

HOUSING ELEMENT

Introduction

Housing is a basic necessity of life. While the Town of Garfield is not necessarily in the business of building houses for residents, the programs and actions of the elected officials can have significant impact on the community's housing market. The Town of Garfield strives to consider the extent of the housing needs, the economic strength of the area, and the perception of local residents in meeting the requirements of the community.

Housing is the single largest expenditure for most Wisconsin residents. According to Consumer Expenditure Survey as prepared by the Bureau of Labor Statistics/U.S. Department of Labor (2000), households in the Midwest spend an average of 27% of their annual income on housing. Housing helps drive the economy and is a major source of employment and revenue for Wisconsin citizens. The housing market has been booming for many years now, but the need for affordable housing has never been greater. Many individuals are building bigger houses and the increase in the price of housing has exceeded the increase in average income. Also, the federal government has cut back on housing assistance.

The current housing market situation has seen a flattening of appreciation rates compared to previous years. A homeowner might struggle to sell at the price they bought. Home sales have decreased despite the surge in construction. There are plenty of open lots available. There is a surplus of upper class homes and two bedroom twin homes, but these twin homes are often above the price range of first-time homebuyers.

The Town of Garfield has been experiencing substantial residential growth. Mainly single-family resident houses. This growth is, likely, a migration from the Twin Cities and surrounding area. The increased amount of residential development will require the need for increased services and additional infrastructure.

The following statements were selected from the results of the Town of Garfield Community Survey:

Housing Element

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

§ 66.1001(2)(b), Wis. Stat.

When asked how they would rate the general condition of local roads in the Town of Garfield, 10.6% said fine, 70.5% said good, 18.3% said poor, and .6% had no opinion.

When asked how they would rate the ongoing maintenance of local roads in the Town of Garfield, 4.6% said excellent, 48.4% said good, 30.3% said fair, 15% said poor, while 1.7% had no opinion.

When asked if the Town of Garfield needs more Single Family Homes, 13.37% strongly agreed, 34.65% agreed, 20.36% disagreed, and 9.42% strongly disagreed, while 22.19% had no opinion.

When asked if the Town of Garfield needs more Twin Homes/Condos, 2.45% strongly agreed, 11.31% agreed, 35.78% disagreed, and 31.80% strongly disagreed, while 18.65% had no opinion.

When asked if the Town of Garfield needs more Manufactured Homes, 1.52% strongly agreed, 14.02% agreed, 29.27% disagreed, and 32.32% strongly disagreed, while 22.87% had no opinion.

When asked if the Town of Garfield needs more Elderly/Assisted Living, 10.74% strongly agreed, 33.74% agreed, 17.18 disagreed, and 15.03 strongly disagreed, while 23.31% had no opinion.

When asked if the Town of Garfield needs more Rental Housing, 1.51% strongly agreed, 13.90 agreed, 29.61% disagreed, and 32.33% strongly disagreed, while 22.66% had no opinion.

When asked if the Town of Garfield should develop and promote design guidelines, covenants, or standards for residential development, 24.36% strongly agreed, 38.97% agreed, 20.34% disagreed, and 9.74% strongly disagreed, while 6.59% had no opinion.

The challenge for elected official is to find a compromise between the opinions of residents and developers when it comes to housing needs within the Town. From the survey, it is clear that residents want to limit new development to mostly single-family homes in an effort to preserve the rural character.

Housing Stock Assessment

On June 5th, 2007, representatives from Stevens Engineers, Inc. conducted a windshield survey of the housing stock in the Town of Garfield (See Housing Map). Overall, there is sufficient open space and undeveloped land within the Town. Although there has been some new home construction, the majority of the houses are older but well-maintained. There is a variety of homes for sale within the Town. Newer developments also include duplexes or twinhomes on small acreages.

Windshield Survey

Involves a survey of the exterior conditions of homes, by either walking or driving through a neighborhood and evaluating houses from a windshield view. Advantages include low cost and quick results. Assumes that exterior conditions reflect interior conditions in most houses.

Age Characteristics

Considering the age of the existing housing stock is important when evaluating a communities housing stock. The age of a house does not always determine its condition. A properly maintained house can last hundreds of years. Houses that lack proper care, however, can become run-down and dilapidated; blighting a neighborhood and reducing the housing stock.

Table 2.1 – Structural Age

Year Structure Built	Number	Percent of Total
1999 to March 2000	33	4.4
1995 to 1998	64	8.6
1990 to 1994	54	7.3
1980 to 1989	128	17.2
1970 to 1979	158	21.2
1960 to 1969	78	10.5
1940 to 1959	115	15.5
1939 or earlier	114	15.3

Source: U.S. Census Bureau, Census 2000

Figure 2.1 – Housing Stock

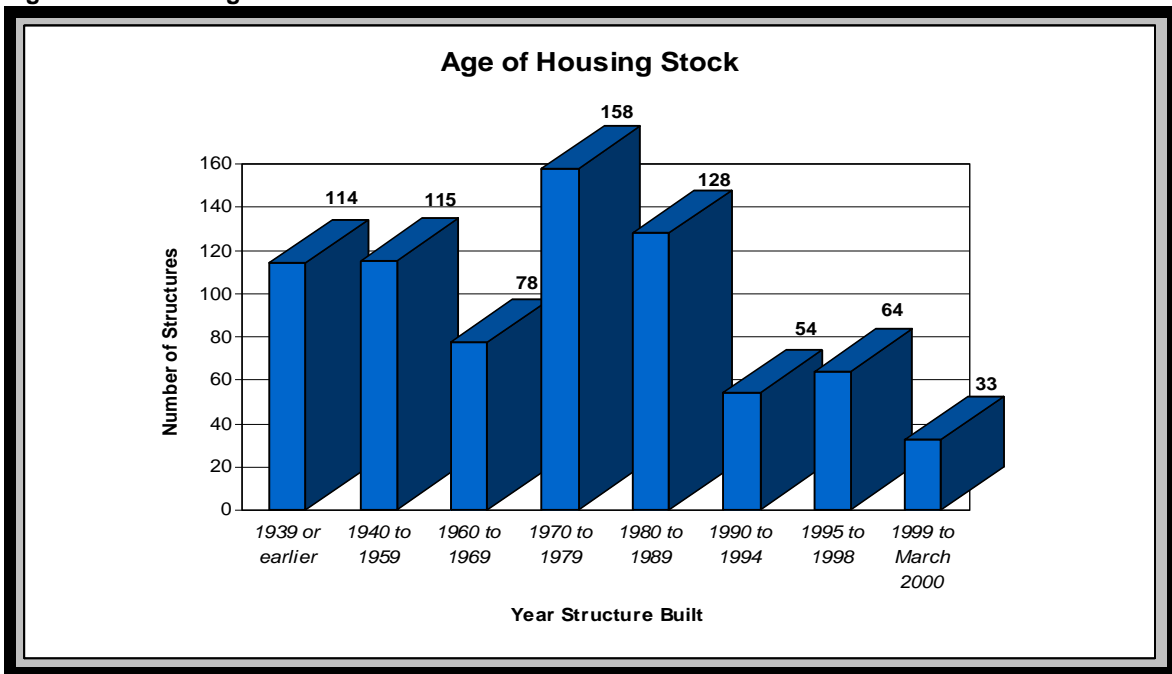


TABLE 2.1 and Figure 2.1 indicate the housing stock in the Town of Garfield is:

- 62.5% of total structures are at least 29 to 69 years old,
- 33.1% of total structures are 10 to 28 years old, and
- 4.4% are 0 to 9 years old

Structural Characteristics

Single family homes continue to be the main component of housing units in the Town of Garfield. While most of the multi-unit homes have traditionally been located near Wanderoos, some newer duplexes have been built elsewhere in the town after the 2000 census data used in this document, as mentioned in the windshield survey. One surprise is the massive decrease in mobile home/trailer number of housing units. This trend may indicate the affordability of single family house ownership or simply a change in personal preferences.

1-Unit, Detached

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

Table 2.2 – Housing Units

	1990	2000	Percent Change
Total Housing Units	679	744	+9.57
Units in Structure			
1-unit, detached	524	636	+21.37
1-unit, attached	4	11	+175.00
2 to 4 units	16	14	-12.50
5 to 9 units	0	0	0
10 or more	0	0	0
Mobile home, trailer, or other	135	83	-38.52

Source: U.S. Census Bureau, Census 2000

The type of heating fuel used in homes in the Town of Garfield changed significantly from 1990-2000 (see table 2.3). People are moving from wood and fuel oil to utility gas and liquid propane. These types of heating fuel are easiest to transport and handle. The sharp increase in use of utility gas is most likely from the lake homes that recently hooked onto a utility gas line.

Table 2.3 – Heating Fuel

HOUSE HEATING FUEL	1990	2000	Percent Change
Utility gas	2	77	+3750.00
Bottled, tank, or LP gas	174	271	+55.75
Electricity	44	47	+15.9
Fuel oil, kerosene, etc.	107	82	-23.36
Coal or coke	0	0	0
Wood	77	30	-61.04
Solar energy	0	0	0
Other fuel	0	0	0
No fuel used	0	0	0

Source: U.S. Census Bureau, Census 2000

Value Characteristics

Most real estate agents in Minnesota and Wisconsin would agree that it is a buyers market in the Western Wisconsin region at the moment. This is because average home prices have fallen slightly when compared to the past 5-10 years of powerful

housing booms. Nevertheless, home values have increased dramatically over the past two decades. The average home value in the Town of Garfield in the year 2000 was \$122,500 and has probably increased since then. The average home value in Wisconsin was \$212,918 as of April, 2007. The rising value of homes in the area is due mostly from the growth and migration of the Twin Cities.

Table 2.4 – Home Values

	1990	2000	Percent Change
Specified owner-occupied units	164	261	+59.15
VALUE			
Less than \$50,000	33	2	-93.94
\$50,000 to \$99,999	101	88	-12.87
\$100,000 to \$149,999	19	87	+357.89
\$150,000 to \$199,999	8	28	+250.00
\$200,000 to \$299,999	2	41	+1950.00
\$300,000 or more	1	15	+1400.00
Median (dollars)	69,800	122,500	+75.50

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

Housing Affordability

Some people in the housing business believe that the market has become saturated with upper-class homes. It is important for the Town of Garfield to work with developers to ensure that a mixture of household sizes and types are available to allow more options to homebuyers, especially citizens with fixed income or new families.

The U.S. Department of Housing and Urban Development defines affordable housing as housing in which the occupant is paying no more than 30% of their yearly income in gross housing costs, including utilities. Table 2.5 (below) shows that in 1999, 87.7% of home owners and 46.8% of home renters in the Town of Garfield spend less than 30% of their annual household income on housing costs.

Table 2.5 – Housing Costs

SELECTED MONTHLY COSTS AS A PERCENTAGE OF HOUSEHOLD INCOME IN 1999	Number (Owners)	Percent of Total (Owners)	Number (Renters)	Percent of Total (Renters)
Less than 15 percent	98	37.5	10	21.3
15 to 19 percent	51	19.5	0	0.0
20 to 24 percent	40	15.3	5	10.6
25 to 29 percent	40	15.3	7	14.9
30 to 34 percent	8	3.1	0	0.0
35 percent or more	24	9.2	14	29.8
Not computed	0	0.0	11	23.4

Source: U.S. Census Bureau, Census 2000

Recently, the Town of Garfield implemented impact fees to new developments to help pay for infrastructure costs. Although the impact fees are in line with neighboring communities, the fees may have an affect on affordability to those in the low-income brackets. The Town may wish to reduce or waive the impact fees for those units that can prove low-income benefit. This proof would be through a State or Federal funded program that has a rent limit criteria.

In general, the level of the fee in relation to the average housing costs should not impede the affordability of low-cost housing. For example, the following table identifies the additional cost of the proposed single family impact fee of \$3,014.00 in both a typical 15-year and 30-year mortgage at various interest rates:

Table 2.6 – Impact Fee

	Additional Monthly Payments	
	15-year Mortgage	30-year mortgage
5% Annual Interest Rate	\$23.83	\$16.18
6% Annual Interest Rate	\$25.43	18.07
7% Annual Interest Rate	\$27.09	\$20.05
8% Annual Interest Rate	\$28.80	\$22.12

Source: Town of Garfield Impact Fees

Occupancy Characteristics

As mentioned before, the most common type of housing in the Town of Garfield is owner occupied, single family homes. Between 1990 and 2000, the number of owner occupied homes increased by almost 31%. This is a regional trend and a positive trend for the Town. Home ownership is something that has become one of the essential pursuits of happiness within the American society. High rates of home ownership often bring pride to communities, promote neighborly activities, and lead to better maintenance and up-keep of property. It also reflects a successful economy and affordable housing. Other major changes to the occupancy and tenure included the massive decrease of seasonal housing units. Between 1990 and 2000, the number of seasonal homes decreases by over 35%. This trend can be seen across Polk County as seasonal, recreational, or occasionally used homes are converted to year-round occupancy. The conversion of these homes has reduced the rate of new home construction in the area. The reason for this conversion is probably a combination of factors. The area is no longer considered a cabin retreat. The economy in Polk County has made it more possible to live year round. Also, the high number of retirees that continue to move into the area may have decided to use a formerly owned cabin as a permanent home.

Table 2.7 – Occupancy and Tenure

Occupancy and Tenure	1990 Census	2000 Census	Percent Change
Total Housing Units	679	707	+4.12
Occupied Housing Units	404	529	+30.94
Owner occupied	345	466	+35.07
Renter occupied	59	63	+6.78
Vacant housing units	275	178	-35.27
For Seasonal/Recreational Use	259	168	-35.14
Persons per owner-occupied unit	2.72	2.73	+.37
Persons per renter-occupied unit	2.88	2.71	-5.9

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

Table 2.8 – Households by Type

HOUSEHOLDS BY TYPE	2000
Total households	529
Family households (families)	408
With own children under 18 years	184
Married-couple family	373
With own children under 18 years	162
Female householder, no husband present	20

With own children under 18 years	14
Nonfamily households	121
Householder living alone	88
Householder 65 years and over	28
Households with individuals under 18 years	194
Households with individuals 65 years and over	108

Source: 1990 and 2000 Census Bureau

Predicting Housing Needs

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

Table 2.9 – Number of Households

	Total Households 2000	Projected 2005	Projected 2010	Projected 2015	Projected 2020	Projected 2025
Town of Garfield	529	581	644	700	751	797
Polk County	16,254	17,401	18,842	20,083	21,179	22,091

Source: Prepared by Demographic Services Center, Wisconsin Department of Administration, January 2004

Table 2.10 shows the total number of additional housing units needed to meet housing needs in the Town of Garfield for the next twenty years. The table does not take into consideration the number of vacant houses that will become occupied in future years.

Table 2.10 - Number of Housing Units

Year	2000	Projected 2005	Projected 2010	Projected 2015	Projected 2020	Projected 2025
Population	1443	1560	1676	1778	1871	1957
Persons per household in Town of Garfield	2.73	2.69	2.60	2.54	2.49	2.46
Total Households	529	581	644	700	751	797
Additional Occupied Housing units Needed	-	52	63	56	51	46

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

Housing Assistance Programs and Agencies

FEDERAL

1. Department of Housing and Urban Development (HUD)

Primary responsibility includes housing programs and community development. The agency provides subsidized housing through low-income public housing and subsidies for private property owners renting to low-income households. The following table shows the HUD income limits for its housing programs in Polk County. The limits are broken up by family size.

Table 2.11 - Polk County Medium Family Income (all families) \$57,200

Program	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person
30 % of Median	12,000	13,700	15,450	17,150	18,500	19,900	21,250	22,650
Very Low Income	20,000	22,900	25,750	28,600	30,900	33,200	35,450	37,750
Low-Income	32,050	36,600	41,200	45,750	49,400	53,050	56,750	60,400

Source: US Department of Housing and Urban Development (2006)

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

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

STATE

1. Division of Housing and Intergovernmental Relations (DHIR)

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

2. Wisconsin Housing and Economic Development Authority (WHEDA)

The WHEDA Foundation, Inc. and WHEDA make available annually grant funds through the Housing Grant Program competition, financing to purchase or refinance & rehabilitate a home, to assist in the improvement of the state's housing for low income & special needs populations, serving Barron, Burnett, Polk, Price, Rusk, Sawyer, Taylor, & Washburn counties. Further information can be found on their website: <http://www.wheda.com/>

LOCAL PROGRAMS

1. Housing Trust Funds

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

2. Housing Linkage Programs

These programs encourage developers of office, commercial, retail, or institutional development to construct or make financial contributions towards affordable housing.

The rationale behind these voluntary programs is that new non-residential development creates a need for housing by attracting employees to an area.

3. Tax Increment Financing (TIF)

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

PRIVATE PROGRAMS

1. West Central Wisconsin Community Action Agency (West CAP)

As stated on their website, West CAP is a non-profit corporation and a member of Wisconsin's community action association (WISCAP). West CAP serves the counties of Barron, Chippewa, Dunn, Pepin, Pierce, Polk, and St. Croix. West CAP will purchase and remodel good housing structures in suitable locations and re-market them through Ideal Realty to low-income families at affordable prices & housing counseling is available. "The mission of West CAP is to take action against poverty by developing the social and economic assets of low-income families and their communities, and by working to create a more just and sustainable society." Further information can be found on their website: www.westcap.org

2. Movin' Out, Inc.

Movin' Out, Inc. is a housing organization in Madison that provides information and assistance, housing counseling, and gap financing for purchase and rehabilitation to Wisconsin households with a member who has a permanent disability. Further information can be found on their website: www.movin-out.org

3. Non-Profit Housing Development Corporations

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

SWOT ANALYSIS ~ Housing

On June 14, 2007, the Town of Garfield Plan Commission and members of the public met with representatives from Stevens to conduct a SWOT Analysis on the Housing Element. Table 2.12 contains the list of results with the exact wording used in the discussion. This list, along with the vision statement, was then used to create goals, objectives, policies, and programs for the Town of Garfield.

Table 2.12

<p>STRENGTHS</p> <ul style="list-style-type: none"> • Available land • Proximity to larger municipalities (shopping, nursing homes, etc.) • Desirable building locations/sites 	<p>WEAKNESSES</p> <ul style="list-style-type: none"> • Lack of rental units • Lack of retirement housing options • Landscape ordinance/design standards • Lack of zoning
<p>OPPORTUNITIES</p> <ul style="list-style-type: none"> • Land • Ability to guide housing market 	<p>THREATS</p> <ul style="list-style-type: none"> • Over-development • Subdivision characteristics

Goals, Objectives, Policies, Programs

Goal: Promote a rural residential environment which provides a variety of housing types

Objectives

- Plan housing developments in desirable locations
- Utilize village powers to steer the local housing market in positive and a locally supported direction
- Use zoning standards to regulate development
- Provide housing that meets all types of physical and financial levels

Policies

- Provide incentives for developers that incorporate LMI homes into subdivisions.
- Require use of multiple housing designs in a subdivision.

Programs

- Develop and adopt Town subdivision ordinance as soon as possible.