



MINERAL POINT HOUSING AND WORKFORCE STUDY

APRIL 2019



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REGIONAL PLANNING
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Introduction

Planning Process

In June 2018, Prosperity Southwest Wisconsin (PSW) partnered with Wisconsin Economic Development Corporation (WEDC) and its county partners to undertake a study of the region’s housing and workforce. The purpose of the study is to guide the near-term policies for communities, counties, and the region in order to address the existing and near future housing issues in southwest Wisconsin. A secondary purpose is to provide a comprehensive summary of demographic, housing, and workforce data to assist in the decision-making of local elected officials and investors. To achieve these ends, this study examines existing housing in the region, how appropriate that housing is to current and future residents, and what can be done to address the current issues within the next 10 years.

PSW is a non-profit economic development organization whose Board of Directors consists of county and community economic developers from southwest Wisconsin, and who collaboratively work to strengthen the region’s economy. Recognizing that housing is a driver of economy and community, PSW responded to regional employers and industry concerns about future workforce housing development in the region by contracting with SWWRPC to undertake this study. The study addresses housing issues regionally, at the county level for Crawford, Grant, Green, Iowa, Lafayette, and Richland Counties, and at the community level for forty cities and villages within these counties. Members of PSW and other regional economic development collaborators for this plan are listed in the table below.

Table 1. Southwest Wisconsin Economic Development Collaborators		
Name	Agency	Region
James Bowman	Driftless Development, Inc.	Crawford County
Ron Brisbois	Grant County Economic Development	Grant County
Cara Carper	Green County Economic Development	Green County
Steve Genoway	City of Dodgeville Economic Development	City of Dodgeville
Abby Haas	Lafayette County Economic Development	Lafayette County
Barry Hottman	UW – Extension	Iowa County
Bob Jones	Cuba City Economic Development	City of Cuba City
Ela Kakde	Platteville Area Industrial Development Corporation	Platteville
Kate Koziol	Richland County Economic Development	Richland County
James Schneider	UW – Extension	City of Boscobel

Funding assistance for the plan was provided by PSW member counties, WEDC, and Alliant Energy. Funding was secured a contract was signed between PSW and SWWRPC in June of 2018, with work beginning immediately. As part of the contract agreement, PSW members were responsible for reaching out to local realtors, housing agencies, lenders, and employers to gather input regarding housing in the region. SWWRPC services included undertaking interviews with developers, expansive and comprehensive demographic, housing, and workforce data collection, and drafting and distributing the final plans to PSW.

Table 2. Regional Housing Study Planning Process									
Responsibility:	PSW						SWWRPC		
	2018						2019		
Tasks:	Jul.	Aug.	Sept	Oct.	Nov	Dec.	Jan.	Feb.	Mar
Community Stakeholder Outreach									
Data Collection (Quantitative Data)									
Developer Interviews									
Draft Plan Writing									
Plan reviews									
Final Editing									

Outreach

Several groups of stakeholders were identified to provide knowledge of the local housing market, and therefore augment the empirical data with a working experience of professionals engaged in housing. The stakeholder groups were selected based on their intimate knowledge of the local housing markets.

PSW county economic developers undertook interviews with local lenders, realtors, housing agencies, and employers. These groups were identified as having local understandings of the housing markets at the county and local community level. Each economic developer was responsible for interviewing several individuals from each stakeholder group in their respective county or community. The work of housing agencies, lenders, and realtors crosses local community boundaries and thus interviews collected from them are presented as representative of the entire county, unless specifically noted. Interview responses from employers are presented as more narrowly representative of the local communities in which they reside, unless otherwise noted. All interviews were done on an anonymous basis. Table 3 identifies the number of stakeholders by county.

Table 3. Interviews Conducted with Housing Agencies, Lenders, Realtors, and Employers.						
	Crawford	Grant	Green	Iowa	Lafayette	Richland
Regional Housing Agencies	4	3	4	1	1	2
Lenders	5	12	10	6	3	9
Realtors	3	9	3	9	3	6
Employers	7	31	9	3	3	12

SWWRPC interviewed eleven residential developers. These developers were approached based on their history of working in the region or expressed interest in working in the region, and were selected with input and approval from PSW. Developers were organized into three categories based on the type of residential development and type of funding the developer typically utilizes. The three categories are local builders, regional developers, and national developers. Local builders are characterized by typically building single family housing and almost always having a contract that does not involve financing between the owner and the builder. Regional developers are characterized by developers that build single-family neighborhoods, sometimes with speculative houses, and multi-family homes. Regional developers often utilize financing incentives from the state or community to assist in building. National developers work on an array of projects across the state and nation. Projects are likely to include multi-family housing but can also include single-family residential and commercial. National developers are the most likely to utilize a variety of funding sources at the state and national level. See Appendix F for local, state, and national housing funding tools. Table 4 presents the number of developers interviewed and their respective category. All interviews were conducted on the condition of anonymity.

Table 4. Interviews Conducted with Residential Developers

Developer Category	Local Builder	Regional Developer	National Developer
# of interviews	3	3	5
Characteristics			
Financing	Contract for Building Service	Will finance the project, but less likely to utilize state and national financing incentives.	Will utilize local, state, and national financing incentives.
Scale	One – two structures at a time. Not speculative.	Builds 25+ units	Builds 25+ units
Type of Development	Typically, single-family homes.	Multi-family structures, possible single-family homes.	Multi-family structures, possible single-family homes. Experience with all types of development.
Geographic area of work	Local Community	Regional	Statewide/National

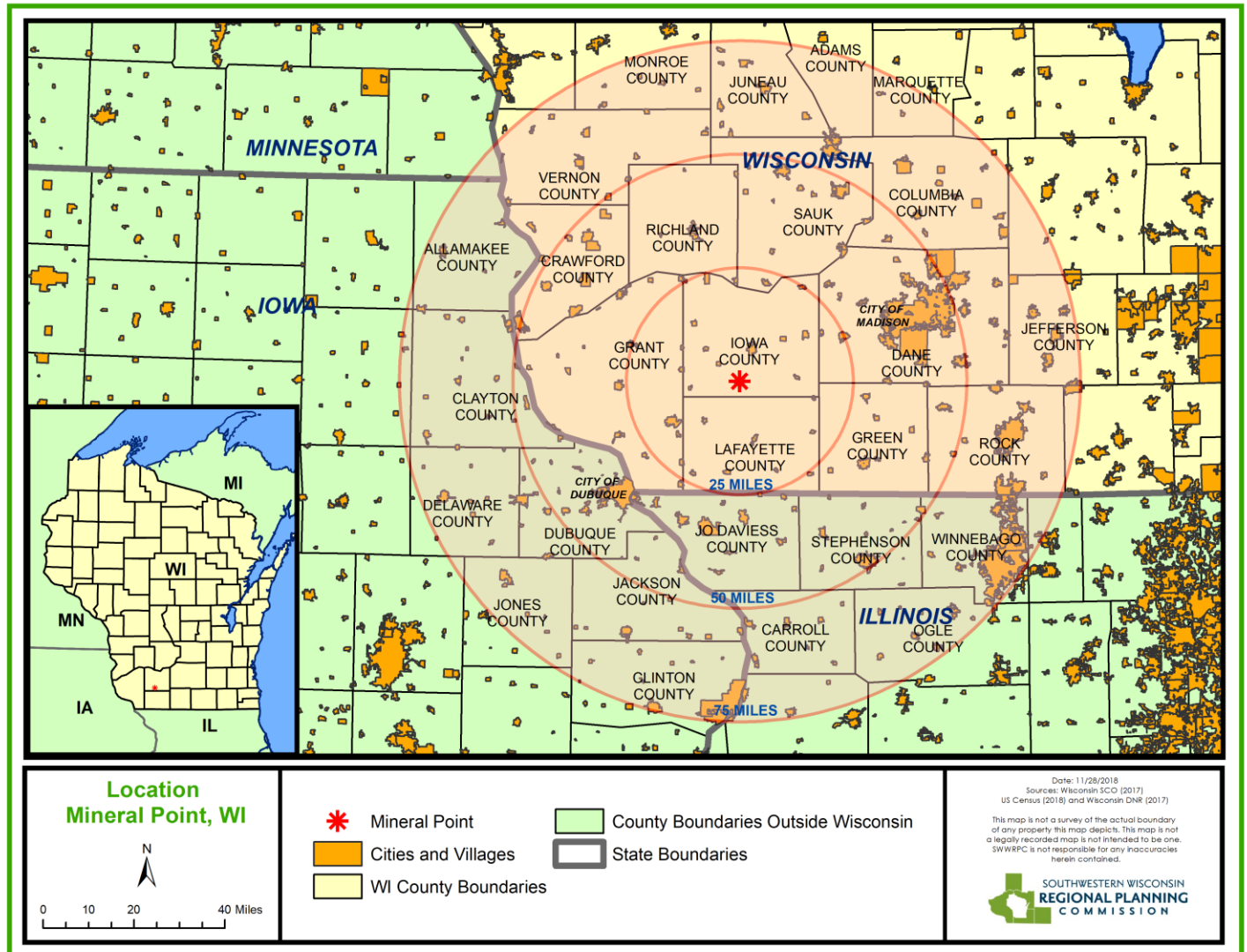
Study Organization

The final products of the Regional Housing and Workforce Study are a series of plans and supplementary documents that present community input and data related to the current condition of housing in the region. Regionally, there is a single plan that addresses the issues of the region as a whole. At the county level, a plan was created for each county. Locally, individual plans were created for forty cities and villages.

Housing Market Analysis

The City of Mineral Point is the second largest municipality in Iowa County and is located in southern Iowa County. In 2016, it had an estimated population of 2,615. The city is home to several large private employers including Cummins, Inc and Sielaff Corporation. The city is located on State Highway 23 and US Highway 151. The city is located midway between Madison, WI and Dubuque, IA.

Figure 1: Mineral Point, WI Location



Key Findings

The following sub-sections outline key findings derived from the comments of stakeholders. Stakeholder comments are summarized and presented as bullet points. In some instances, comments offer differing thoughts on the existing housing market. The sub-sections are organized by topics discussed by all stakeholder groups, with the exception of developer comments which are presented on their own. Some comments are supported by additional data gathered from national, state, and local sources. All data can be found in Appendices A, B, and C and all interview responses can be found in Appendices D and E.

Overall Housing Market Conditions

- The current housing market is characterized by the low inventory of homes and strong demand. This has created a “Seller’s Market” characterized by a tight Supply of “good” homes, leading to inflated values. The inflated values make it harder for buyers to qualify for mortgages.
- Strong demand for affordable low-maintenance, single-family housing.
- Expectations are that the housing market will stay strong for the foreseeable future.
- Overall, the physical condition of the housing stock in the county is fair to good.
- It is too expensive for many to build new single-family homes.
- There is demand for senior housing that allows seniors to move out of single-family homes into housing requiring less maintenance.
- Demand for housing appears to be in the range of \$100,000 to \$150,000.
- When employment is high, there is a strong demand for workforce housing, which is currently the case in Wisconsin and nationally. Demand for workforce housing is high.

2016 data shows that Mineral Point had 1,275 existing housing units, an increase of 21% since 1990, when the city had 1,049 units. The trend in Mineral Point has been a steady increase in housing units since 1980. Of the existing units, 1,157 were occupied and 118 (9.2%) were vacant in 2016. When considering the number of vacant units that are for seasonal, recreational, or occasional use (48), the vacancy rate drops to 5.5%, which is an healthy vacancy rate. Overall, vacancy rates have been high in the city, this can be contributed to the seasonal units. Of the vacant units in the village, it was estimated that 6.5% of rental units were vacant and .6% of owner-occupied units were vacant.

Table 5. Mineral Point – Total Housing Units ¹					
Mineral Point	1980	1990	2000	2010	2016
Total housing units	964	1,049	1,192	1,278	1,275
Occupied housing units	871	980	1,092	1,147	1,157
Vacant housing units	83	69	100	131	118

Of the 1,157 occupied housing units, 783 (68%) are owner occupied and 374 (32%) units are renter occupied.

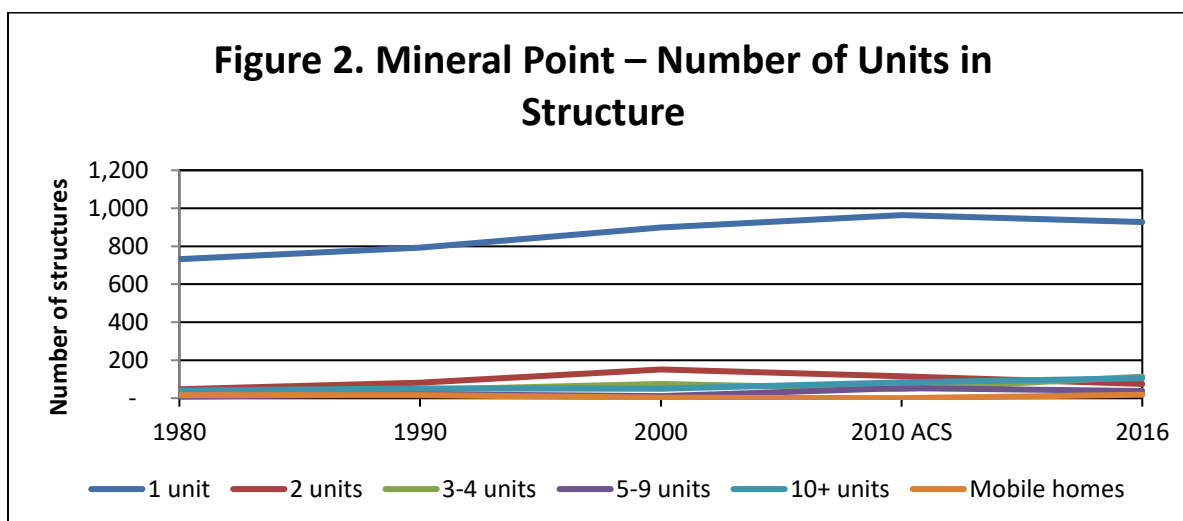
Table 6. Mineral Point – Owner and Renter Occupied Housing Units ²					
Population in occupied housing units:	1980	1990	2000	2010	2016
Owner occupied housing units	630	666	747	768	783
Renter occupied housing units	241	314	345	379	374

The majority (927) of housing units are single family structures, or 1-unit structures. The amount of single-family homes in Mineral Point has increased since 1980, while the number of multi-family units has fluctuated throughout the years, with only substantial increases happening in structures with more than 10 units. ³

¹ 1980, 1990, 2000, and 2010 Census, and 2012-2016 American Community Survey. *Selected Housing Characteristics*. US Census Bureau. factfinder.census.gov. 2019.

² *Ibid.*

³ *Ibid.*



Similar to Iowa County, and to all of southwest Wisconsin, the housing stock in Mineral Point is old. Approximately, 55% of all housing units in the city were built prior to 1940. Available housing data identifies the ages of housing on the basis of the decade built, with the 1940s being the oldest decade identified, and all housing built prior to 1940 is grouped together. Another date of consequence when identifying the age of structures is 1978, the year that the sale of lead paint was banned for residential use. Over 70% of all housing units in the city were built prior to 1980, these units have a higher likelihood to contain lead-based paint.

Age	#	%
Built 2014 or later	-	
Built 2010 to 2013	19	1.5%
Built 2000 to 2009	109	8.5%
Built 1990 to 1999	146	11.5%
Built 1980 to 1989	86	6.7%
Built 1970 to 1979	97	7.6%
Built 1960 to 1969	37	2.9%
Built 1950 to 1959	48	3.8%
Built 1940 to 1949	33	2.6%
Built 1939 or earlier	700	54.9%

Demographic Changes Impacting the Housing Market

- Older generations are selling their houses as they move into smaller places, assisted living, or nursing homes.
- First-time home buyers, seniors, and those with lower incomes are in the most need of affordable housing.
- The existing housing does not meet the needs of the existing population. Older generations do not have options available to them, which causes them to stay in their homes for longer. This in turn causes a tighter market for first time home buyers.
- Younger generations are waiting longer to buy homes and start families. Home ownership is not as important to younger generations.

According to the US Census Bureau, there are 368 households in Mineral Point with at least one person that is over the age 65, which is 31.8% of all households in the city. Of the 368 households with an individual over the age 65, 197 of those households (54%) represent people 65 years of age and older that live alone. Overall, 17% of households in Mineral Point are occupied by an individual 65 years old or older living alone.⁵ These are households that can be expected to become available in the next 10 to 20 years.

⁴ 2012-2016 American Community Survey. *Selected Housing Characteristics*. US Census Bureau. factfinder.census.gov. 2019.

⁵ 1980, 1990, 2000, and 2010 Census, and 2012-2016 American Community Survey. *Selected Housing Characteristics*. US Census Bureau. factfinder.census.gov. 2019.

Table 8. Mineral Point – Households with One or More People Over 65⁶

	1980	1990	2000	2010	2016 ACS
Households with 1+ person over 65	301	320	300	342	368
% Households with 1+ person over 65	34.6%	32.7%	27.5%	29.8%	31.8%

The table below is based on the State of Wisconsin Department of Administration's (DOA) population and household projections for 2030. This is one method of projecting future housing demand. This analysis is driven by historical demographic trends and is a broad-based and objective forecast of future housing demand over the next 10 – 12 years. However, this method does not anticipate proposed and/or ongoing developments that will impact the population and number of households in community during the writing of this plan. For this reason, comments from economic developers and key stakeholders are utilized to develop a more complete story. The analysis begins with the number of households that DOA projects for the village in 2030. A household is an occupied housing unit. A healthy housing market will have a percentage of vacant units available, so this analysis adds 5% to account for a desired number of vacant units. Additionally, some housing will need to be replaced overtime for a variety of reasons such as rebuilding or unexpected issues such as fires, and so the analysis adds .5% to account for this. The number of households and desired vacant and replacement units accounts for a projected number of housing units in 2030. From that number, the existing housing units counted during the 2010 census and the number of building permits issued for new housing since 2010 are removed. The resulting number is an estimate of number of additional housing units to be built by 2030. Mineral Point should anticipate the need for an additional 41 housing units by 2030.

Table 9. Future Housing Demand Forecast

2030 projected number of households⁷	1,268
+ desired vacancy rate of 5%	63
+ replacement housing*	6
= required number of new housing units	1,338
- available number of units (2010 census)	1,278
- units built 2010-2017 ⁸	19
= total housing units to be built for 2030	41

Cost and Affordability

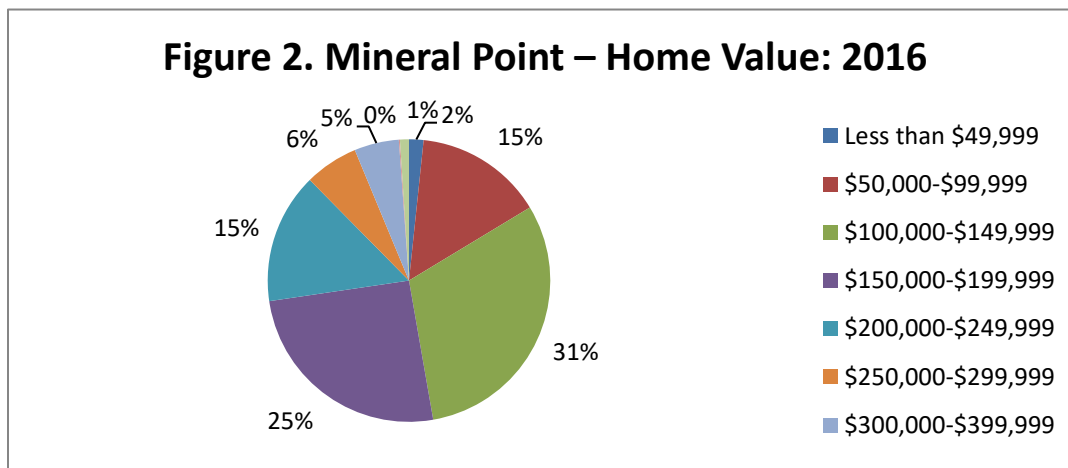
- There is demand for housing between \$100,000 and \$150,000 and affordable rental housing.
- Low-income to moderate income individuals and families were the most identified as needing affordable housing.
- Affordable housing is needed for all age groups.
- Single Parent families.
- Student loans create affordability issues for the those looking for first time home ownership.

⁶ *Ibid.*

⁷ Barroilhet, Dan and Egan-Robertson, David. *Minor Civil Division and Household Projections, 2010-2040*. Wisconsin Department of Administration, Demographic Services Center. 2013.

⁸ Barroilhet, Dan. *New Housing Starts Annual Survey 2010 – 2017*. Wisconsin Department of Administration, Demographic Services Center.

The median home value in Mineral Point in 2016 was \$154,900. which is less than Iowa County’s median home value of \$166,900. In Mineral Point, home values are well distributed, with the majority of homes (31%) being valued between \$100,000 to \$149,999, and 25% of homes being valued between \$150,000 and \$199,999.⁹



Residential home sales, as collected by Multiple Listing Services (MLS), show that between 2012 and 2018 the average median sale price of homes in Mineral Point increased by 15.4%. Median Household Income in 2016 dollars was estimated to have decreased by over 18% since 2010. The cost of housing is increasing while the median household income for the City is decreasing.

Table 10. Mineral Point – Multiple Listing Service: Annual Residential Listings ¹⁰							
	2012	2013	2014	2015	2016	2017	2018
# Sales	30	32	39	36	36	34	31
Median Sale Price	\$118,750	\$103,250	\$124,500	\$135,500	\$138,500	\$152,250	\$137,000

A measure of housing affordability, specifically related to the availability of an affordable mortgage, is the ratio of home value to household income. Affordable housing has a ratio of home value to household income under 2.5. If the ratio of home value to household income exceeds 2.5, housing expenses are considered unaffordable. Mineral Point’s median household income in 2016 was \$50,234. The following table identifies the affordability gap for owner-occupied housing and rental housing in Mineral Point. The table identifies that households with the median income for Mineral Point will have an affordability gap of \$29,315 between an affordable mortgage and the median home value in the city. The analysis for renters shows that rental units remain affordable for those making the median household income.

⁹ 2012-2016 American Community Survey. *Selected Housing Characteristics*. US Census Bureau. factfinder.census.gov. 2019.

¹⁰ South Central Wisconsin MLS Corporation. *Annual Residential Listings, 2012 – 2018*. Accessed February 2019.

Table 11. Mineral Point – Housing Affordability Analysis	
2016 Household Median Income	\$50,234
Owner- Occupied Affordability	
Median Household Income X 2.5	\$125,585
Median Home Value / Annual Rent	\$154,900
Affordability Gap	(\$29,315)
Renter-Occupied Affordability	
30% of Median Household Income	\$15,070
Median Annual Rent ¹¹	\$7,824
Affordability Gap	\$7,246

The following table identifies a 2015 estimate of the number of households with an income less than the median for Mineral Point, and if they are renters or owners. This table shows that owner-occupied households are more likely than renter households to have an income less than the median for Mineral Point, with the exception of households making less than 30% of the household median income.

Table 12. Mineral Point – Residents with household income less than median ¹²			
	Owner	Renter	Total
Household income <= 30% median income	100	140	240
Household income >30% to <= 50% median income	60	35	95
Household income >50% to <= 80% median income	110	90	200
Household income >80% to <= 100% median income	95	35	130

Additionally, an analysis of Iowa County residents shows that approximately 55% of residents require three- times their median income to purchase a home at the median home value in Iowa County. Over the past five years, 772 new jobs were created in Iowa County. Of those newly created jobs, approximately 56% of those occupations require three times their annual income to purchase a home at the median home value in Iowa County. The analysis of existing and new jobs in shows an existing and future demand for workforce housing based on the existing occupations and future occupations being created in the county.¹³

Another metric available to examine housing affordability is the data available on the State of Wisconsin's Homestead Tax Credit. The Homestead Tax Credit is a benefit available for renters and homeowners with low or moderate incomes designed to lessen the impact of rent and property taxes. To be eligible for the tax credit an applicant must rent or own a home that is their primary residence. In 2016, Mineral Point had 91 homestead tax credit claims, this is approximately 7.9% of households.

¹¹ 2012-2016 American Community Survey. *Financial Characteristics*. US Census Bureau. factfinder.census.gov. 2019.

¹² US Department of Housing and Urban Development. *Comprehensive Housing Affordability Strategy (CHAS)*. 2011-2015 ACS, US Census Bureau. www.huduser.gov. 2019

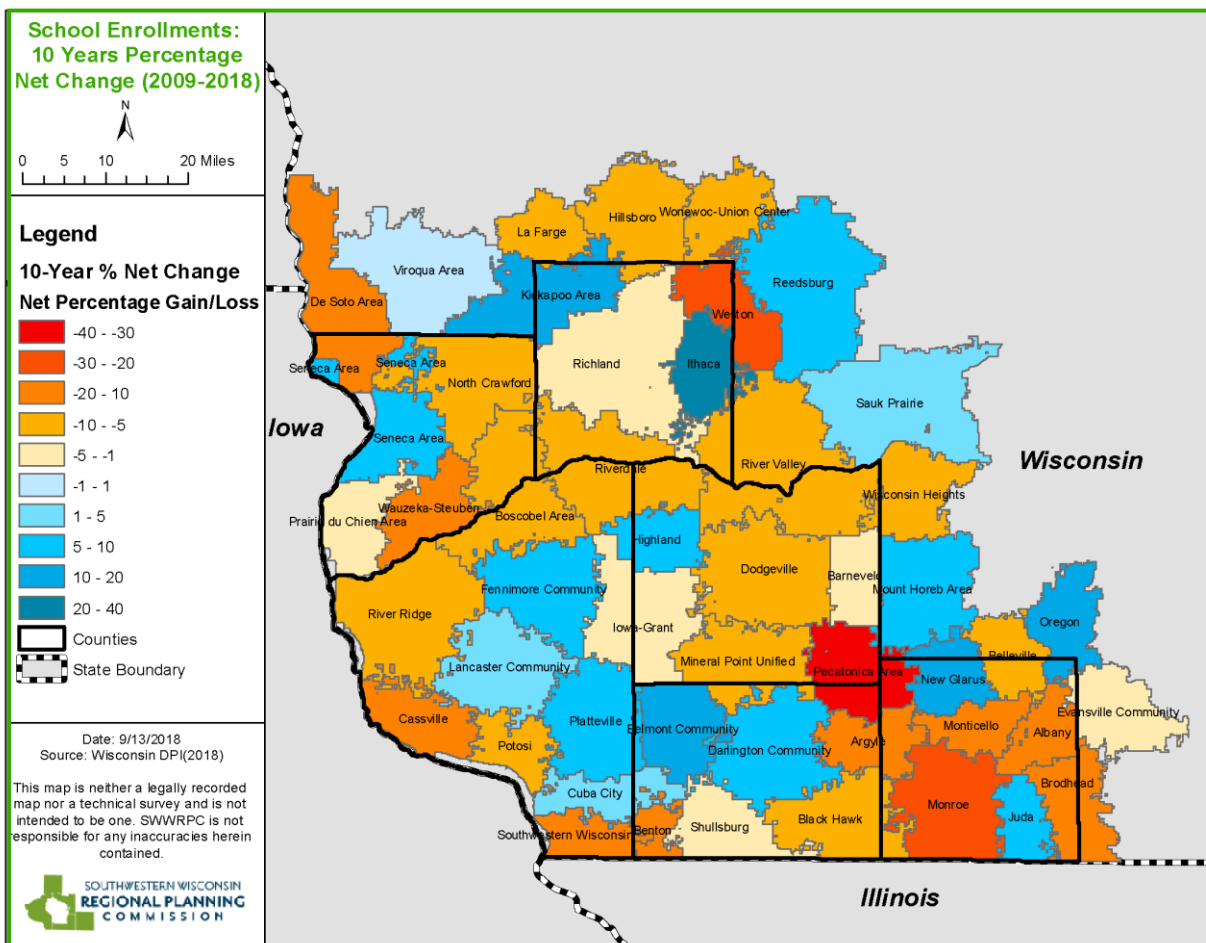
¹³ EMSI. *2018.4 – QCEW Employees, Non-QCEW Employees, and Self Employed, All Occupations*. Accessed 2019.

Housing Preferences

- Proximity to employment, schools, and childcare is important.
- Housing that is safe and clean, without a lot of needed repairs is in demand.
- Low maintenance and efficient housing are desired by both younger and older generations.

As mentioned in our stakeholder comments, schools are a driving force for where young families choose to locate. The maps below indicate that over the past 10 and 18 years, the Mineral Point Unified School District has experienced declining student enrollment. Over the past 10 years, the district decreased by 62 students or 7.6% and since 2000, district enrollment decreased by 146 students or 16.8% overall.¹⁴ Although the district has experienced declining enrollment, the 2017 – 2018 School District Report Card for the Mineral Point Unified School District was very positive and rated the district as significantly exceeding expectations overall.¹⁵

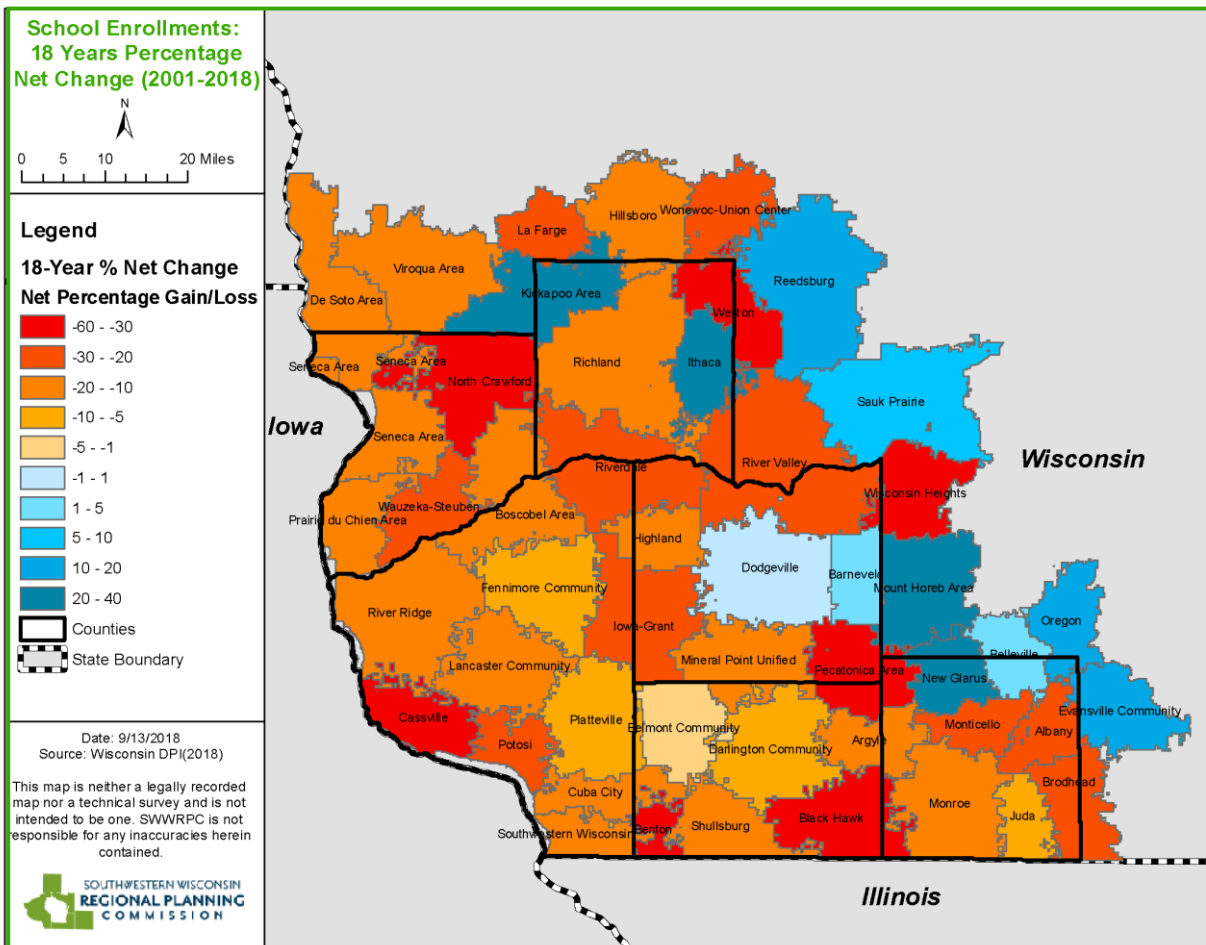
Figure 4: School Enrollment Net Change 2009- 2018.



¹⁴ State of Wisconsin, Department of Public Instruction. *School District Enrollment Data 2000 – 2018*.

¹⁵ State of Wisconsin, Department of Public Instruction. *School District Report Card, 2017-2018*.

Figure 5: School Enrollment Net Change 2001- 2018.



Barriers to Home Buying

- First-time home buyers have a hard time securing a loan, in part due to the repair requirements and conditions of the houses that are in their price range.
- Student debt is a significant barrier to first time homeownership.
- First time home buyers often lack a down payment and closing cost funds, as well as a reserve for lower priced homes that require maintenance.
- They (low income or first-time home buyers) have a hard time securing a loan, in part due to the repair requirements and conditions of the houses that are in their price range.

Developer Insights

The following bullet points are taken from eleven interviews done with a variety of developers. The developers that were targeted had either worked in or expressed interest in working in southwest Wisconsin. A complete list of developer comments can be viewed in Appendix E.

- Communities should make the process for developers easier and more attractive.
- Construction costs are out of control due to demand for materials and labor. If building costs continue to rise, it will result in a lack of affordable housing. Construction costs are high for both single-family homes and for multi-family.
- Rising interest rates are a barrier to new home construction. Rising interest rates make financing projects more expensive.

- Cost is more than the purchase of existing homes.
- The entire County is eligible for programs that focus on rural areas.
- Developers receive little assistance from municipalities and cannot afford the cost of building specifically for a small percentage of homebuyers that do not make a lot of money.
- There is an opportunity to meet the need for affordable rental housing and lower priced single-family homes.
- Future demand appears strong, although some developers believe that multi-family housing is being overbuilt in larger cities throughout the state and will cause a crash in multi-family construction for the entire state.
- Cities and villages need to remove red tape for developers.
- Village-owned land is attractive to developers because it means that the village controls the land and it makes the process move quicker.
- Cities and villages need to make the investment in their future. If cities bought the land and installed the utilities, it would be more attractive to developers.
- Trust. Communities need to trust that developers are their partners. Demand for workforce housing is high.
- Businesses need to pressure local government and be vocal about the need for additional housing. Get buy-in from local growth industries.
- Housing needs to be part of economic development agenda.
- Incentives are needed to bridge the gap
- Infill development is attractive, especially if multiple grant funding opportunities exist such as historic tax credits or brownfield redevelopment.
- If Cities and villages “do the math” for the developers. If the village has a desired purchase price for a home, they will need to work with developers to reach that end goal.
- Cities and villages need to plan ahead and zone for multi-family.

The following table identifies the amount of land suitable for future housing development both within the municipal boundaries of the village and within the extra-territorial zoning (ETZ) boundary. The land suitability analysis identified land that may be suitable to future development by identifying the acreage and number of parcels that have a low-slope, are outside of environmental regulations (floodplains, wetlands, etc.), and within proximity to existing road infrastructure. The following table identifies that 266.7 acres exist within the city that may be suitable to development and there are 2,174.7 acres within the ETZ that may be suitable to development.

Table 13. Mineral Point – Land Suitable for Future Housing Development				
	Within Municipal Boundaries		Within ETZ Boundaries	
	Parcels	Acres	Parcels	Acres
Less than 1 acre	175	51.4	29	9.9
1 – 5.99 acres	32	81.9	37	111.2
6 – 10.99 acres	2	16.1	8	61.8
11 – 20.99 acres	3	45.6	10	166.4
21 – 40 acres	1	26.2	40	1,244.6
Over 40 acres	1	45.4	13	580.8
Total	214	266.7	137	2,174.7

Recommendations and Implementation

The following section was developed in response to what was heard in stakeholder interviews and what was determined through data analysis. A principal reason for undertaking the study is that the current housing supply may not be meeting the current demand, both in terms of amount of housing and in terms of type of housing. For many municipalities this was confirmed through stakeholder interviews and data analysis. The following strategies and actions are meant to inform municipalities of their options to address the gaps in the private housing market. The local municipality and county economic development staff are largely responsible for determining the extent to which they are willing to act towards adjusting the market in order to incentivize private housing investment in the community.

1. Current housing markets require community investment to address gaps in private housing development.

Existing Condition: Housing development is not a universally accepted or acknowledged role of traditional economic development agencies or municipalities in southwest Wisconsin. However, the current economy in southwest Wisconsin is currently constricted by a lack of workforce, which is itself tied to a lack of quality affordable housing. The existing housing market requires community investment to address gaps in private housing development. Municipalities, counties, and county economic development organizations have different levels of authority and ability to act in the housing market.

- Action: Identify responsibilities and roles at the community level to undertake specific actions taken at the local level to attract housing suitable to the existing and future residents.
- Action: Identify key stakeholders that are committed and concerned with addressing housing and workforce issues. This may include local businesses, local realtors, lenders, and government officials. These stakeholders should form a local housing committee.
- Action: Coordinative activities with the county and county economic development organizations.
- Action: Update housing study document with new data following the 2020 census.

2. Incentivize housing developers.

Condition: The overall market in southwest Wisconsin is not as attractive for developers as the more urban areas due to lack of population density, disinterest by many municipalities in getting involved in the market, and outdated regulations and zoning ordinances. Additionally, developers cited recent increases in construction costs and interest rates as a barrier to development. To address the increased cost developers will look for incentives to work in smaller communities.

- Action: Ask local growth industries and large employers in the community to advocate for additional housing in the community through written commitment or other means to establish “buy-in.”
- Action: Develop a marketing strategy to inform potential developers of potential incentives, community “buy-in”, available land, and the need for additional housing.
- Action: Invite developers to visit the community and discuss what they need in order to profitably invest in new housing.
- Action: Create a culture that welcomes and incentivizes investment in the region by housing developers through long-range land-use planning and marketing of the specific needs of the community (income, ages, etc.).
- Action: Develop a long-range capital improvements plan that reflects investment needed for new housing, such as sewer and water capacity, timing of investments, etc.
- Action: Establish acquisition plan to acquire parcels for future housing development and infill housing. Developers stated that community owned land is an incentive to future development.

3. Address issues associated with the demographic changes that impact the housing market and housing preferences.

Existing Condition: Based on demographic data, the village should anticipate the need for an additional 41 housing units by 2030.

- Action: Identify buildable lots and develop a database. Developers need to know where they can build. Identification of these areas is a step that regional agencies can assist with. The initial step is identifying the parcels most suitable to construction. GIS software can assist in identifying parcels with low-slope, outside of environmental regulations, and within proximity to existing road infrastructure. Following the identification of parcels, additional discussion can occur regarding subjective elements of development.
- Action: Create a database of developers that the community has worked with in the past or that have shown interest in working with the community.
- Action: Implement housing marketing strategy by targeting identified developers with key information such as available land, incentives, community and local business “buy-in”. Invite developers to your community.
- Action: Review the community’s future capital improvements investments with the developer to determine what future investments may be moved forward to leverage investments and reduce gap financing.
- Action: Identify in-fill areas or future land near commercial downtowns and schools for new housing. Incorporate this in a future land use map and update the comprehensive plan accordingly.

Existing Condition: Based on stakeholder comments and data, new housing units are needed that are affordable for the growing population of fixed-income seniors. Data demonstrates that the sale price of housing is often greater than the median home values in the community, and the majority of home values in the community are in the range of affordable housing, between \$100,000 and \$150,000. In short, this means that much of the affordable housing is occupied. Furthermore, data suggests that residents of owner-occupied housing are more likely to have a median income less than that of renter occupied households. Creating housing for the growing senior population is likely to open up existing affordable homes.

- Action: Work with developers to determine options available for senior housing, including number of units, unit cost, and other financial incentives.
- Action: Gather input from existing homeowners through a targeted survey to identify future housing preferences of older homeowners.

4. Address issues of housing costs and affordability.

Existing Condition: New housing units are needed to accommodate the incomes of existing and projected occupations. Affordable housing is needed to attract future business development. Stakeholder identified affordable single-family housing is between \$100,000 and \$150,000. A balance of homes for seniors and workforce is desired, with most to be closer to amenities with smaller grounds to care for, and some larger homes for those with larger incomes.

Existing Condition: Data suggests that existing owner-occupied households are more likely to have median incomes lower than that of existing renter occupied housing. This data along with an aging population suggests demand for additional multi-family renter occupied housing units.

- Action: Meeting with local businesses to determine the incomes of workforce in order to identify housing costs appropriate to the existing and future workforce.
- Action: Municipalities should review and revise the zoning ordinance as needed to allow for mixed-use commercial and residential units in or near the downtown to allow for smaller, more affordable, mixed-income, and inter-generational housing opportunities.

- Action: Develop a catalog of housing types and costs with input from developers. Determine costs that could be borne or off-set by municipality to buy-down cost of development and incentivize investment by communities.
- Action: Meet with developers and inform them of this need, and determine what gap financing amounts are needed in order to make a project work in the community.
- Action: Establish a desired purchase price for new housing and rental rates. Work with developers to “do the math” to determine what incentives are needed to reach those goals.
- Action: Develop a set of tools and database of state and federal programs designed to meet this gap.
- Action: Keep existing TID open for additional year to raise funds for affordable housing programs or to assist in funding costs for existing housing programs.

5. Work to address issues associated with the purchase of existing homes.

Condition: Existing housing stock is old, and affordable housing is in need of repairs. Maintenance or costs to update are often a barrier to first-time home owners since it increases the borrowing amount, and therefore down payments.

- Action: With input from realtors, develop a set of conditions that appear to be the largest investments needed in old housing, and develop associated costs with input from developers and builders. This will form a database that informs investments needed in existing housing.
- Action: Develop local funding to off-set or cover costs needed to make existing housing livable for young families or seniors. This could include low or no-interest loans, down-payment assistance grants conditional upon home ownership and/or improvements, partnerships with industry needed to incentivize workforce, etc. The existing TIF district should be kept open for an additional year to fund affordable housing programs.
- Action: Work with local realtors and banks to establish 203(k) “Purchase and Renovate” loans. These loans allow home buyers to secure a loan for the estimated appraised value of a home after renovations. This lending tool allows banks to lend money above the current appraised value of a home after a 203(k) consultant reviews the financial feasibility of the renovation project.