the Food Pantry are doing so because of high housing costs and about 90% of Food Pantry users are renters.

In general, rents are high for many members of the community who use the Food Pantry and, combined with the cost of utilities, limits the amount of disposable income people have for food and other typical needs. The biggest needs for housing, based on the people using the Food Pantry, are rents that match wages, better conditions in existing rentals, and housing with three (3) or more bedrooms.

REACH Waupun

REACH Waupun started with the Waupun School District in 2013 as a way to address gaps in student's needs. The mission statement of REACH is to commit to improving the physical, social, emotional, and economic health and well-being of Waupun area youth through building relationships and providing opportunities.

The most popular REACH program is REACH One, which is a mentoring program to provide children with consistent and positive support. Currently, there are approximately 28 matches of mentors and mentees for ages K through 8th grade with 70 children on the waiting list. Referrals to the program come from school personnel.

Homeless students are identified through the mentor and mentee relationships. The most common reasons for the need for assistance are medical related (including mental health), low wages, and unaffordable housing options. REACH-Mission Backpack provides food for students for the weekend. To fund this, a small portion of the budget comes from the School District and donations provide the rest.

REACH RELIEF helps overcome barriers and obstacles that can limit a student's opportunities such as the need for eyeglasses, driver's education training, or having cold weather clothing or clothing for unusual sizes.

It is not uncommon for students in REACH Waupun to be living with other family members or in housing that is too small for the number of people in the family. Many REACH Waupun participants are from large families and need housing with three (3) or more bedrooms. Many of the students and families are experiencing generational poverty and situational poverty.

Key Takeaways from the Stakeholder Interviews

Throughout the stakeholder interviews, several ideas or needs surfaced. Some of these help validate the American Community Survey data in previous chapters. The takeaways were derived from the stakeholder's experiences specific to their work. The takeaways include:

1. There is a need for housing or apartments with three (3) or more bedrooms to accommodate larger families.
2. Some multi-family housing created using tax credits for rent subsidies will begin charging market rate rents when their program obligations expire, which may make some of these rental units unaffordable for current renters.
3. Most apartment buildings interviewed have high occupancy rates.
4. The senior or retired population is growing.
5. There is a need for more rental units that are ADA accessible or have handicapped accessible features.
6. Most new housing is sold or rented before it is completed.
7. There is shortage of more expensive housing (\$300,000+).
8. Developers and contractors would like a faster process for reviews and approvals.

9. The City's ownership of land was a catalyst with recent housing development.
10. Businesses interviewed indicated an interest in working with developers to provide housing for temporary or short-term employees.
11. Properties are selling quickly and often above asking price.
12. It is difficult to find a person's second home or next home after their first purchase because of a lack of available housing stock and homes for sale are selling at higher price points.
13. People are staying in their homes longer, which reduces the amount of homes for sale at any given time.
14. Some occupations pay lower wages, which makes it difficult for some residents to find an affordable home or an apartment in Waupun.
15. There are homeless students and families in the Waupun School District.
16. Transitional (short-term) housing is needed to keep students and families in the area.
17. A lack of reliable transportation is a factor for some people who are able to work but cannot rely on their vehicle to get to work.
18. The high cost of housing and having to pay utilities leaves little disposable income for other things including food.

Chapter 6 and 7 will look at ways the City of Waupun can meet address these takeaways to help reduce housing development costs.

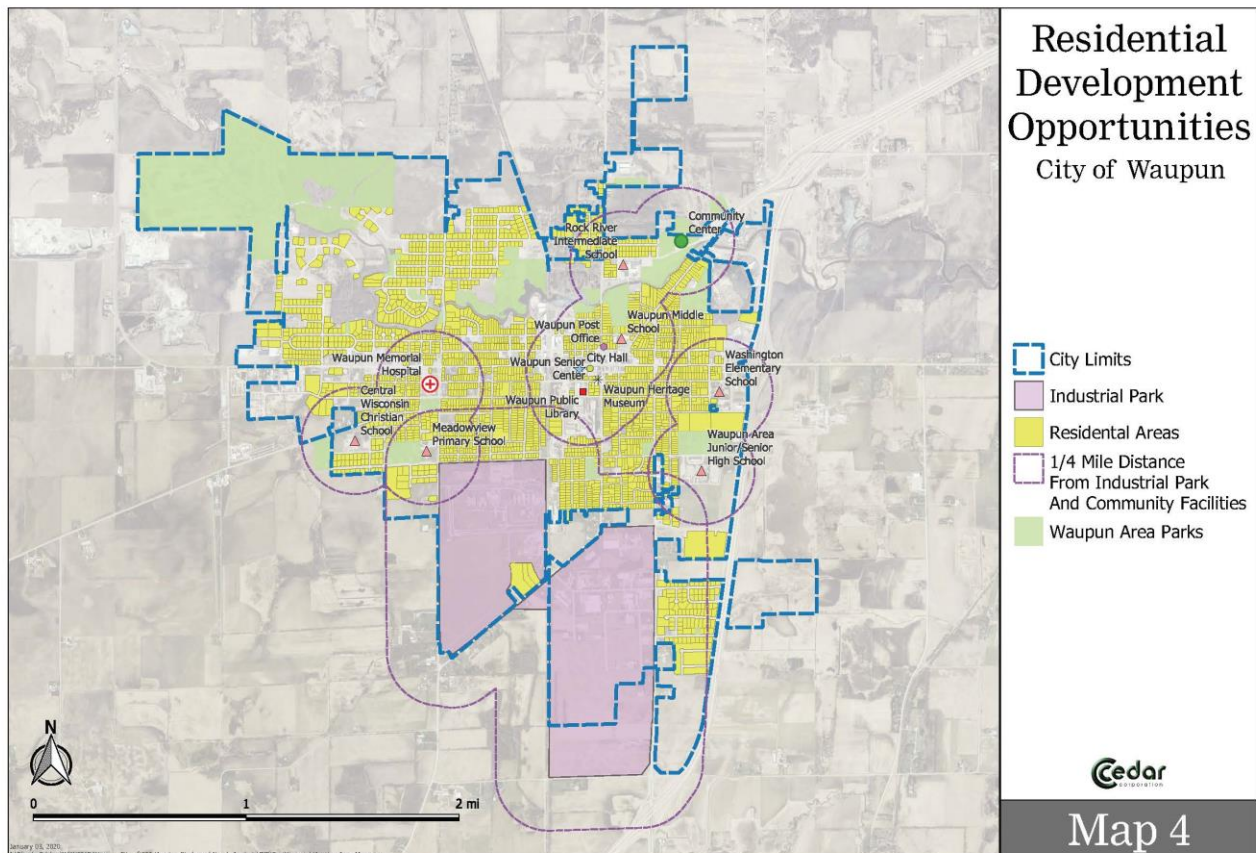
Chapter 6

Fostering Development

Comprehensive Plan and Related Policies

The City of Waupun updated its Comprehensive Plan in 2018. The Land Use chapter inventoried existing land uses by category and identified areas for future land uses by category. The Comprehensive Plan projects that between 2020 and 2040, the City of Waupun will need approximately 134 acres of land for future single-family housing and two-family housing and approximately six (6) acres of land for multi-family housing. The projected land needs are based on the existing ratio of those housing types in the City.

Map 4 shows existing residential areas and areas designated for future residential growth. The main community institutions were included with a ¼ mile offset distance around them. This distance represents a reasonable walking distance for a person to utilize these facilities. Locations within the ¼ mile offset distance may be appropriate for senior housing, transitional housing and multi-family housing for low to moderate income residents. All of these groups may have limited transportation options for different reasons and a ¼ mile is considered a reasonable distance to walk.



The ¼ mile offset distance is also applied to the existing and future industrial areas identified in the Comprehensive Plan because a need for housing near work areas was identified in the stakeholder interviews. This area would be appropriate for a variety of housing options to accommodate workers in various stages of their career and would allow people who do not own a vehicle or cannot drive, to walk to work. As the industrial area develops, sidewalks and trails should be included to allow the option to safely walk or bike to work.

Several factors can influence the amount of land needed for housing. A demand for more multi-family housing reduces land requirements, subdivision or zoning requirements can increase or decrease land needs, and consumer preferences can influence house sizes.

Changes to the Municipal Code

The following examples are ways the City of Waupun can assist residential development or incentivize housing to meet the community's needs. Individually, these may not provide the answer to address the housing needs identified in Chapter 7, but utilizing these together, depending on the specific proposed housing project, may help reduce the costs associated with development and allow a wide range of housing to be built.

During the stakeholder interviews, property owners, developers, and contractors were asked if there was anything in the City's zoning code or subdivision ordinance that restricted what they wanted to do or, if changed, would reduce the cost of housing in communities? All people interviewed said the City's zoning code or subdivision ordinance did not restrict them in any way, but development costs related to land acquisition and costs associated with providing public utilities to a lot made it difficult to build affordable homes.

Communities in Wisconsin and across the nation are grappling with ways to foster increased housing types for all levels of the socio-economic ladder. Some of these ways involve new regulations, revising existing regulations, and/or creating incentives to encourage specific housing types, based on a community's need.

Accessory Dwelling Units

Accessory Dwelling Units (ADUs) ordinances generally allow a single-family zoned lot to have an additional dwelling on the property or inside the existing single-family home. These ADUs are regulated by size and location on a property. Typically, smaller in size (600 sq. ft.), they provide additional housing options for residents without a need for more land for development. An ADU can be above a garage, a separate structure in a backyard, or an apartment in the home. Currently, the City of Waupun does not have an ordinance allowing ADUs.



Accessory Dwelling Unit above a garage.

Reduce the Minimum Lot Width for the R-1 Single-Family Residential District

Currently, the minimum lot width for a lot in the R-1 Single-Family Residential District is 90' and the minimum lot size is 10,000 sq. ft. The City could reduce the minimum lot size to 80', which can still accommodate a modern style home, provide a 125' lot depth (common), while allowing the 10,000 sq. ft. minimum lot size to be utilized. This would have a direct impact to the developer's proforma by them to spread the costs of public infrastructure across more lots. See Chapter 4 tables 23 and 24.

Lot Averaging

Currently, the City's R-1 Single-Family Residential District requires a minimum lot size of 10,000 sq. ft. for a residential dwelling. Waupun could require an average lot size of 10,000 sq. ft. in a major subdivision but allow a minimum lot size of 8,500 sq. ft., or what the community believes is appropriate. By changing from a minimum lot size to an average lot size, the developer gains more flexibility when there are slopes, wetlands, or other physical land conditions that may restrict development. This gives the developer more flexibility to maximize the number of units in the development. This action would require the City's R-1 Single-Family Residential District to be amended.

Planned Community Development (PCD) Requirements

The City's Planned Community Development (PCD) requirements are intended to encourage residential and commercial planned community developments offering greater creativity and flexibility in site plan design. A residential PCD may provide up to a 25% increase in the number of units per acre if the PCD provides substantially more site amenities than are found in conventional residential development. Currently, the R-1 Single-Family Residential District is not included in these requirements. The City could amend its Planned Community Development (PCD) Requirements to include the R-1 Single-Family Residential District, but only allow a percentage of dwelling units to be single family and require a percentage to be R-2 Two-Family Residential District and/or R-3 Multifamily Residential District ensuring a variety of housing options in a new development. It is recommended that the City review the PCD process for modification that would streamline the approval process.

Eliminate Exclusive Single-Family Residential Zoning

Recently, some larger communities are eliminating exclusive single-family zoning districts and replacing them with residential zoning districts that allow single family, duplexes, and triplexes within the same district. This does not restrict a developer from building all single-family homes, but it does allow the developer to create a mix of permitted housing types within one zoning district. The City may require that any new development in existing neighborhoods match the aesthetics and setbacks typically found in that neighborhood to fit in. This would require the creation and adoption of a new zoning district.

Fee Reductions for Housing Development that Benefits Low to Moderate Income Residents or other Identified Housing Needs

The City could develop a policy to reduce or waive permit fees for housing development or individual projects that address low to moderate income housing or specialized housing for specific community needs.

Expedite the Housing Development Approval Process

The City could create a Residential Development Kit for housing developers. The Kit would contain information related to regulations (stormwater, subdivision, zoning), preliminary plat review requirements, final plat requirements, Plan Commission and Common Council schedules, incentives, and associated fees to help developers or contractors submit complete information to shorten the time between concept and construction.

Potential Funding Methods

City and Business Housing Assistance Programs

This type of program typically involves public and private contributions to fund the program. A pool of money is created that participating businesses can use to help employees purchase housing in Waupun. The money is offered as a no-interest loan over a 10-year period with the possible incentive of eliminating the last year's payment if the household can show documented improvements to the home. This program can be adjusted to help with rent security deposits as well. This type of program does not have income requirements.

Tax Incremental Financing Districts

Waupun uses Tax Increment Financing (TIF) Districts to fund infrastructure and other eligible improvements by leveraging new property tax values generated by new development within the TIF District. A Mixed-Use TIF District allows for a combination of residential, commercial, and industrial uses within the District. Mixed-Use TIF Districts can only include lands proposed for newly platted residential use if no more than 35%, by area, of the real property in the TIF District is designated for such use and the residential development meets other qualifications. Mixed-Use TIF Districts can be used to help offset development costs related to streets, utilities, land acquisition or site preparation, among other things, to make residential development and new housing more cost effective to build and less expensive to the buyer or renter.

Tax Incremental Financing-Affordable Housing Extension (AHE)

Waupun may extend the life of a Tax Incremental Financing District one year if all the debt is paid. The one year of tax increment can be used for affordable housing anywhere in the City. At least 75% of the increment must benefit affordable housing in the community and 25% must be used to improve the housing stock. There are no income limits for the AHE. The City must specify what the money can be used for and any financial terms. Money can be used for older housing stock rehabilitation, the purchase of land or existing properties for development/redevelopment, or to install infrastructure for housing. This can be used in conjunction with existing Community Development Block Grant Housing programs.

Community Development Block Grant-Public Facilities (CDBG-PF)

The Community Development Block Grant-Public Facilities (CDBG-PF) program can be used for new construction if it serves new low to moderate income housing. Low to moderate income is defined as a household income, based on the number of people in a household, that is between 30% and 80% of the median household income in a County. The current program provides up to \$1,000,000 towards infrastructure and other eligible improvements and requires a 33.33% financial match from the community. The Wisconsin Department of Administration (WDOA) must be consulted first before applying for this type of project.

Partner with Local Businesses, Agencies and Volunteers to Establish Transitional Housing

The City of Waupun does not have any transitional housing available for local needs. Transitional housing can provide temporary housing for residents who may have lost a job, lost a home, or whose family situation has changed. Transitional housing staff often provides other services such as working with the family or individual to secure affordable housing, finding or maintaining employment, and accessing resources to become self-sufficient.

Expand Waupun's Community Development Authority (CDA)

A Community Development Authority (CDA) is a separate political body that can carry out blight elimination, slum clearance, urban renewal programs/projects, and housing projects. A CDA can issue tax-exempt bonds to fund projects that are within a district identified in a redevelopment project plan. A CDA can be a valuable tool for funding improvements and financing projects because the CDA has borrowing authority that does not count against General Obligation debt capacity of the City.

Working with the CDA Board the City should amend the CDA's redevelopment plan to include supporting housing development as a priority and to amend the CDA's boundary to cover all the City's current TIF Districts, as allowed by state statute.

Chapter 7

Housing Needs and Recommended Actions

Introduction

The Housing Needs and Recommended Actions chapter identifies the main housing needs identified through demographic data, housing data, and personal interviews that provided personal experiences that cannot be found in statistics. The needs are followed by a recommended action to address the need and then proposed steps to implement the action. It should be noted that in many situations, there is no single step that will solve an issue and that a proposed step can address multiple recommended actions. Other reasonable actions may be discovered during conversations that can also be used.

The Housing Needs and Recommended Actions furthers the Housing Vision Statement adopted in the City's Comprehensive Plan which states *"The City of Waupun will seek to offer a wide array of housing choices in excellent condition. Residents will seek to find adequate housing easily and affordably within the City and be able to stay throughout their life cycle, as their income, family, and individual needs change."*

Housing Need #1: Promote housing development to meet the projected demand.

Household projections show that between 2020 and 2025, there will be 182 new households in the City of Waupun. Currently, 65.6% of housing units are owner occupied and 34.4% are renter occupied. Using those percentages, by 2025, Waupun will need 120 single family homes and 62 rental units. Between 2025 and 2030, the City will need an additional 92 single family homes and 48 rental units (140 new housing units).

Recommended Action

The City of Waupun should engage with developers, affordable housing private developers, businesses, and nonprofits to increase the number of new housing units and housing options in the City of Waupun.

Proposed Steps

1. Utilize the City of Waupun Comprehensive Plan, Housing Affordability Report, New Housing Fee Report, Mixed-Use TIF District Project Plans, and City utility maps to highlight areas in the community and individual parcels for new housing development.
2. Promote the specific housing needs identified in this chapter.
3. Identify and seek appropriate funding available for eligible housing projects. A list of housing funding sources and programs is located in Appendix B.

4. Create a Residential Development Kit to give to housing developers. The Kit would contain information related to stormwater regulations, subdivision ordinances, zoning ordinances, preliminary plat review requirements, final plat requirements, Plan Commission and Common Council schedules, potential incentives, and associated fees to help developers or contractors to submit complete information to shorten the time between concept and construction.
5. Create a City of Waupun Residential Development Marketing Kit to give to housing developers. At a minimum, the Kit should contain the following information to help developers or contractors to submit complete information to shorten the time between concept and construction:
 - a. City of Waupun Housing Study and Needs Analysis
 - b. Map showing public and private undeveloped residentially zoned parcels
 - c. Residential Development Checklist

Housing Need #2: Replace 101 affordable housing units going to market rate.

Two apartment complexes that were interviewed were built using Section 42 tax credits. Others may exist in the City, but they were not identified during the interviews. Section 42 housing is part of a federal tax program. Developers receive a federal tax credit and agree to maintain properties in a safe and decent condition plus maintain income and rent restrictions while they are receiving the credit. The two apartment complexes interviewed provide 101 total affordable units. They will meet their 30-year commitment for tax credits in 2022 and 2027, respectively, and then will go to market rate rents potentially displacing some residents or raising rents that will make living there more expensive for others.

Recommended Action

The City of Waupun should engage with affordable housing private developers to replace, at a minimum, the 101 affordable rental housing units planned to go to market rate.

Proposed Steps

1. Review internal policies to identify ways to shorten approval time and reduce the cost to construct low to moderate income or specialized housing in the community such as reducing or waiving permit fees.
2. Create a Residential Development Checklist to help developers or contractors understand the timeline and submission requirements to receive required permits and approvals.
 - a. Stormwater Ordinance
 - b. Subdivision Ordinances
 - c. Zoning Ordinances
 - d. Preliminary Plat Review Requirements
 - e. Final Plat Requirements
 - f. Plan Commission and Common Council Schedules
 - g. Development Fees

3. Create a City of Waupun Residential Development Marketing Kit to give to housing developers. At a minimum, the Kit should contain the following information to help developers or contractors to submit complete information to shorten the time between concept and construction:
 - a. City of Waupun Housing Study and Needs Analysis
 - b. Map showing public and private undeveloped residentially zoned parcels
 - c. Map showing existing TIF Districts that allow housing
 - d. Residential Development Checklist
 - e. Incentives (Local, State, Federal)
4. Contact developers who utilize tax credits for affordable housing projects, share the City of Waupun Residential Development Marketing Kit, and explore ways to work with the developers to build new affordable housing in Waupun.
5. Create a Request for Information (RFI) for City-owned land or privately owned land when the landowner agrees to the development of his or her land. The RFI would specify types of housing required and amenities and request examples of past similar projects and financial assistance needed to construct the housing specified. The City would evaluate the RFIs and choose a developer to work with to develop housing.
6. Utilize the Affordable Housing Extension allowed in Tax Incremental Financing (TIF) Districts to keep an additional year of tax increment. That money can be used as incentive to assist with land acquisition, utilities, or other eligible costs for the construction of new affordable housing.
7. Apply for a Community Development Block Grant for Public Facilities award that can be used for new infrastructure serving housing for low to moderate income residents.
8. Support a developer's application for affordable housing tax credits by ensuring City policies/actions align with the application process of the affordable housing tax credit program.

Housing Need #3: There is no transitional housing in the City.

There is no transitional housing for families with longer-term needs in Waupun. Currently, people in need of housing can get vouchers for short hotel stays only. Because there are no facilities in Waupun, people with longer term needs have to go to facilities in Beaver Dam, Fond du Lac, or Oshkosh to find shelter.

Recommended Actions

Coordinate with local social service/charity organizations, businesses, and volunteers to purchase an existing building or build new transitional housing for longer-term local needs. The facility should include units with three (3) or more bedrooms to accommodate larger families.

Proposed Steps

1. Identify potential sites near medical facilities, grocery stores, schools, the public library, and other institutions where transitional housing residents would have access to these institutions without being dependent on an automobile. These areas should have safe pedestrian and bicycle infrastructure.
2. Coordinate with local social service/charity organizations, churches, businesses, and volunteer groups to create a non-profit organization to develop and manage a transitional housing facility.
3. Develop a policy to reduce or waive permit fees for transitional housing development.
4. Utilize the Affordable Housing Extension allowed in Tax Incremental Financing (TIF) Districts to keep an additional year of tax increment. That money can be used as incentive to assist with land acquisition, utilities, or other eligible costs for the construction of transitional housing.
5. Apply for a Community Development Block Grant for Public Facilities award that can be used for new infrastructure serving housing for low to moderate income residents.

Housing Need #4: There is a demand for higher price homes (\$300,000+).

Income and housing statistics show that there are household incomes that can afford higher priced homes (\$300,000+) currently not available in Waupun. Because there is a shortage of these homes, higher income residents are competing with middle and low income residents for the same lower priced housing stock. This creates price competition allowing high wage earners to outbid and drive up overall home prices. The construction of higher prices homes would free up medium price housing options for middle and lower wage earners.

Recommended Action

Promote Waupun to higher-priced homebuilders in order to reduce the pressure for mid-priced homes.

Proposed Steps

1. Create a Residential Development Kit to give to housing developers. The Kit would contain information related to stormwater regulations, subdivision ordinances, zoning ordinances, preliminary plat review requirements, final plat requirements, Plan Commission and Common Council schedules, incentives, and associated fees to help developers or contractors to submit complete information to shorten the time between concept and construction.

2. Create a City of Waupun Residential Development Marketing Kit to give to housing developers. At a minimum, the Kit should contain the following information to help developers or contractors to submit complete information to shorten the time between concept and construction:
 - a. City of Waupun Housing Study and Needs Analysis
 - b. Map showing public and private undeveloped residentially zoned parcels
 - c. Residential Development Checklist
3. Create a Request for Information (RFI) for City-owned land or privately owned land when the landowner agrees to the development of his or her land. The RFI would specify types of housing required and amenities and request examples of past similar projects and financial assistance needed to construct the housing specified. The City would evaluate the RFIs and choose a developer to work with to develop housing.
4. We recommend against using any public financial incentives/assistance to support the construction of higher prices homes (\$300,000+) as these home prices are high enough to cover the cost of construction.

Housing Need #5: Rehabilitation of the older housing stock.

A large portion (76%) of the City's housing stock was constructed before 1980 and older areas of the City are in need of rehabilitation. By rehabilitating older housing stock, housing can become more energy efficient reducing owner costs, create an appealing community, and provide opportunities for homeowners to live in place longer. Improved housing also increases property values which helps the City by providing more tax revenue.

Recommended Actions

Create program(s) that support and encourage the rehabilitation of Waupun's older housing stock.

Proposed Steps

1. Continue to utilize Housing Programs administered by the City of Waupun, Fond du Lac County, and Dodge County to assist low to moderate income residents make improvements to their homes.
2. Creation of a local home rehab program. Fund could be lent out at a low or zero percent rate to incent homeowners to invest in their homes. Funds from this program could come from the Affordable Housing Extension allowed under the Tax increment Financing (TIF) law and/or CDBG Housing program.
3. Utilize the Affordable Housing Extension allowed in Tax Incremental Financing (TIF) Districts to keep an additional year of tax increment. The money can be used to rehabilitate older housing stock with flexibility towards income limits.

4. Create a program that recognizes residents who have made significant improvements to older homes.

Housing Need #6: Need for more Senior Housing.

The City's over 50 population is growing resulting in a need for senior type housing such as single-story apartments, smaller houses, or condominiums. As older residents downsize and move into senior-based housing, this would create additional housing for residents.

Recommended Actions

Create more senior housing options so older residence can remain in Waupun.

Proposed Steps

1. Utilize the Affordable Housing Extension allowed in Tax Incremental Financing (TIF) Districts to keep an additional year of tax increment if the TIF District has all debt paid off. That money can be used as incentive to assist with land acquisition, utilities, or other eligible costs for the construction of senior housing.
2. Apply for a Community Development Block Grant for Public Facilities award that can be used for new infrastructure serving housing for low to moderate residents and seniors who are an eligible population.
3. Create a Residential Development Kit to give to housing developers. The Kit would contain information related to stormwater regulations, subdivision ordinances, zoning ordinances, preliminary plat review requirements, final plat requirements, Plan Commission and Common Council schedules, incentives, and associated fees to help developers or contractors to submit complete information to shorten the time between concept and construction.
4. Create an ordinance allowing Accessory Dwelling Units (ADUs). ADUs generally allow a single-family zoned lot to have an additional dwelling on the property or inside the existing single-family home. These ADUs are regulated by size and location on a property. Typically smaller in size (400 to 600 sq. ft.), they provide additional housing options for residents without needing more land for development.
5. Identify areas near medical facilities, grocery stores, schools, public library, and other institutions where housing for seniors would have access to these institutions without being dependent on an automobile. These areas should have safe pedestrian and bicycle infrastructure and can contain higher density housing options.
6. Support single story senior housing redevelopment or infill development in existing neighborhoods.
7. Develop an RFI seeking senior housing developers.

Housing Need #7: Housing for sensitive populations.

There is a need for more housing options for sensitive populations including low to moderate incomes and residents with disabilities, especially units with three (3) or more bedrooms to accommodate larger families.

Recommended Actions

Work with local and regional not-for-profit organizations and developers to provide units aimed at sensitive population needs.

Proposed Steps

1. Review internal policies to identify ways to shorten approval time and reduce the cost to construct low to moderate income or specialized housing in the community such as reducing or waiving permit fees.
2. Identify areas near medical facilities, grocery stores, schools, public library, and other institutions where housing for seniors, sensitive populations and economically disadvantaged residents have access to these institutions without being dependent on an automobile. These areas should have safe pedestrian and bicycle infrastructure and contain higher density housing options.
3. Create a Residential Development Checklist to help developers or contractors understand the timeline and submission requirements to receive required permits and approvals.
 - a. Stormwater Ordinance
 - b. Subdivision Ordinances
 - c. Zoning Ordinances
 - d. Preliminary Plat Review Requirements
 - e. Final Plat Requirements
 - f. Plan Commission and Common Council Schedules
 - g. Development Fees
4. Create a City of Waupun Residential Development Marketing Kit to give to housing developers. At a minimum, the Kit should contain the following information to help developers or contractors to submit complete information to shorten the time between concept and construction:
 - a. City of Waupun Housing Study and Needs Analysis
 - b. Map showing public and private undeveloped residentially zoned parcels
 - c. Map showing existing TIF Districts that allow housing
 - d. Residential Development Checklist
 - e. Incentives (Local, State, Federal)

5. Contact developers who utilize tax credits for affordable housing projects, share the City of Waupun Residential Development Marketing Kit, and explore ways to work with the developers to build new subsidized housing in Waupun.
6. Create a Request for Information (RFI) for City-owned land or privately owned land when the landowner agrees to the development of his or her land. The RFI would specify types of housing required and amenities and request examples of past similar projects and financial assistance needed to construct the housing specified. The City would evaluate the RFIs and choose a developer to work with to develop housing.
7. Utilize the Affordable Housing Extension allowed in Tax Incremental Financing (TIF) Districts to keep an additional year of tax increment. That money can be used as incentive to assist with land acquisition, utilities, or other eligible costs for the construction of housing for sensitive populations.
8. Apply for a Community Development Block Grant for Public Facilities award that can be used for new infrastructure serving housing for low to moderate income residents.
9. Support a developer's application for affordable housing tax credits by ensuring City policies/actions align with the application process of the affordable housing tax credit program.

Recommended Actions to Benefit All Housing Development Types

1. Develop an "Infill" map identifying lots or redevelopment opportunities in developed areas. This can be used as a resource for contractors and housing developers to promote more cost effective and affordable building opportunities in the City.
2. Purchase land for residential development. This allows the City to potentially use the land as an incentive or set conditions of development to reflect housing needs. The City can create a Request for Information (RFI) for City-owned land. The RFI would specify types of housing required and amenities and request examples of past similar projects and financial assistance needed to construct the housing specified. The City would evaluate the RFIs and choose a developer to work with to develop housing.
3. Create an ordinance allowing Accessory Dwelling Units (ADUs). ADUs generally allow a single-family zoned lot to have an additional dwelling on the property or inside the existing single-family home. These ADUs are regulated by size and location on a property. Typically smaller in size (400 to 600 sq. ft.), they provide additional housing options for residents without needing more land for development.
4. Create a list of active housing developers by project type to systematically target with marketing materials about the City of Waupun, its housing needs, and how the City would support housing development.

5. Create a program to help employees purchase homes and/or make improvements. A pool of money is raised from public and private entities that participating businesses can use to help employees purchase housing in Waupun. The money is offered as a no-interest loan over a 10-year period with the possible incentive of eliminating the last year's payment if the household can show documented improvements to the home. This type of program does not have income requirements.
6. Support legislation that provides a funding mechanism for the creation of affordable housing in Wisconsin.
7. Work with developer to create a development(s) with a mix of affordable and market rated units, using the market rate units to offset the affordable units cost to construct.
8. Work with the CDA Board to amend the CDA's redevelopment plan to include supporting housing development as a priority and to amend the CDA's boundary to cover all the City's current TIF Districts, as prescribed in state statutes.
9. Create a City-wide TIF incentive policy that determines the types of housing development (type, price range, single family vs multi-family, etc.) that could be assisted with TIF funds when developers seek financial assistance. Additionally, the policy should determine how the assistance could be used to support housing projects. Examples include; land acquisition, streets and infrastructure, site prep, etc.
10. Utilize Tax Incremental Financing and the Affordable Housing Extension to support infrastructure development as an incentive to spur housing development whenever possible.

Appendix A

Apartment Analysis Report

City of Waupun

Apartment Analysis Report

May 15, 2017

Purpose

The City of Waupun is interested in viewing the current market of apartment complexes and their units concerning vacancy. Due to several reports from constituents finding no apartments to live in the city, the city administrator's office surveyed apartment complexes registered in the city.

This data analysis takes additional sourced information to supplement the market for apartments in the city, and takes direct information from property managers of apartment complexes concerning important characteristics. The purpose of this analysis is to see if there is a need for additional complexes that are of standard value and accommodation for current and additional city citizens.

I. Apartment Complex Vacancy and Occupancy.

Of the total 27 apartments registered, 23 complexes were surveyed about their units, occupancy, vacancy, year built, property type, primary reasons they are unable to rent, and monthly rent range.

Of the total 23 complexes surveyed, there were a total of 655 total units in the city. 622 of these units are currently occupied with 33 of these units being vacant.

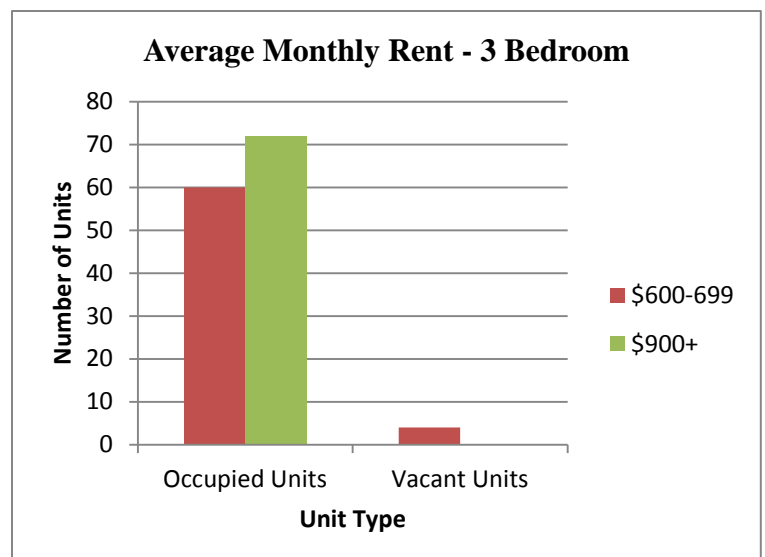
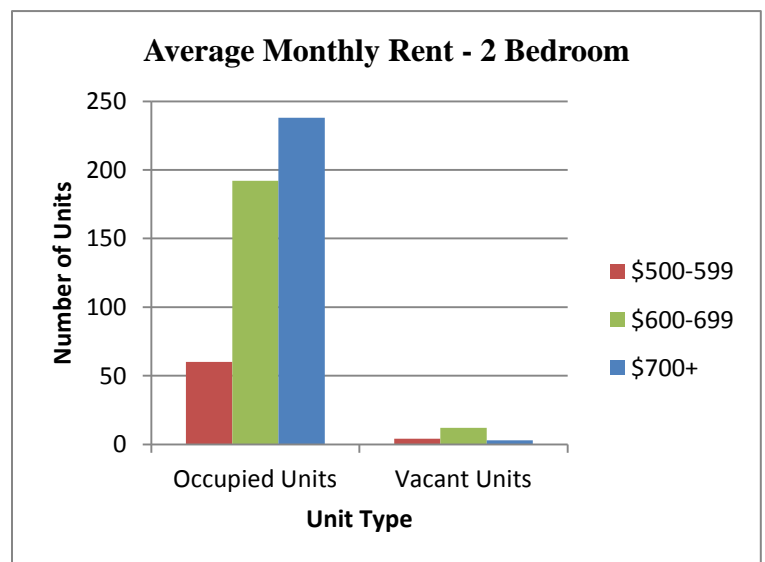
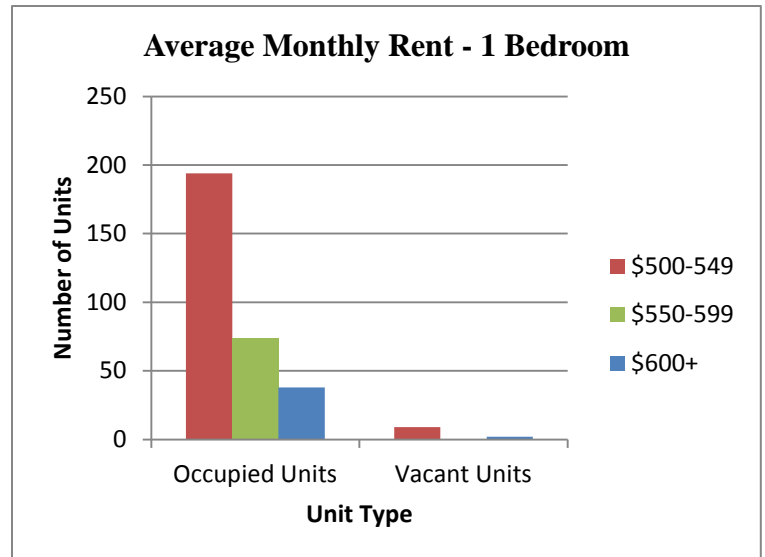
City Apartment Occupancy Rate: 94.96%

City Apartment Vacancy Rate: 5.04%

II. Apartment Complex Rent Rates per Month

The surveyed apartment complexes were asked about their rent rates per month. The rates were then averaged and organized based on the number of bedrooms for each unit.

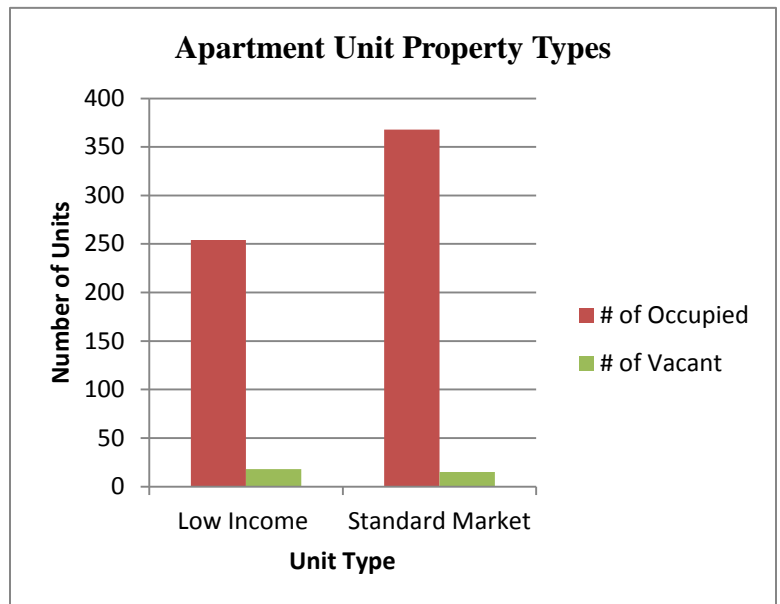
- For 1 bedroom apartments, the number of units declines as the amount of monthly rent rises for occupied units.
- For 2 bedroom apartments, **the number of units increases as the amount of monthly rent rises for occupied units.** The highest number of 2 bedroom units are more than \$700 per month for average rent.
- For 3 bedroom apartments, the number of units increases as the amount of monthly rent rises for occupied units.



III. Apartment Unit Property Types

Apartment complexes were asked about their property type. Answers ranged from “section 8” to “higher end.” For data collection purposes, the responses were categorized into two areas: “Low Income” and “Standard Market.” Complexes with only senior/elderly housing were counted as “Standard Market.” The total number of occupied units and vacant units were then categorized into “Low Income” or “Standard Market” based on their complex type.

- There are a significantly higher number of “Standard Market” type units in the city than “Low Income” type units.

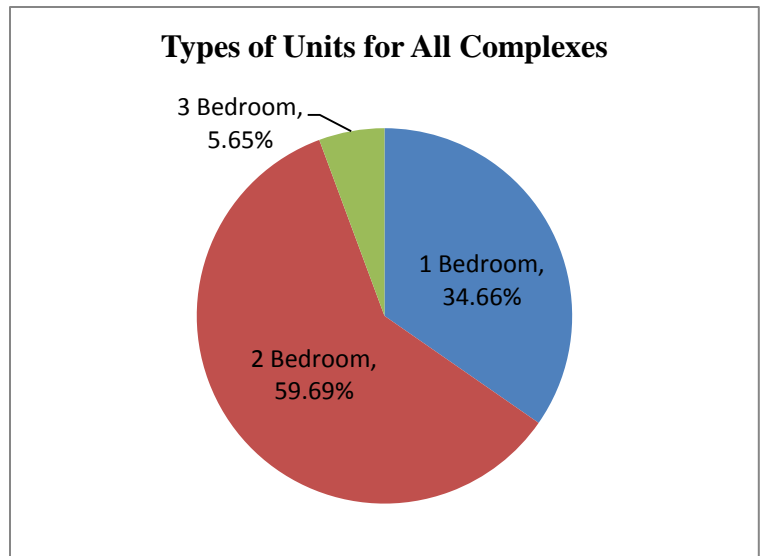


There are four total complexes that stated that they offered senior living. Three of those four reported having some type of vacancy.

IV. Types of Units in Complexes

The types of units were surveyed from each complex. 1, 2, and 3 bedroom units were recorded.

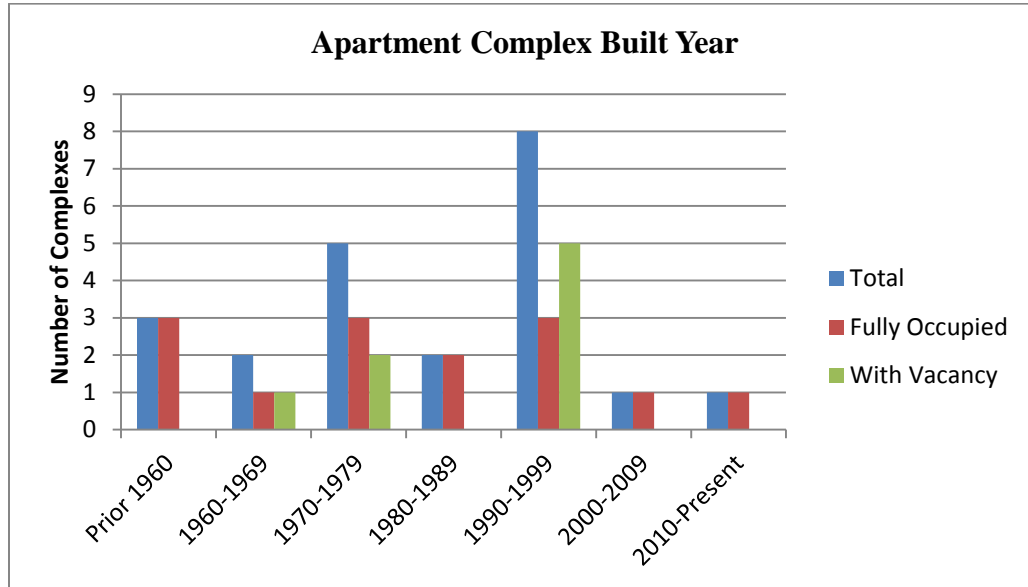
- A large majority of the total number of units in the city are 2 bedroom apartments.



V. Apartment Complex Ages

The years that complexes were built were recorded.

- Most apartment complexes were built in the 1990s or the 1970s.
- The smallest number of complexes built was after the 1990s.
- Complexes built after the 1990s currently have all units occupied.



Details for Apartment Complexes Built after 2000:

Year Built	Occupied Units	Vacant Units	# of 1 Bedroom Units	# of 2 Bedroom Units	# of 3 Bedroom Units	Total Number of Units
2003	30	0	0	30	0	30
2013	64	0	0	48	16	64

- Most units for complexes built after 2000 have mostly 2 bedrooms.

VI. City Population

Source: Compiled from a report from the East Central Wisconsin Regional Planning Commission about the City of Waupun's Demographic Highlights. This report used U.S. Census, 2000, 2010, DP01, WDOA, and Wisconsin Demographic Services Center.

Historical Population Trends:

- The population of the City grew by 5.8% between 2000 and 2010; this was slightly less than the rate of growth in the state overall (6.0%), but more than the growth rate for both Dodge and Fond du Lac Counties.

City of Waupun Institutional Population:

Year	2000	2010	Difference
Population	2,687	3,118	16.0%

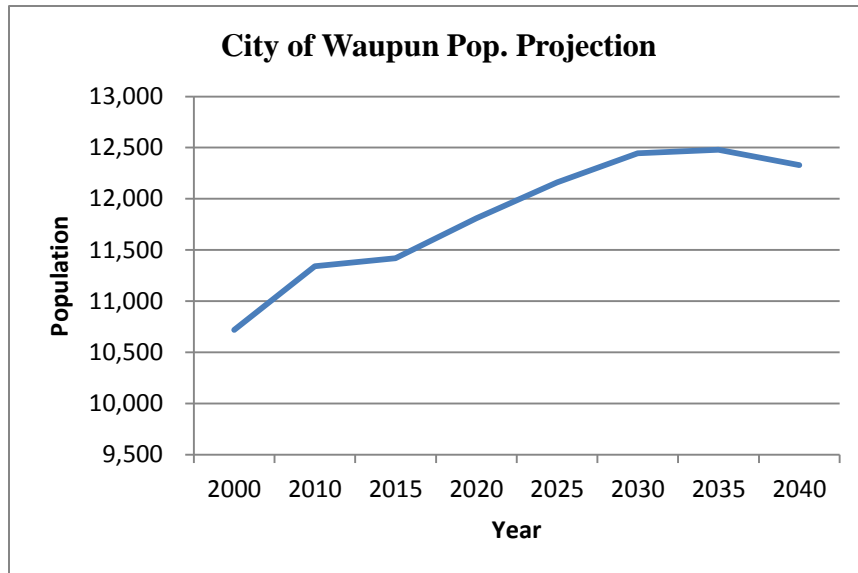
Source: U.S. Census, 2000, 2010, DP01

Future Population Projections:

- Between 2010 and 2035, the population in the City of Waupun is expected to grow by about 10%. During this same time frame, the population of Dodge County is expected to increase by 9.5% and the population of Fond du Lac County is expected to increase by 9.3%.
- The population is expected to peak in the City of Waupun, Dodge County and Fond du Lac County in 2035. While the population is expected to peak earlier in the surrounding towns.

Jurisdiction	Census 2000	Census 2010	WDOA 2015	WDOA 2020	WDOA 2025	WDOA 2030	WDOA 2035	WDOA 2040	Difference 2010-2040
T. Waupun	1,385	1,375	1,380	1,405	1,425	1,435	1,425	1,400	1.8%
C. Waupun	10,718	11,340	11,420	11,810	12,160	12,445	12,4380	12,330	8.7%
Dodge County	85,897	88,759	88,830	92,035	94,820	97,020	97,190	95,650	7.8%
Fond du Lac County	97,296	101,633	102,885	105,755	108,485	110,590	111,250	110,250	8.5%

Source: U.S. Census, 2000, 2010; WDOA, Wisconsin Demographic Services Center, Vintage 2013 population projections



Source: WDOA, vintage 2013

VII. City Economic Characteristics (selection)

Subject	<i>Waupun city, Wisconsin</i>			
	Estimate	Margin of Error	Percent	Percent Margin of Error
EMPLOYMENT STATUS				
Population 16 years and over	9,324	+/-222	9,324	(X)
In labor force	4,848	+/-318	52.0%	+/-3.3
Civilian labor force	4,848	+/-318	52.0%	+/-3.3
Employed	4,669	+/-313	50.1%	+/-3.2
Unemployed	179	+/-97	1.9%	+/-1.0
Armed Forces	0	+/-14	0.0%	+/-0.2
Not in labor force	4,476	+/-342	48.0%	+/-3.3
Civilian labor force	4,848	+/-318	4,848	(X)
Unemployment Rate	(X)	(X)	3.7%	+/-2.0
INCOME AND BENEFITS (IN 2015 INFLATION-ADJUSTED DOLLARS)				
Total households	3,885	+/-219	3,885	(X)
Less than \$10,000	185	+/-85	4.8%	+/-2.3
\$10,000 to \$14,999	300	+/-139	7.7%	+/-3.5
\$15,000 to \$24,999	489	+/-174	12.6%	+/-4.3
\$25,000 to \$34,999	377	+/-131	9.7%	+/-3.3
\$35,000 to \$49,999	585	+/-156	15.1%	+/-3.9
\$50,000 to \$74,999	833	+/-162	21.4%	+/-4.0
\$75,000 to \$99,999	634	+/-157	16.3%	+/-4.1
\$100,000 to \$149,999	390	+/-141	10.0%	+/-3.6
\$150,000 to \$199,999	55	+/-27	1.4%	+/-0.7
\$200,000 or more	37	+/-34	1.0%	+/-0.9
Median household income (dollars)	50,145	+/-3,822	(X)	(X)
Mean household income (dollars)	57,543	+/-4,030	(X)	(X)

Source: U.S. Census Bureau, 2011-2015 American Community Survey 5-Year Estimates

VIII. City Housing Characteristics (selection)

Subject	<i>Waupun city, Wisconsin</i>			
	Estimate	Margin of Error	Percent	Percent Margin of Error
GROSS RENT				
Occupied units paying rent	1,122	+/-208	1,122	(X)
Less than \$500	235	+/-92	20.9%	+/-7.7
\$500 to \$999	745	+/-190	66.4%	+/-11.5
\$1,000 to \$1,499	85	+/-65	7.6%	+/-5.5
\$1,500 to \$1,999	19	+/-30	1.7%	+/-2.6
\$2,000 to \$2,499	17	+/-29	1.5%	+/-2.6
\$2,500 to \$2,999	0	+/-14	0.0%	+/-1.5
\$3,000 or more	21	+/-33	1.9%	+/-3.0
Median (dollars)	682	+/-74	(X)	(X)

Source: U.S. Census Bureau, 2011-2015 American Community Survey 5-Year Estimates

Appendix B

Housing Programs and Funding

Housing Programs and Funding Opportunities

Community Development Block Grant (CDBG) – Housing Program/Small Cities Housing Program

Funded by HUD, the DOA receives an annual allocation of CDBG funds for distribution statewide to local units of government under 50,000 population. The housing program is used to benefit low and moderate-income households via: expansion of affordable housing stock for low/moderate-income persons; elimination of housing conditions detrimental to public health, safety, and welfare; conservation of existing housing stock; provision of an opportunity for low/moderate-income renters to become homeowners; and recover from natural or man-made disasters. The DOA provides funds for the following:

- Housing rehabilitation loans via no-interest, deferred payment home repair loans for low/moderate-income owner occupants.
- Rental rehabilitation loans via 0% installment loans for repairing units rented to low/moderate-income tenants.
- Rental development loans via 0% installment loans for creating new low/moderate-income rental units by converting vacant properties into rental units and/or converting large single-family homes to duplexes.
- Down payment and closing cost loans via no-interest deferred loans for down payment and closing costs to eligible low/moderate-income households.
- Grants to communities recovering from natural or man-made disasters via the CDBG Emergency Assistance Program (CDBG-EAP). Assistance may include housing rehabilitation, acquisition, demolition, relocation, floodplain housing replacement, public facilities, and business assistance.

Community Development Block Grant (CDBG) Affordable Housing Programs

These grant funds help communities improve and expand the supply of affordable housing for low- to moderate-income families through no-interest, deferred loans. Eligible activities include housing rehab and homeownership assistance. Included within the Affordable Housing Programs umbrella are:

- HOME Homebuyer and Rehabilitation Program (HHR). This program provides funding for homebuyer assistance (acquisition, acquisition & rehabilitation, or new construction) or owner-occupied rehabilitation (energy-related improvements, accessibility improvements, lead-based paint hazard reduction, and repair of code violations)
- Neighborhood Stabilization Program (NSP). This program provides assistance to acquire and redevelop foreclosed properties that might otherwise become sources of abandonment and blight within their communities.
- Housing Cost Reduction Initiative Program (HCRI). This program provides funds to provide housing assistance to low/moderate income households via acquisition assistance (i.e., down payment, closing cost, and/or gap financing) and foreclosure prevention (mortgage, property tax, principal, interest, and/or arrearage payments).

- HOME Rental Housing Development (RHD). This program provides funds via grants or loans to non-profit organizations, community housing development authorities, public housing authorities, local units of government, and for-profit developers. The funds must serve households at or below 60% of the County Median Income. Eligible projects receiving funds are subject to rent limitations for a specified period of time. Funds may be used for acquisition, rehabilitation and new construction activities. There is a first-come, first-served set-aside for small (20 units or less), rural projects or supportive housing projects.

Community Development Block Grant (CDBG) – CLOSE Program

Under this program, all locally held CDBG Economic Development Revolving Loan Funds (ED RLF) as well as current CDBG ED RLF accounts receivable will be held for the local units of government that administered the funds to have non-competitive access to as grants. Local units of government may use CLOSE program funds for the following authorized programs:

- Public Facilities;
- Housing Rehabilitation Conversion;
- Economic Development projects;
- Public Facilities for Economic Development projects;
- Planning projects

In addition to the programs identified above, the CDBG ED RLF Closeout Account can be used for the following special purposes:

- Broadband/high speed internet access for low and moderate income (LMI) residents. Grant funds can be used by the local unit of government for public infrastructure projects to expand broadband internet access. Examples of eligible expenses include the purchase of materials and installation.
- Mitigation measures specifically those that address natural hazard risks; must connect the mitigation development or action to address impacts on LMI residents.
- Public services.

CLOSE program eligible activities include:

- Comprehensive plans
- Downtown or redevelopment plans
- Housing plans
- Curb and gutter improvements
- Street and sidewalk expansion or improvement
- Wastewater treatment facilities
- Wells and other water facilities
- Sewer and water system improvements
- Community centers
- Libraries
- Senior centers

- Fire stations
- ADA accessibility improvements to public buildings
- Blighted building acquisition and demolition or rehabilitation
- Environmental remediation
- Business grants
- Workforce housing
- Job training
- Food pantries
- Drug rehabilitation
- Healthcare or dental clinics
- Literacy programs

The CDBG CLOSE program is limited to existing local units of government that hold a CDBG ED RLF fund.

Community Development Block Grant – Public Facilities (CDBG-PF) Program

Grants are allocated by DOA to local units of government to help support infrastructure and facility projects for communities. Grants are capped at \$1,000,000 and there is a matching fund requirement. Funds must be used to primarily benefit low/moderate income individuals and must undertake at least three activities to support fair housing. Examples of projects that would indirectly support housing within a community are:

- Water towers, wells, and water systems
- Street, curb, and gutter improvements
- Wastewater treatment and sanitary system improvements.

Community Development Block Grant (CDBG) – Rural Economic Area Development Initiative (READI) Program

Grant funds are awarded to local units of government (with a populations less than 50,000) that intend to grant funds to certified Community Development Organizations for economic development, housing, and job training projects that benefit low- and moderate income individuals.

Eligible projects must include both an economic development component as well as a housing component. Applicants are encouraged to include a job training component as well. Grantees may receive up to \$1 million (\$500,000 for Economic Development, \$300,000 for Workforce Housing, and \$200,000 for Job Training).

Tax Increment Financing (TIF)

Tax Incremental Finance (TIF) is a financing tool that allows municipalities to invest in infrastructure and other improvements, and pay for these investments by capturing property tax revenue from the newly developed property. Communities can use captured value to offset items that fall outside of the building shell, including land purchase, infrastructure needs, demolition, and environmental remediation. The goal of TIF is to reduce or offset the financial gap of a project that would not occur otherwise.

Residential housing may be included in project costs for a mixed-use development TIF district if the density of residential housing is at least 3 units per acre; the residential housing is located in a “conservation subdivision”, as defined in Wis. Stats s. 66.1027(1)(a); or the residential housing is located in a “traditional neighborhood development”, as defined in Wis. Stats. s. 66.1027(1)(c).

The “Affordable Housing Extension” under Wis. Stat. sec. 66.1105(6)(g) allows for municipalities to extend the life a TIF district for one year. The tax increments received during this year shall be used to benefit affordable housing within the municipality (75% or greater) and may be used to improve the municipality’s housing stock (25% or less).

Housing Tax Credit (HTC) Program

This program is administered by the Wisconsin Housing and Economic Development Authority (WHEDA). The program provides reduction of federal income taxes owed by owners/investors in qualified projects for tenants whose incomes are at or below 60% of County Median Income. HTC developments must remain affordable for a 30-year period. At least 20% of all units in a development must be reserved for households at or below 50% of the area median income, or at least 40% of all units must be reserved for households at or below 60% of the area median income.

National Housing Trust Fund (HTF)

Created by the 2008 Housing & Economic Recovery Act and administered in Wisconsin by WHEDA. Designed to provide states with additional resources to construct and rehabilitate housing for extremely low-income families. Wisconsin uses this program to target rental housing development and rehabilitation. HTF resources allocated for rental housing/rehabilitation must be used to assist households at or below 30% of the area median income. HTF-assisted rental housing must meet a 30 year affordability period.

WHEDA Mortgage Programs

- WHEDA Advantage Conventional – Home Loan
- Advantage Conventional HomeStyle Renovation
- First Time Home Buyer (FTHB) Advantage
- Veterans Affordable Loan Opportunity Rate (VALOR)
- WHEDA Tax Advantage
- WHEDA FHA Advantage – Home Loan

- Capital Access Advantage – Down Payment Assistance
- Easy Close Advantage – Down Payment Assistance

United States Department of Agriculture (USDA) Multi-Family Housing Direct Loan Program

This program provides financing for affordable multi-family rental housing for low-income, elderly, or disabled individuals/families in eligible rural areas. Program applicants may include individuals, trusts, associations, partnerships, limited partnerships, nonprofit organizations, for-profit corporations, consumer cooperatives, most state/local government entities, and federally recognized tribes. Funds may be used for construction, improvement, and purchase of multi-family rental housing for low-income, elderly, or disabled individuals/families. Funds may also be used for buying/improving land and providing necessary infrastructure.

United States Department of Agriculture (USDA) Multi-Family Housing Loan Guarantee Program

This program works with private sector lenders to provide financing to qualified borrowers for the purpose of increasing the supply of affordable rental housing for low/moderate-income individuals/families in eligible rural areas and towns. In this program, private lenders apply for guarantee of up to 90% of the loan amount. Eligible areas for this program are rural areas and towns with 35,000 or fewer people or federally-recognized tribal lands. Funds may be used for construction, improvement, and purchase of multi-family rental housing for low/moderate-income individuals/families. Funds may also be used for buying/improving land and providing necessary infrastructure.

United States Department of Agriculture (USDA) Rural Housing Site Loan Program

This program provides two types of loans to purchase and develop housing sites for low/moderate-income families. Program applicants may include private/public non-profit organizations and federally-recognized tribes. Funds may be used for the purchase/development of housing sites for low/moderate-income families.

United States Department of Agriculture (USDA) Housing Preservation & Revitalization Demonstration Loans & Grants

This program restructures loans for existing Rural Rental Housing and Off-Farm Labor Housing projects to help improve and preserve the availability of safe affordable rental housing for low-income residents. Program applicants may include current multi-family housing project owners with Rural Rental Housing and Off-Farm Labor Housing loans. Borrowers must continue to provide affordable rental housing for 20 years or the remaining term of any USDA loan, whichever is later. Funds may be used to preserve and improve existing Rural Rental Housing and Off-Farm Labor Housing projects in order to extend their affordable use without displacing tenants through increased rents.

United States Department of Agriculture (USDA) Housing Preservation Grants

This program provides grants to sponsoring organizations for the repair/rehabilitation of housing owned by low/very low income rural residents. Program applicants may include most state/local government entities, non-profit organizations, and federally recognized tribes. Eligible areas for this program are rural areas/towns with 20,000 or fewer people or federally-recognized tribal lands. Program applicants may provide grants or low interest loans to repair/rehabilitate housing for low/very low income homeowners. Rental property owners may also receive assistance if they agree to make units available to low/very low income families.