

# YEAR 2035 REGIONAL HOUSING PLAN FOR SOUTHEASTERN WISCONSIN



SUMMARY BROCHURE

APRIL 2014

A Regional Housing Plan was adopted by the Southeastern Wisconsin Regional Planning Commission (SEWRPC) on March 13, 2013. The plan is documented in SEWRPC Planning Report No. 54, *A Regional Housing Plan for Southeastern Wisconsin: 2035*, March 2013. The plan refines the recommendations for residential development included in the Regional Land Use Plan, with a vision of providing financially sustainable housing for persons of all income levels, age groups, and special needs throughout the entire Region.

## PLAN RECOMMENDATIONS

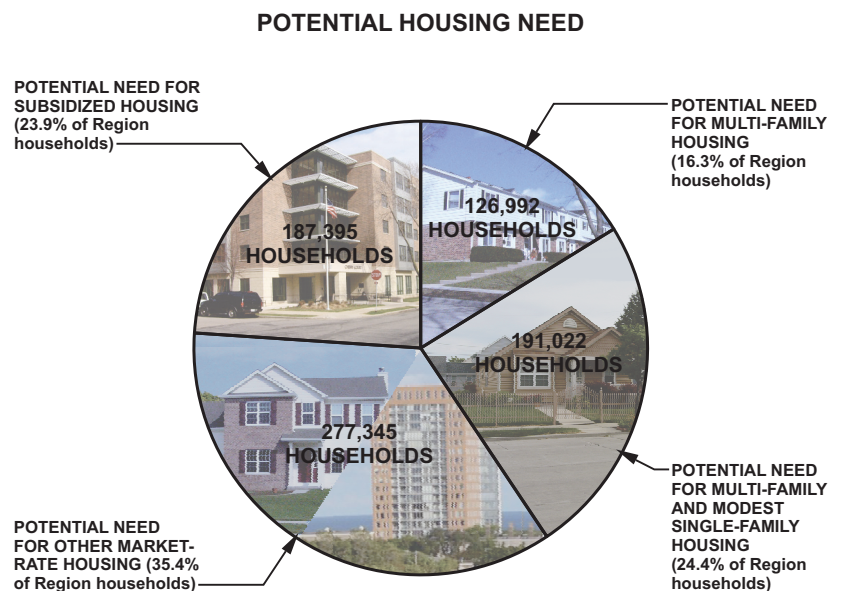
The housing plan recommendations address six major topic areas: housing affordability, job/housing balance, subsidized and tax credit housing, accessible housing for persons with disabilities, fair housing, and housing development practices.

### Affordable Housing

Housing affordability is closely related to the type and density of housing. Multi-family housing and smaller single family homes on smaller lots tend to be more affordable to a wide range of households than larger single family homes on large lots. The development of housing in the Region is greatly influenced by community comprehensive plans and by zoning, subdivision, and other ordinances that regulate land uses.

A key recommendation of the housing plan is that local governments with sanitary sewer service review their comprehensive plans and zoning ordinances, and change the plans and ordinances if necessary, to address the need for additional affordable housing for lower- and moderate-income households. Housing costs are considered affordable if they do not exceed 30 percent of a household's monthly income. Specifically, the plan recommends that community plans and ordinances allow for the development of modest multi-family housing at a density of at least 10 housing units (apartments) per acre, and allow two-bedroom apartments to be 800 square feet or smaller, to provide market-rate (nonsubsidized) housing for households with incomes between 50 and 80 percent of the Region median household income (\$26,940 to \$43,104 per year). About 16 percent of the Region's households fall within this income category. The plan also recommends that communities with sewer service allow the development of new single- and two-family homes at densities equivalent to lots of 10,000 square feet or less, with homes sizes less than 1,200 square feet, to accommodate market-rate housing affordable to households with incomes between 80 and 135 percent of the Region median income (\$43,104 to \$72,737). This income category includes about 24 percent of Region households. About 35 percent of households have incomes over 135 percent of the Region median income (more than \$72,737 per year), and would be able to afford a variety of market-rate housing. Housing subsidized by the government or housing developed by nonprofit or faith-based organizations would likely be necessary to provide decent and affordable housing for households with incomes less than 50 percent of the Region's median income, which accounts for about 24 percent of Region households (see page 3 for recommendations for Subsidized and Tax Credit Housing).

The plan also recommends that county and local governments consider establishing programs and ordinances to stabilize and improve established neighborhoods with the intent of maintaining the quality and quantity of existing lower- and moderate-cost housing stock. Examples of programs and ordinances

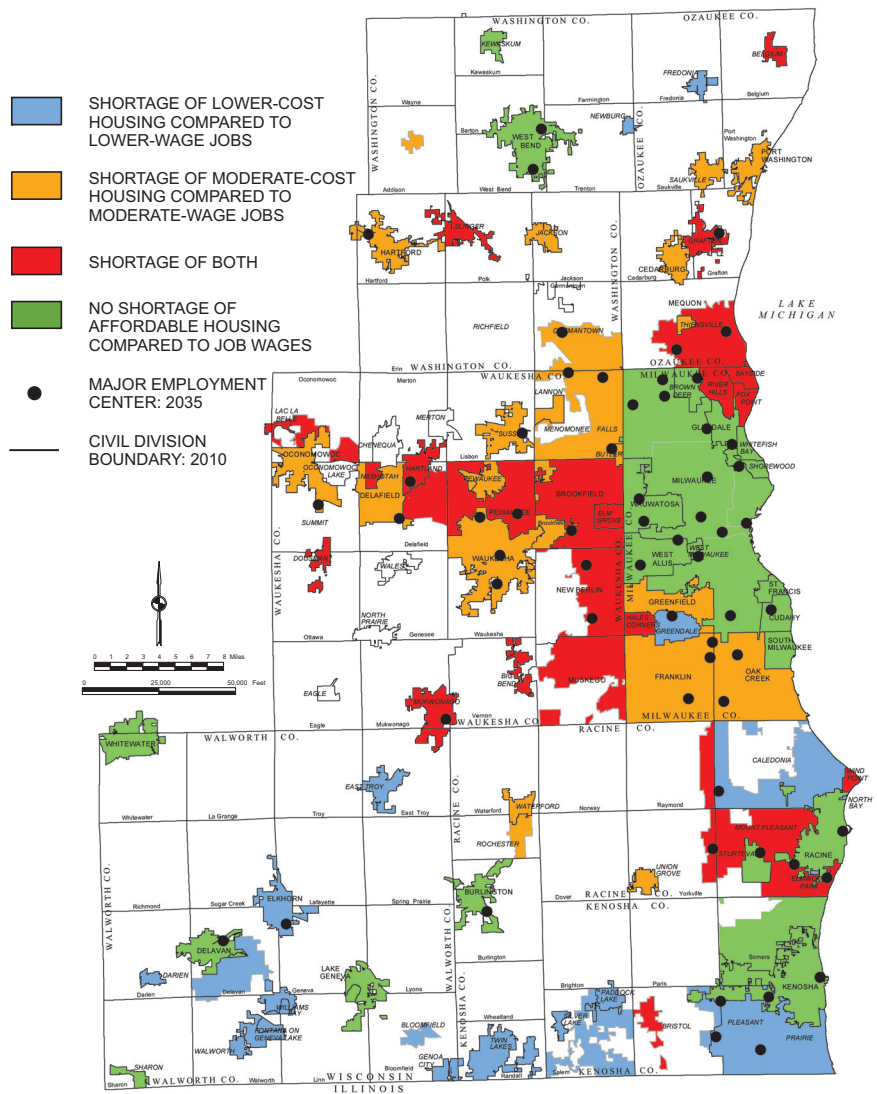


include property maintenance ordinances, weatherization and lead paint abatement programs, and use of Community Development Block Grant (CDBG) and other funding to assist low- and moderate-income households in making needed home repairs. Funds should also be made available to assist landlords in making needed repairs to apartments that would be affordable to low- and moderate-income tenants.

### Job/Housing Balance

An analysis was conducted as part of the housing plan to help determine the balance between job wages and housing costs. The job/housing balance analysis was based on a review of comprehensive plans adopted by communities with sanitary sewer service to determine the number and type of jobs and housing units that could be expected to be developed by the year 2035. Job wages, based on median incomes for various job categories in 2009, and housing costs, based on planned residential densities, were projected to the year 2035. The percentages of projected lower- and moderate-wage jobs were compared to the projected percentages of lower- and moderate-cost housing, respectively. The adjacent map shows the results of the analysis, which was updated after the housing plan was adopted to show the projected job/housing balance for each seweraged community.

### PROJECTED JOB/HOUSING IMBALANCES IN SEWERED COMMUNITIES IN THE SOUTHEASTERN WISCONSIN REGION: 2035



Source: Local Government Comprehensive Plans and SEWRPC.

The housing plan recommends that seweraged communities identified as having an imbalance between job wages and housing costs conduct a more detailed analysis based on specific conditions in their community as part of their comprehensive plan updates. The local analysis could consider, for example, specific housing values based on local assessment data. If the local analysis confirms an existing or future job/housing imbalance, it is recommended that the local government consider changes to the comprehensive plan that would provide housing appropriate for people holding jobs in the community, thereby supporting the availability of a workforce for their community's businesses and industries. Additional modest multi-family housing is recommended in communities where the local analysis indicates a shortage of lower-cost housing in relation to lower-wage jobs. Additional modest single-family housing is recommended in communities where the local analysis indicates a shortage of moderate-cost housing in relation to moderate-wage jobs.

The housing plan also recommends improving transit connections between areas of existing affordable housing and job locations. The Region's central cities have substantial concentrations of unemployed and under-employed individuals and low-income households. In many communities surrounding these central cities, there are significant job concentrations. A portion of these jobs pay moderate and lower wages, and many of these communities lack the



Recently redeveloped portion of the Westlawn public housing development by the Housing Authority of the City of Milwaukee. The new “Westlawn Gardens” provides a mix of housing types (single-family, duplexes, townhomes, and apartment buildings) and both subsidized and market-rate housing. The development also features energy-efficient homes, enhanced stormwater management practices to reduce runoff from the site, and community gardens and parks.

modest single-family and multi-family housing which would be affordable to those earning moderate and lower wages. Many of these communities also lack public transit service, even though in many instances they are immediately adjacent to the Region's public transit systems. Expansion of public transit service to these communities, in accordance with the recommendations of the regional transportation plan, will assist in providing employers with the necessary workforce, and will link moderate and lower income individuals with jobs in communities with limited supplies of affordable housing.

Although the Cities of Kenosha, Milwaukee, and Racine do not have job/housing imbalances, these cities have among the highest percentages of households with a high housing cost burden. These areas also have high unemployment rates and low median earnings compared to other portions of the Region. Although lower- and moderate-cost housing is plentiful, the high number of extremely- and very-low income households makes finding

decent affordable housing difficult. The plan recommends that affordable housing strategies in these areas include economic and workforce development components to help reduce high housing cost burdens.

### **Subsidized and Tax Credit Housing**

Housing subsidized by the government or housing developed by non-profit or faith-based organizations would likely be necessary to provide decent and affordable housing for households with incomes less than 50 percent of the Region's median income (less than \$26,940 per year). This is particularly true of housing for families that would require two or more bedrooms. Over 187,000 households, or 24 percent of households in the Region, have incomes of 50 percent or less than the Region's median income. In 2011, there were about 46,000 subsidized housing units and housing vouchers in the Region, or about 25 percent of the potential need.

The plan recommends additional Federal funding for housing vouchers, but also recognizes that public funding for the development of subsidized and tax credit housing and for housing vouchers is limited. The plan therefore recommends that the development of new subsidized and tax credit housing and the allocation of vouchers be targeted to areas with the greatest need, which include areas with high percentages of low-income households and areas with a major employment center and a shortage of lower-cost housing compared to lower-wage jobs.

The plan also recommends that a regional Housing Trust Fund for Southeastern Wisconsin be established to assist in the acquisition of land and development of affordable housing. Housing trust funds typically provide “gap” financing, or funds to fill part or all of the gap remaining between the actual cost of producing housing and the amount raised after all other funding sources have been secured.

### **Accessible Housing for Persons with Disabilities**

An adequate number of accessible housing units should be available throughout the Region to provide persons with disabilities increased housing choices and access to employment opportunities. Accessible housing will become increasingly important as the number of elderly residents in the Region increases due to the aging of the baby-boom generation, because the incidence of disabilities increases as a person ages.

It is estimated there are up to 61,640 multi-family housing units in the Region constructed since 1991 that may be accessible to persons with disabilities, due to accessibility requirements in Federal and State fair housing laws. In

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2010, about 169,000 households in the Region reported a member with a disability, which shows a need for additional accessible housing. Housing affordability is also a concern to persons with disabilities, whose median annual earnings are about half that of a person without a disability.

The plan recommendation that calls for the development of more multi-family housing would help persons with disabilities obtain housing that would be both accessible and more affordable. Development of more multi-family housing outside the central cities of Kenosha, Racine, and Milwaukee would also increase the availability of accessible housing near job centers in outlying areas.



Apartment building for senior citizens and persons with disabilities in the Village of East Troy, developed with tax-exempt bonds from the Wisconsin Housing and Economic Development Authority (WHEDA) and funding from the U.S. Department of Housing and Urban Development (HUD).

low-income households to live in areas with better schools and safer neighborhoods. The plan also recommends a regional voucher program to make it easier for households with a housing voucher to move to less-impooverished areas, and establishing programs to provide assistance to low-income families in moving to less impoverished areas. Such assistance could include help in finding suitable housing, jobs, and enrolling children in school.

### **Housing Development Practices**

Multi-family housing and higher-density single-family housing, as recommended in the housing plan, can help increase the supply of affordable housing for lower- and moderate-income households and, at the same time, provide for a more compact urban development pattern. Compact development allows housing to be located closer to jobs and services, such as shopping and schools, which minimizes vehicle travel and provides increased opportunities for walking and bicycling. Compact development also minimizes the cost of providing new roads and extending public sewer and water to serve new development, and can be served more efficiently and economically by public transit. More compact urban development also helps to preserve farmland by minimizing the amount of land consumed by residential subdivisions and other urban development.

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### **Fair Housing**

The Region's minority residents are concentrated in the central portions of the Cities of Milwaukee, Racine, and Kenosha. Areas with concentrations of minority residents also have concentrations of low-income households. Minority households in the Region are much more likely than non-minority households to have low incomes. About 41 percent of minority households have incomes below 50 percent of the Region median income, compared to about 20 percent of non-minority households.

Additional lower- and moderate-cost housing is recommended by the plan in sewer communities projected to have an inadequate supply of affordable housing through various plan analyses. This would increase housing opportunities for minority and low-income households near major employment centers outside central cities. It would also provide opportunities for minority and