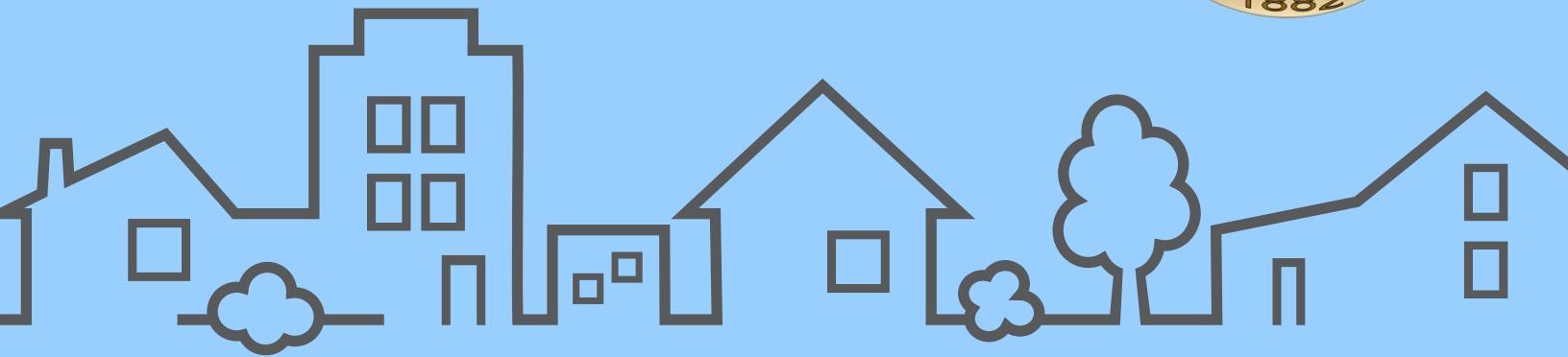




# HOUSING NEEDS ASSESSMENT

City of Menomonie, Wisconsin  
2023





# ACKNOWLEDGEMENTS

## **City of Menomonie Housing Advisory Committee:**

Janice Neitzel, 3M Corporation  
Josh Miller, Cedar Corporation  
Mary Solberg, Menomonie City Council  
AJ Heinzen  
Mayor Randy Knaack  
Erik Guenard, UW-Stout  
Lowell Prange, City of Menomonie  
Randy Eide, City of Menomonie  
Eric Atkinson, City of Menomonie  
Dave Schofield, City of Menomonie

## **Funding Partners:**

This study was funded in part by the Wisconsin Department of Administration, Division of Energy, Housing, and Community Resources through a Community Development Block Grant. Additional funding was also provided by the Dunn County Community Foundation.

## **Prepared By:**

West Central Wisconsin Regional Planning Commission

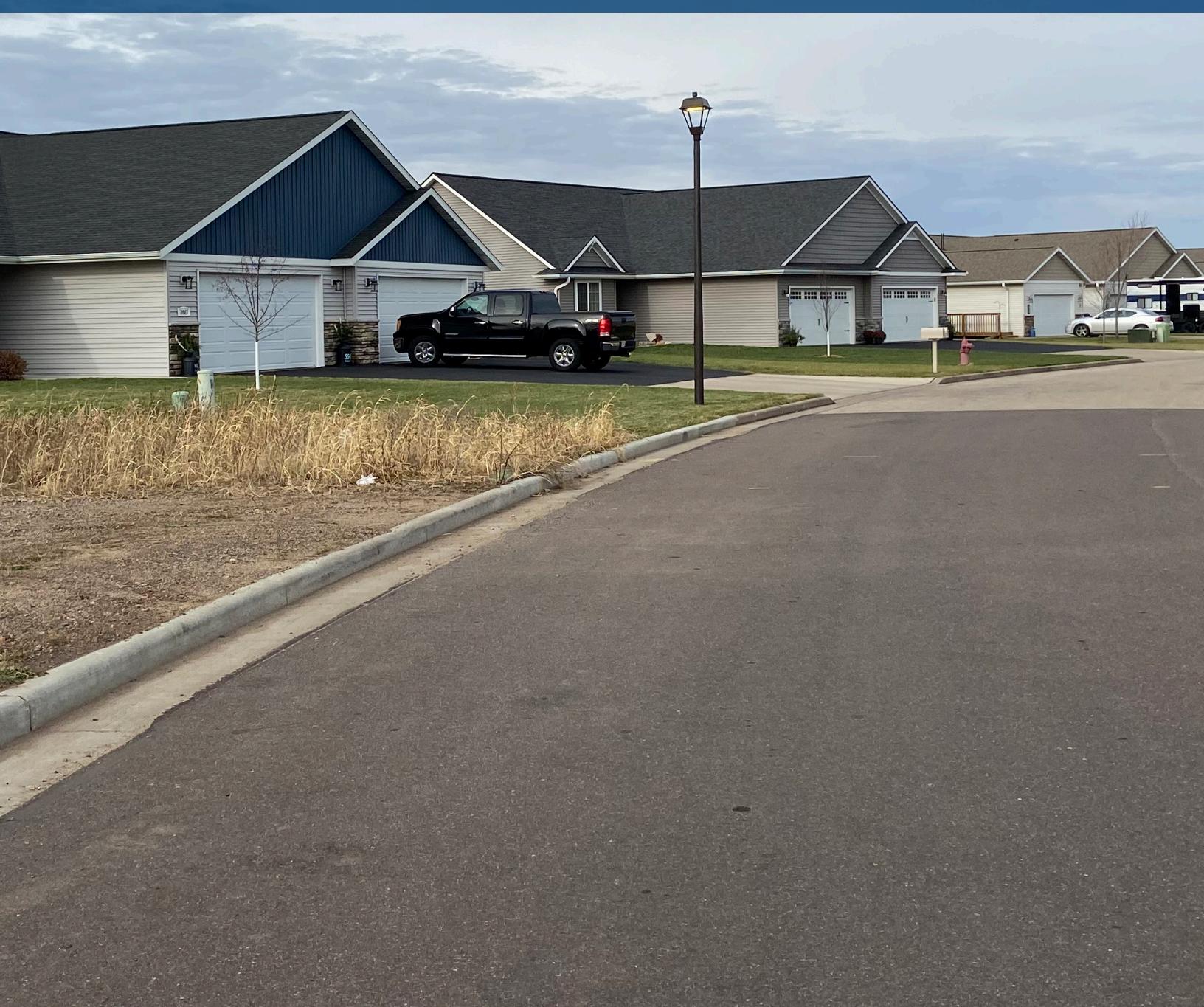
# Table of Contents

<b>EXECUTIVE SUMMARY</b>	<b>6</b>
Housing for All Approach . . . . .	8
What Actions or Strategies Can be Used? . . . . .	10
Recommended Housing Action Plan . . . . .	12
<b>CHAPTER I. INTRODUCTION</b>	<b>14</b>
Geographic Context . . . . .	15
Study Background . . . . .	15
Definitions . . . . .	17
Study Scope . . . . .	17
Study Process . . . . .	19
Data Sources, Methods, and Limitations . . . . .	19
<b>CHAPTER II. DEMOGRAPHICS AND ECONOMICS</b>	<b>22</b>
Demographic Trends . . . . .	23
Economic Indicators . . . . .	27
Renter Profile . . . . .	34
Owner Profile . . . . .	36
<b>CHAPTER III. HOUSING SUPPLY</b>	<b>38</b>
Housing Counts and Characteristics . . . . .	39
Housing Supply Trends . . . . .	40
Renter-Occupied Housing . . . . .	41
Owner-Occupied Housing . . . . .	43
Group Quarters . . . . .	44
Shelter Housing and Homelessness . . . . .	45
Housing Quality . . . . .	46
Existing Housing Programs and Initiatives . . . . .	49
<b>CHAPTER IV. OTHER FACTORS</b>	<b>50</b>
Land Availability . . . . .	51
Land Use Planning, Regulations, and Process . . . . .	51

# Table of Contents

Land Development Costs .....	52
Property Taxes .....	53
Other Factors Influencing Construction Costs .....	54
<b>CHAPTER V. HOUSING NEEDS ANALYSIS</b>	<b>56</b>
Lifecycle Housing Stages .....	57
Overall Housing Market .....	59
Rental Market Analysis .....	62
Owner Market Analysis .....	68
Housing Demand Projections .....	74
Housing Needs Summary .....	78
<b>CHAPTER VI. RECOMMENDED HOUSING GOALS</b>	<b>80</b>
Recommended Housing Goals .....	81
<b>CHAPTER VII. POTENTIAL HOUSING STRATEGIES</b>	<b>86</b>
Strategies to Reduce Development Costs .....	89
Strategies to Assist with Household Housing Costs .....	90
Strategies for Transitional/Supportive Housing .....	91
Strategies for Improved Housing Quality and Conditions .....	92
Planning and Regulation Strategies .....	94
Education, Collaboration, and Advocacy Strategies .....	95
Other Potential Housing Initiatives .....	98
Aligning Goals and Strategies .....	99
<b>CHAPTER VIII. RECOMMENDED ACTION PLAN</b>	<b>101</b>
Recommended Action Plan .....	102
Potential Performance Indicators and Metrics .....	106
<b>APPENDIX A. HOUSING SURVEY RESULTS</b>	<b>A-108</b>
<b>APPENDIX B. CITY HOUSING SNAPSHOT</b>	<b>B-150</b>

# EXECUTIVE SUMMARY



# Executive Summary

The City of Menomonie *Housing Needs Assessment* was prepared to help City officials, residents, developers, and other stakeholders understand the key housing needs and gaps within the City. The study was developed based on a data-driven analysis of housing supply, demographic trends, and socioeconomic metrics, along with community and stakeholder input. The data, both quantitative and qualitative, demonstrate a critical need to address housing availability and affordability in Menomonie.

## **There is a lack of available housing for rent or for sale.**

- The 2020 rental and owner vacancy rates within the City are estimated to have been outside of the healthy standard, pointing to an immediate need for additional housing. New residential construction within the City has not kept up with demand. Since 2010 the City reports having a total of 522 new housing units constructed. In 2022 there were only 22 new housing units added to the City's housing supply.

## **Rents are increasing at a faster rate than incomes.**

- The 2000 median gross rent in the City was \$465 while the 2020 estimated median gross rent was \$802 (72% increase). The 2000 median renter income in the City was \$21,977 while the 2020 estimated median renter income was \$30,046 (37% increase). Rents have continued to rise over the last three years, making affordability even more challenging.

## **Home prices continue to rise.**

- The 2022 median sale price of a home in Dunn County was \$260,000, more than double the median home price in 2010 of \$126,500. As of February 2023 there were seven homes for sale in the City of Menomonie, ranging from \$155,000 to \$370,000.

## **Many City households are financially burdened by housing costs.**

- Per the 2016-2020 American Community Survey estimates, 48% of City renter households and 22% of City owner households with a mortgage were cost-burdened, paying more than 30% of their household income on housing costs.

## **There are many people experiencing housing instability and homelessness.**

- Stepping Stones, the emergency housing provider in Dunn County, has seen a significant increase in households seeking shelter. The provider reported 353 households seeking shelter from August 2018 to 2019; this increased 73% with 610 households seeking shelter from August 2021 to 2022.

## **There is a need for improved housing conditions.**

- 19% of City of Menomonie respondents to the Dunn County Housing Survey identified deteriorating housing conditions as one of the top housing-related challenges facing the City. Interviews with key stakeholders identified that this issue was significant in student rental housing surrounding the University.

## **There appears to be demand for both smaller and larger single-family homes.**

- 32% of City of Menomonie respondents to the Dunn County Housing Survey identified smaller (less than 2,000 sq ft) single-family or "starter" home as the housing type most needed in the community. 32% also identified a need for larger single-family homes. 24% of City respondents identified the lack of housing variety as a top housing challenge, pointing to a need for various housing sizes and styles to fit different household types and desires.

# Executive Summary

## HOUSING FOR ALL APPROACH

Housing demand is most often spurred by life events such as marriage, divorce, birth of a child, child leaving the house, change in employment, retirement, or any other change. As people transition from one stage of life to another they may also look to transition housing size, style, location, etc. While the median age in the City of Menomonie is influenced by the University, and is much lower than that of the County, many homeowners are aging and, as is true of the nation, the population moving into retirement age over the next ten years will increase significantly. These demographic shifts have a significant impact on the housing market.

Housing demand is also impacted by the amount a household can spend on monthly housing costs. As reported in the Q4 Quarterly Census of Employment and Wages, all of the top ten occupations (by 2022 job count) in the County had a median annual earnings of less than \$50,000. Five of the ten top occupations had median annual earnings that would allow \$900 or less in housing costs (rent or mortgage, insurance, utilities, and taxes) in order to avoid being housing cost-burdened. It is important to recognize that the wages within the County do not support today's market rate rents for many households. According to rentdata.org, the median rent price for a 2-bedroom unit in the County is \$987 (this is just the rent price and does not include other housing costs such as insurance or utilities).

It is important that a variety of housing be available to accommodate the different stages of life and varying income levels. Five key goals and several strategies are provided to help the City, in coordination with the County and other partners, begin to tackle housing issues.

### **Goal 1** Address the City's existing unmet housing demand, overcrowding, and low vacancy rates.

- Maintain a healthy housing mix of rental to owner units.
- Build more rental units at various price points.
- Build more owner units at various price points.

### **Goal 2** Strive to achieve a balanced housing market with opportunities for all households.

- Maintain existing, and construct new, affordable rental units for the lowest-income households.
- Increase the number of affordable rental units for the City's workforce population.
- Increase the number of quality market rate rentals for executives and families.

# Executive Summary

- Address the need for additional smaller, starter homes, in the \$150,000 - \$250,000 range.
- Address the need for additional move-up homes and executive homes.
- Evaluate vacancy rates of Assisted Living Facilities as well as Group Quarters and build new facilities as needed.

## **Goal 3** Encourage quality housing choices that meet local demand.

- Provide a diversity of housing styles and sizes that offer a variety of choices for all lifecycle stages.
- Provide housing choices to encourage seniors to age in place.
- Improve conditions of deteriorating housing stock.
- Incorporate quality of life amenities and services into new residential developments - childcare, broadband, etc.

## **Goal 4** Strive to provide shelter for all, including those not currently in the housing market.

- Working with partners, identify and support opportunities for establishing transitional and/or supportive housing throughout the City.
- Find opportunities to assist with individual household housing costs.

## **Goal 5** Educate, collaborate, and advocate on housing-related issues.

- Educate and involve residents in continued conversations surrounding the need for housing as well as the development process.
- Educate landlords and tenants on rights and responsibilities.

# Executive Summary

## What Actions or Strategies Can Be Used?

Chapter VII provides a variety of programs and initiatives that can be implemented to work towards accomplishing the identified housing goals. Multiple strategies will need to be used to achieve the goal of providing housing for all within the City. Similarly, multiple partners will need to be engaged in the implementation efforts of the various strategies.



# Executive Summary

## 1 - REDUCE DEVELOPMENT COSTS

- Minimize regulatory barriers.
- Streamline the development process.
- Install the necessary infrastructure.
- Consider reducing fees for affordable housing units.

## 2 - ASSIST WITH HOUSEHOLD HOUSING COSTS

- Promote corporate participation programs.
- Support financial programs designed for lower-income families.
- Promote and educate individual households on housing assistance programs.

## 3 - TRANSITIONAL/SUPPORTIVE HOUSING

- Support and encourage efforts for establishing transitional housing.
- Support the reuse of vacant buildings and land for transitional and supportive housing.

## 4 - IMPROVE HOUSING QUALITY AND CONDITIONS

- Working within the confines of 2017 WI Act 317, consider identifying districts where inspections of rental property would be required.

## 5 - PLANNING AND REGULATIONS

- Hold a work session to discuss the City's land development ordinances.
- Review and amend ordinances to allow for a variety of housing options.
- Identify & promote land for infill development.

## 6 - EDUCATION, COLLABORATION, AND ADVOCACY

- Advocate for new federal & state programs to assist developers and individuals.
- Advocate for changes to the limitations established under 2017 WI Act 317.
- Encourage resident involvement.

## 7 - OTHER PLANNING INITIATIVES

- Leverage Opportunity Zones and New Markets Tax Credit designations to generate affordable housing and investment.
- Work with existing manufactured home parks and new communities to become Resident Owned Communities (ROCs).

# Executive Summary

## Recommended Housing Action Plan

Chapter VIII of this assessment provides a recommended action plan for implementation of housing efforts and strategies within the City. It is expected that the City will not act alone, rather there will be many partners, public, private, and non-profit, that come together to collectively work towards advancing these housing goals. The City and County should work together and coordinate implementation efforts.

It will be important that the City make housing initiatives a priority work item and incorporate it into the annual work plan. It is also recommended that the City participate in the Dunn County Housing Workgroup, and the group be given the resources, staff, and tools to begin further exploration and implementation of priority housing initiatives. This group will also need to monitor and evaluate progress and performance, and modify actions as necessary to adjust to demographic trends over time. Below is a summary of the recommendations for the City detailed in Chapter VIII.

RECOMMENDATION
<b>EDUCATE, COLLABORATE, AND ADVOCATE</b>
1 - Participate in Dunn County Housing Workgroup and consider forming a City of Menomonie Housing Team.
2 - Establish a housing education program.
3 - Advocate for changes to state and/or federal programs to assist with advancing housing within the City to meet the identified goals.
4 - Market the City's housing needs to developers throughout the region.
<b>REMOVE REGULATORY BARRIERS</b>
5 - Audit and revise the City's zoning and subdivision ordinances to allow diverse housing types and to reduce barriers.
6 - Ensure sufficient land is zoned to accommodate residential development.
7 - Streamline the development process.
8 - Create a Development Guide.
9 - Establish a Development Review Team process.
<b>STABILIZE INDIVIDUALS AND HOUSEHOLDS</b>
10 - Continue to offer down payment assistance with the Home Sweet Menomonie program.
11 - Provide emergency housing assistance.
12 - Work to keep existing subsidized housing units within the City affordable.
13 - Create housing opportunities for the unhoused and vulnerable individuals and households.
<b>ALLOCATE FUNDING</b>
14 - Consider being a participant and offering direct subsidies for projects.
15 - Incentivize private redevelopment of deteriorating housing units.
16 - Explore creating a rental conversion program.
<b>PROMOTE DEVELOPMENT</b>
17 - Identify and promote availability of land for infill development.
18 - Identify opportunities to add value and residential density to existing developed parcels throughout the City.
19 - Use the Comprehensive Plan as a tool to identify target growth areas for new residential development.

# Executive Summary

*(This Page Intentionally Left Blank)*

# CHAPTER I. INTRODUCTION

City of Menomonie  
Community Housing Forum

January 30, 2023



Housing is an essential element of a community as it fulfills a basic need for shelter. The function of all housing, regardless of form, size, color, and price, is to provide living quarters. Residential uses typically occupy a large amount of land in a community and the various residential buildings help shape the community, neighborhood, and street.

Providing a variety of housing options (form, size, price, etc.) within a community has significant benefits. Not only can it encourage a diverse community but it can also accommodate different needs and preferences. This is important as housing desires and needs change throughout a person's lifetime.

Housing is also instrumental in economic and business development; when employees are unable to find affordable housing near their place of employment, they may choose to live and work elsewhere. Businesses may struggle to retain and recruit employees without a housing supply that meets the needs and preferences of the population. There is a strong connection between workforce and housing.

Despite the basic need for housing, the challenges surrounding housing availability and affordability are widespread. The issue is complex with no single or easy solution. Tackling housing issues will require the work of several partners undertaking multiple strategies.

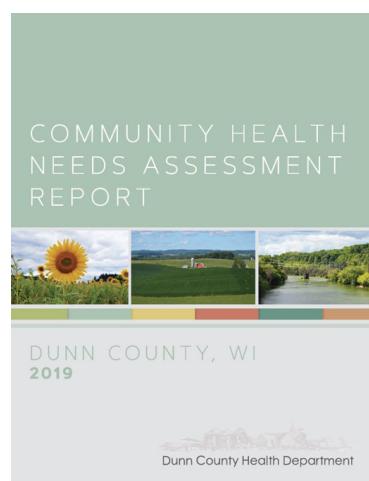
## Geographic Context

The City of Menomonie is located in central Dunn County, in west-central Wisconsin. The County is bordered on the west by St. Croix and Pierce Counties, the north by Barron County, the east by Chippewa and Eau Claire Counties, and the south by Pepin County. The County's location within an hour of the St. Paul – Minneapolis Metropolitan Area and half-hour of the Eau Claire area, together with the County's natural and recreational amenities, makes it an attractive location for businesses and people.

Given the County's geographic location and attractive qualities for growth, there is a recognized need for housing development in Dunn County and the City of Menomonie. City and County businesses have indicated a specific need for housing to accommodate current and potential employees. Housing cost, style, and design, in addition to other quality of life amenities (parks, transit, trails, etc.), can influence an individual's decision on where to live, which in turn can influence employment choices and opportunities. There is also a need to provide housing options to meet the needs and preferences of the growing senior population as well as housing needs of vulnerable population groups. These needs are driving forces behind this study.

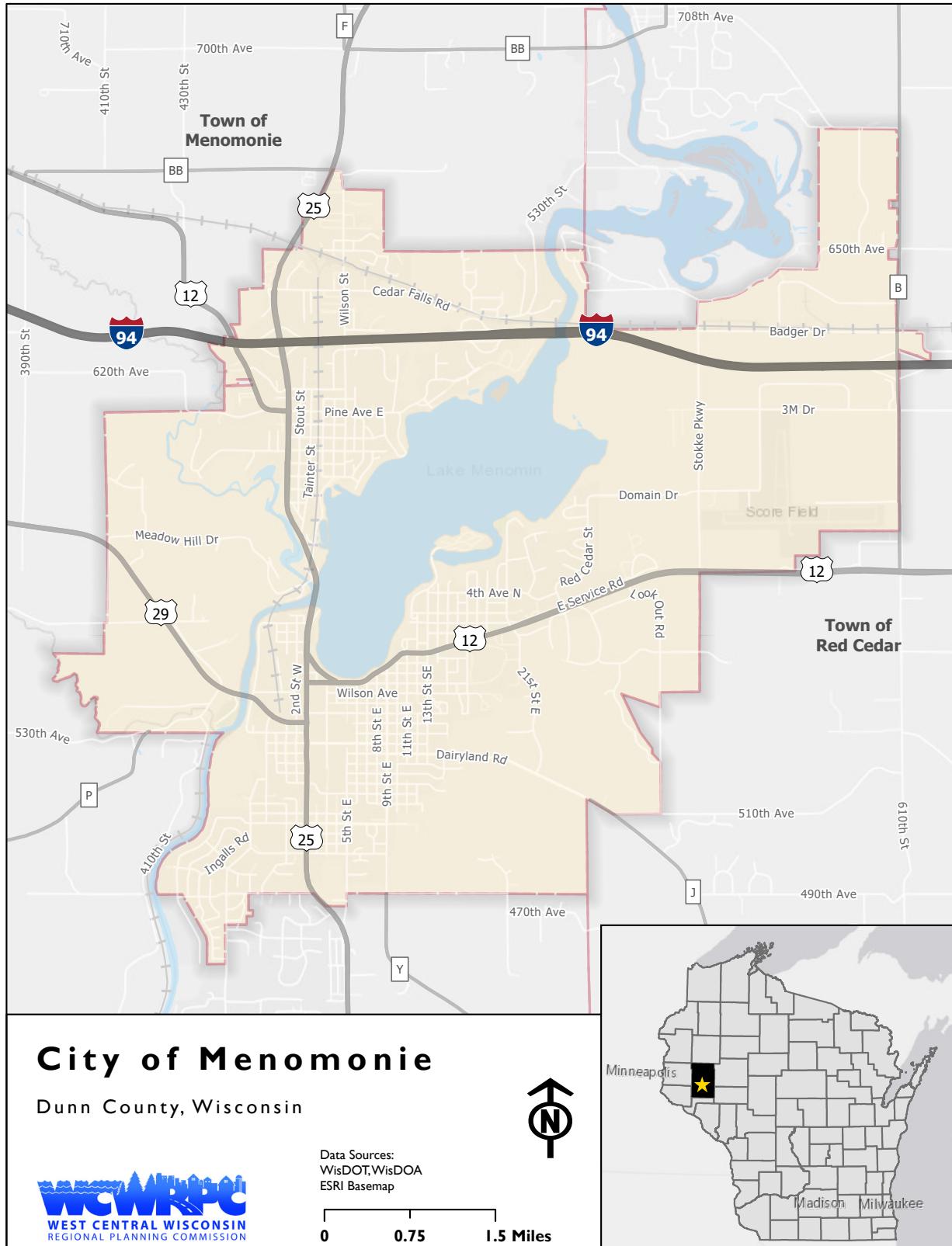
## Study Background

In 2019, the Dunn County Health Department undertook a Community Health Needs Assessment to evaluate and prioritize health concerns within Dunn County. The need for "safer and quality housing" was one of the top ranked health areas that came out of this assessment.



# Introduction

**Figure 1: City of Menomonie Location Map**



- 46% of Dunn County residents who responded to the survey identified Safe and Quality Housing as a major or moderate weakness for the community.
- 27% of Dunn County residents who responded to the survey indicated that they or someone they know are negatively affected by lack of Safe and Quality housing.



Recognizing this issue, the County established a *Health Dunn Right Housing Task Group*. The Task Group identified the need for a housing study to better understand the housing gaps, as well as opportunities, for the County. The Group, on behalf of the County, was successful at obtaining a grant from the Dunn County Community Foundation as a contribution for the housing studies project. Dunn County was also successful at securing a Community Development Block Grant (Planning) to cover a significant portion of the study costs.

## Definitions

### Housing Affordability

One way to think about housing affordability is in terms of the “burden” of housing costs. Specifically, when households spend more than 30% of their gross income on housing costs (rent or mortgage plus utilities, taxes, and insurance) they are considered to be “cost-burdened” and the housing is considered to be “unaffordable” for this household. This 30% level has historically been viewed as an indicator of a housing affordability problem and is a common approach to defining affordability.

### Low- and Moderate-Income (LMI)

Those with low incomes often have the most difficulty finding and keeping a place to live. While there are varying definitions, in general a low-income person or household is one with a total annual income below 50% of the county median income. A moderate-income person or household has an annual income of 50 – 80% of the county median income.

### Workforce Housing

Workforce housing is that which is affordable to the workforce in a community. Because incomes within the workforce vary, it is important that a community provide a range of housing options to fit the diverse needs. Workforce housing is typically viewed as housing to serve a household with an annual income of 80%-120% of the county median income.

## Study Scope

### Key Issues/Questions

This housing study explores and evaluates the current housing situation within the City of Menomonie, housing demand and preferences, and identifies goals and strategies that can address identified housing needs.

# Introduction

Key questions for the study include:

- What is the housing demand in terms of price points/costs, types, and ownership?
- What does the market want and what can it afford?
- How does our housing supply compare to demand?

Other questions include:

- What other desired amenities influence housing decisions?
- What is the condition of the housing stock and how do we encourage rehabilitation?
- Whom should we partner with? What tools or incentives are available?
- How do we engage developers to meet market demand?
- How do we change the community conversation regarding “affordable” housing?
- How do we promote downtown housing, vertical mixed use, and infill?

This study does not analyze infrastructure availability and its influence on local housing, analyze specific properties, including the potential for rehab or re-use, or undertake an in-depth analysis of other components of housing. It also does not undertake a detailed land analysis. These are analyses and questions that could be explored in future studies.

## Target Population Groups

While the study explores housing stock and identifies citywide needs and maintains a goal of analyzing potential housing solutions for all current and future residents, it pays special attention to three key target groups:

1. **Low- to Moderate-Income (LMI):** As previously noted, an individual or household is considered to be LMI based on their annual family income. An individual or family with a household income of less than or equal to 80% of the county median income is generally classified as LMI.
2. **Workforce:** Approximately 59% of the Dunn County population is of standard workforce age between the ages of 20-64, although there are seniors that continue to participate in the workforce. Housing is essential to attracting and retaining a workforce.
3. **Seniors:** The 65+ population in Dunn County is expected to grow significantly by 2040. The State of Wisconsin projects the group to increase 139% from 2010 to 2040. This demographic cohort has specific housing needs as many seniors have limited incomes and/or physical ailments that require unique housing arrangements. Other seniors are more active but are looking for smaller, low-maintenance housing options that allow them to age in place while maintaining their current lifestyle.

These three target groups are not exclusive of one another; an individual may fall into all three population groups.

## Study Process

Working with the Dunn County Department of Health and Human Services, West Central Wisconsin Regional Planning Commission (WCWRPC) prepared a Community Development Block Grant (CDBG) application to cover a portion of the costs of this study. The application was funded in February of 2022. The project commenced in summer 2022 and concluded in spring 2023. Collection of existing data, primarily data produced by the U.S. Census, was one of the first steps in the study. In addition to community data provided by the County, local officials, and staff, an online housing survey was conducted to help better understand the housing situation and preferences of individuals in the City and County. Hardcopy surveys were also available at various locations throughout the County. A summary of the overall responses is available in Appendix A. While an online-only survey has inherent limitations and biases, as those without access to technology are unable to complete the survey, it was one effort used to gather public input.

Insights on housing needs and barriers were also identified through interviews with key County and City representatives from various sectors (realtor, building inspector, developer, etc.) Over 40 interviews were conducted with a wide variety of stakeholders.

Following completion of data collection, housing forums were held in the County to present initial data findings to, and obtain feedback from, residents and officials. The City of Menomonie housing forum was held on the evening of January 30, 2023.

## Data Sources, Methods, and Limitations

Much of the quantitative data referenced in this study are from the U.S. Census Bureau (Decennial Census and the American Community Survey [ACS]). Other data sources are also referenced including the Wisconsin Department of Administration population and household estimates and projections.

While the quantitative data is important, there are limitations to the available data. The Decennial Census is conducted once every 10 years while the ACS is carried out at yearly or five-year intervals and surveys a sample population to arrive at estimates. Because it is comprised of sample data, the ACS has a higher margin of error, particularly in small geographic areas. Census surveys are self-reported and the data varies in accuracy and consistency. Additionally, there is often a delay in obtaining data from the U.S. Census Bureau. The five-year estimates are typically published a year after data collection. This study primarily uses data from the 2016-2020 ACS, which was the most recent available data at the time of collection. It is important to recognize that the data is already 2+ years old and the housing market in terms of units available, as well as housing prices, has changed. The Census Bureau does not anticipate the 2020 Decennial Census data being released until May 2023 although some initial data on population and housing units is provided in the 2020 Redistricting data set and is referenced as appropriate in this study.

While there are limitations to the data, they are the best sources of quantitative information for

# Introduction

demographics, income, and housing. Given the limitations associated with the Census data, additional sources of information, including interviews, community data, and the Dunn County Housing Survey, were used to validate data trends. Data and statistics never provide a full picture and other components such as market factors, community policies and perceptions, and resident/employee preferences greatly influence a community's housing situation.

# Introduction

*(This Page Intentionally Left Blank)*

## CHAPTER II. DEMOGRAPHICS AND ECONOMICS



# Demographic Trends

Demographics (age, household size, etc.) and economics (household income) are two driving factors in housing demand. To begin understanding the current residential market in the City of Menomonie, existing demographic and economic trends are explored.

As Professor Kurt Paulsen of the University of Wisconsin-Madison has noted, “The demographic profile of any particular community reflects the demand characteristics of households and the available housing supply in each community. For example, if a community offers a less diverse housing supply without affordable units for larger families or single renters or seniors (for example), those households may not reside in that municipality, even if they would otherwise prefer to.” While demographics can influence housing development, they can also be reflective of the housing supply within a community.

## Population

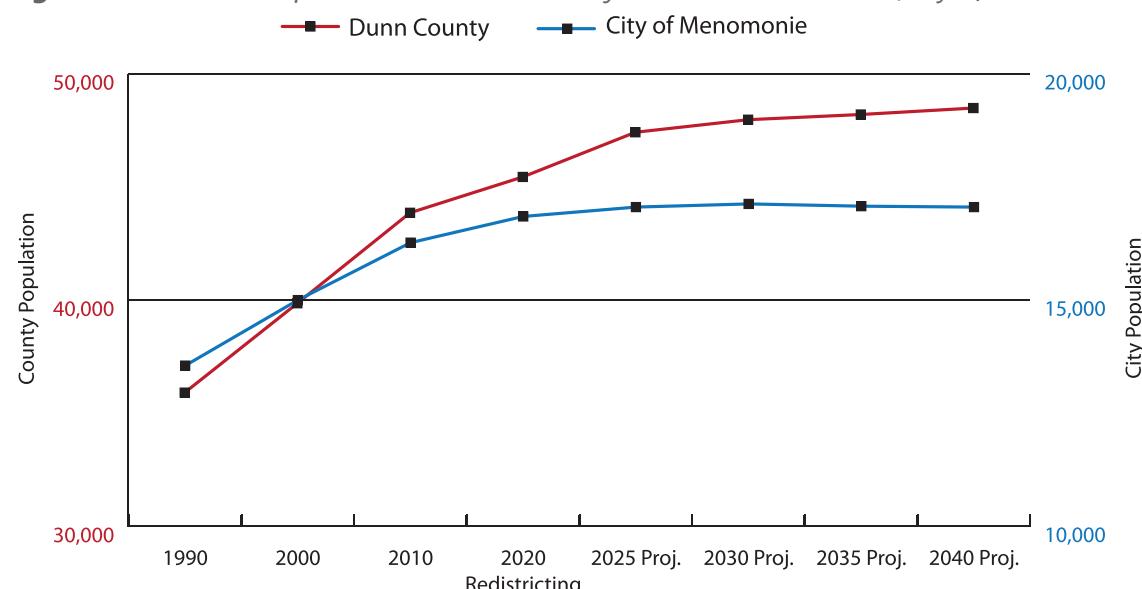
The City of Menomonie experienced a 20.1% increase in population from 1990 to 2010. The City’s population is estimated to have increased 3.6% from 2010 to 2020. Figure 4 on the following page shows population change from 2010 to 2020, by municipality, within Dunn County. Growth in the County has primarily been on the east side in Townships surrounding the City of Menomonie.

**Figure 2: Population Change, 1990 - 2020 (City of Menomonie, Dunn County & Wisconsin)**

	1990	2000	2010	2020 Redistricting	% Change 2010-2020
City of Menomonie	13,547	14,937	16,264	16,843	3.6%
Dunn County	35,909	39,858	43,857	45,440	3.6%
Wisconsin	4,891,769	5,363,675	5,686,986	5,893,718	3.6%

Source: U.S. Census Bureau, Decennial and 2020 Redistricting

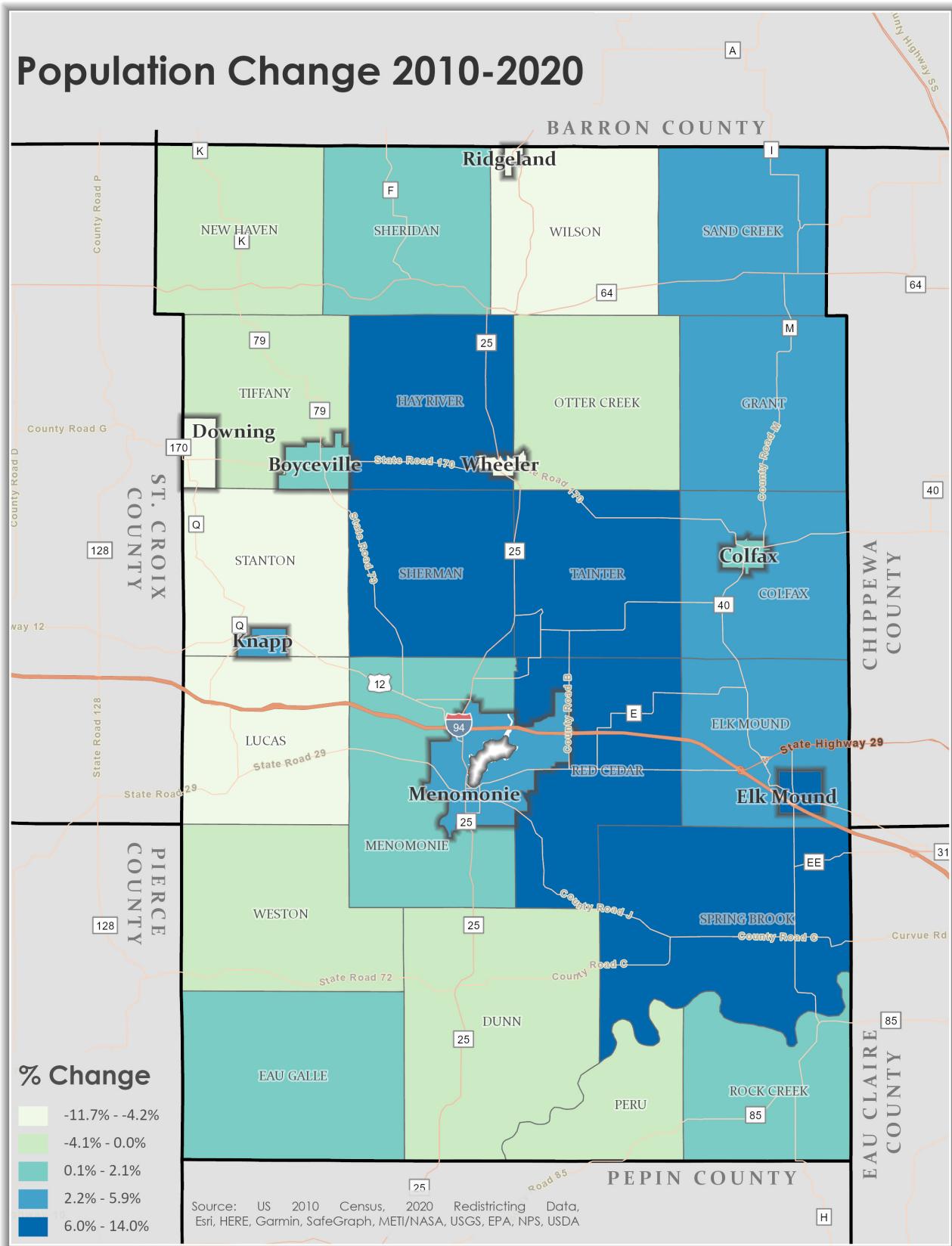
**Figure 3: Historical Population and Growth Projections, 1990 to 2040 (City of Menomonie & Dunn County)**



Source: U.S. Census Bureau, WI Department of Administration

# Demographics and Economics

Figure 4: Population Change, 2010-2020



# Demographics and Economics

As shown in Figure 3 on page 23, per the Wisconsin Department of Administration's (WDOA) population projections, the City's population is projected to increase through 2030 and then see a slight decline. WDOA's population projections were prepared in 2013 utilizing data from the 2010 Census. While outdated, the projections seem reasonable based on past trends and were utilized for the purposes of this study.

It should be noted that demographic projections are not an absolute science. Some methods use a linear, historical approach using past growth trends to predict future growth or decline, while other methods use births, deaths, and migration to estimate the population. While certain demographic, economic, and geographic factors influence growth, each community has an opportunity to shape its growth using tools or policies that can promote or limit development.

## Households and Household Size

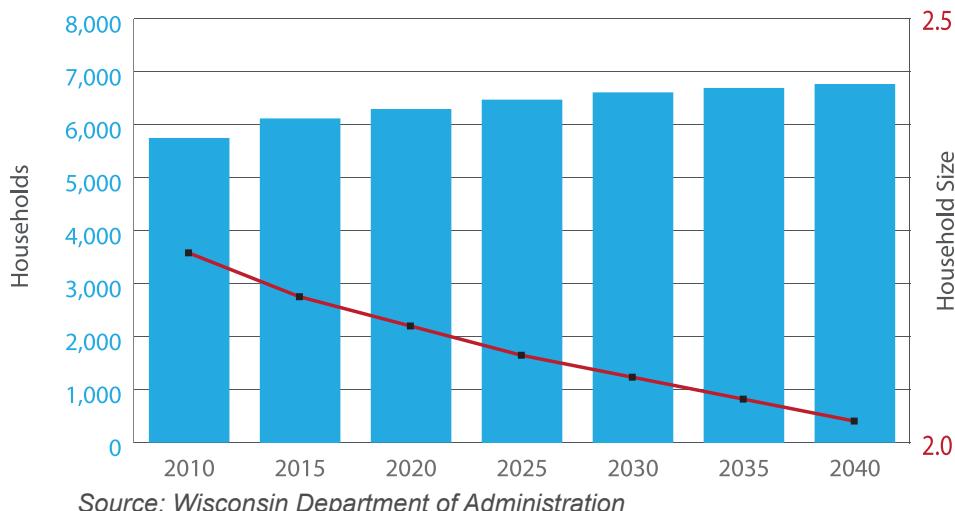
The Wisconsin Department of Administration projects that household size will continue to decrease while the number of households will continue to increase through 2040. Figure 5 shows the relationship between the two factors in the City of Menomonie. More housing units will be needed to accommodate the increased number of smaller households.

## Age

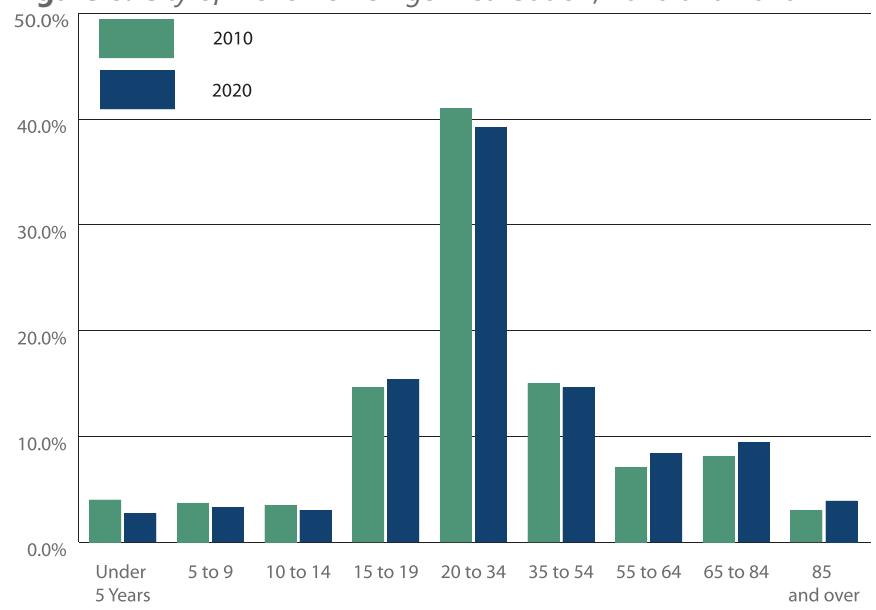
The 2020 median age in the City of Menomonie was 23.8 years, a very slight increase from 23.2 years in 2010. This compares to the County's median age of 35.1 years in 2020. The younger median age in the City can be attributed largely to the presence of the University of Wisconsin - Stout student population.

With the baby boomer demographic aging, one can expect that the 65 to 84 and over 85 age groups

**Figure 5: City of Menomonie Household & Household Size, 2010-2040**



**Figure 6: City of Menomonie Age Distribution, 2010 and 2020**



# Demographics and Economics

will see significant increases over the next two decades. This trend will place greater demands on services for the senior population. The Wisconsin Department of Administration (WI DOA) projects age cohorts for each County. The State projects that from 2010 to 2040 the over 65 age group in Dunn County will increase by approximately 139%. It is important that demographics be considered when exploring housing needs within the community. As the population in the community ages, the housing needs will change.

## Race and Ethnicity

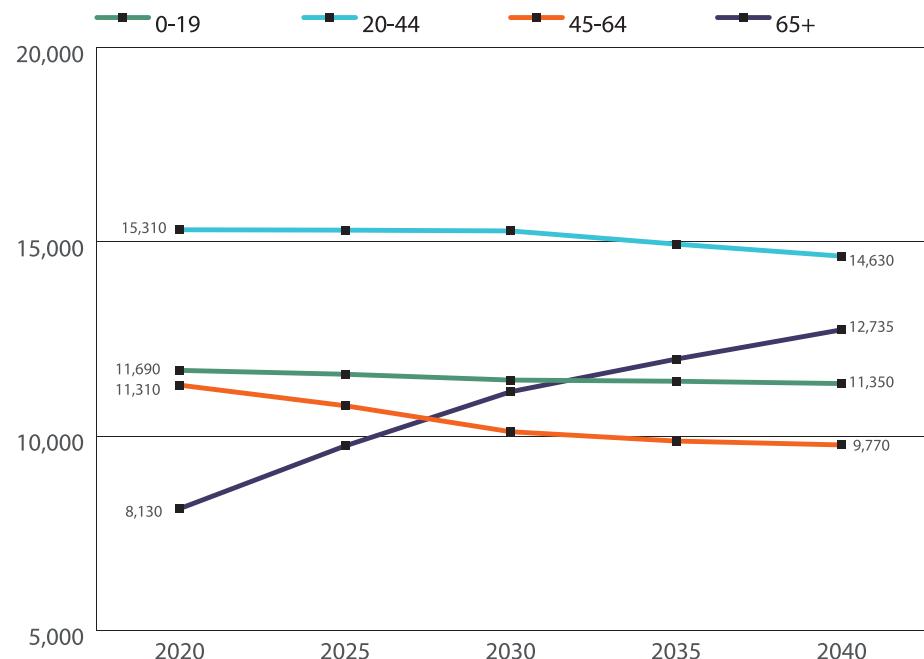
As with all other communities in the County, the racial makeup of the City is predominantly White. Different racial and ethnic groups have different housing needs. As such, it is important to consider the racial composition of the City when attempting to identify housing needs.

**Figure 8: City of Menomonie & Dunn County, Race & Ethnicity, 2020**

Race/Ethnicity	Dunn County Total Population	Dunn County % of Population	City of Menomonie Total Population	City of Menomonie % of Population
White Alone	42,098	93.5%	15,232	92.4%
Black or African American Alone	293	0.7%	204	1.2%
American Indian and Alaska Native Alone	93	0.2%	28	0.2%
Asian Alone	1,361	3.0%	519	3.1%
Native Hawaiian and Other Pacific Islander Alone	22	0.05%	22	0.1%
Some Other Race Alone	150	0.3%	13	0.1%
Two or more Races	1,012	2.2%	461	2.8%
Hispanic or Latino	888	2.0%	305	1.9%
Not Hispanic or Latino	44,141	98.0%	16,174	98.1%

Source: U.S. Census, 2016-2020 ACS 5-Year Estimates

**Figure 7: Dunn County Age Projections, 2020 through 2040**



Source: Wisconsin Department of Administration

## Economic Indicators

### Household Incomes

Figure 9 compares key income and poverty figures for the City of Menomonie, Dunn County, and the State of Wisconsin. In 2020, the City had a much lower median household income and per capita income than the County and the State. It also had close to double the County's and State's percentage of individuals below the poverty level. As previously noted, when discussing the younger median age of the City, the presence of the University of Wisconsin - Stout student population plays a significant role in these statistics, as students typically have a much lower household income.

**Figure 9: Select Income Statistics, 2020**

Income Characteristic 2020	City of Menomonie	Dunn County	Wisconsin
Median Household Income	\$43,789	\$59,588	\$63,293
Per Capita Income	\$23,107	\$28,988	\$34,450
% Individuals Below Poverty Level	21.1%	11.7%	11.0%

Source: U.S. Census, 2016-2020 ACS 5-Year Estimates

In 2020, 56% of households in the City of Menomonie had an income of less than \$50,000; this compares to 42% countywide. The 2020 median income in the County was \$59,588; at least 56% of the City's households had a household income less than the County median.

**Figure 10: City of Menomonie and Dunn County Household Incomes, 2020**

Household Income In the Past 12 Months	Dunn County # of Households	Dunn County % of Households	City of Menomonie # of Households	City of Menomonie % of Households
Less than \$10,000	966	5.6%	584	9.8%
\$10,000 to \$14,999	864	5.0%	457	7.7%
\$15,000 to \$24,999	1,526	8.9%	766	12.9%
\$25,000 to \$34,999	1,715	10.0%	764	12.9%
\$35,000 to \$49,999	2,099	12.3%	761	12.8%
\$50,000 to \$74,999	3,303	19.3%	991	16.7%
\$75,000 to \$99,999	2,451	14.3%	630	10.6%
\$100,000 to \$149,999	2,681	15.7%	625	10.5%
\$150,000 or more	1,519	8.9%	351	5.9%

Source: U.S. Census, 2016-2020 ACS 5-Year Estimate

# Demographics and Economics

As expected, incomes vary depending on age. Estimates from the 2016-2020 ACS, as seen in Figure 11, show the following for the City of Menomonie:

- 76% of households with a householder under 25 years of age had an income of less than \$50,000, 33% of this cohort had a household income of less than \$20,000.
- 49% of households with a householder age 25-44 had an income of less than \$50,000. 51% of households within this age group had an income greater than \$50,000.
- 37% of households with a householder age 45-64 had an income less than \$50,000.
- 67% of households with a householder age 65 years and over had an income less than \$50,000; 41% of this cohort had a household income less than \$25,000.

As the data in Figure 11 shows, and is not surprising, householders under 25 years and over 65 years of age generally have lower household incomes than other age cohorts. Those under 25 years of age are still in school or just starting out in their career, while many of those over the age of 65 are exiting the workforce and entering retirement.

There is also a correlation between household size and household income. This is not surprising as couples generally feel more comfortable increasing their family size if they have the income to support additional children. As of 2020, the median income in the County for a single-person household was \$28,849, \$64,878 for a 2-person household, \$77,875 for a 3-person household, and \$89,147 for a 4-person household. In general, single-person households are more likely to be found in the youngest and oldest age cohorts. The presence of the University of Wisconsin - Stout is a significant factor that impacts both age and income composition within the City of Menomonie.

**Figure 11: City of Menomonie and Dunn County Household Incomes, 2020**

Household Income	Total	Under 25	25-44	45-64	65 year & over
Less than \$10,000	584	270	145	81	88
\$10,000 to \$14,999	457	79	114	86	178
\$15,000 to \$24,999	766	142	71	226	327
\$25,000 to \$34,999	764	258	206	67	233
\$35,000 to \$49,999	761	239	264	102	156
\$50,000 to \$74,999	991	203	393	253	142
\$75,000 to \$99,999	630	31	218	281	100
\$100,000 or more	976	82	231	423	240

Source: U.S. Census, 2016-2020 ACS 5-Year Estimates

## Low- to Moderate-Income (LMI) Households

As previously noted, a low-income household is generally defined as having a household income below 50% of the county or area median income, where a moderate-income household is one with an income that is 50-80% of the median. Important to note is that different funding programs use different LMI

# Demographics and Economics

classifications, income limits, definitions, and criteria.

Per the 2020 5-year ACS, the Dunn County median household income for all household types, was \$59,588; applying the the general ranges above, households with an income of less than \$47,670 would be classified as LMI. 56% of the City of Menomonie households had an income of less than \$50,000 in 2020; this compares to 42% of households in the County.

The U.S. Department of Housing and Urban Development (HUD) establishes income categories based on median family income for a region - these are typically divided into four categories of 30%, 50%, 80% and >100% AMI. Each category has an income limit based on the number of persons in a household. Figure 12 shows the affordability limits for Dunn County as of 2022. In Dunn County, a household earning 100% of the median family income (\$82,100) could afford a monthly rental payment of \$2,052. Important to note is that the median family income is typically higher than median household income given the composition of households. Family households tend to be comprised of more people in prime working years.

**Figure 12: Fiscal Year 2022 Income Limits for Dunn County**

	1-Person Household		2-Person Household		4-Person Household	
Income Level	Annual Income	Max. AMHC*	Annual Income	Max. AMHC*	Annual Income	Max. AMHC*
<b>80% AMI</b>	\$46,000	\$1,150	\$52,600	\$1,315	\$65,700	\$1,642.50
<b>50% AMI</b>	\$28,750	\$718.8	\$32,850	\$821.3	\$41,050	\$1,026.25
<b>30% AMI</b>	\$17,300	\$432.5	\$19,750	\$493.8	\$27,750	\$693.75

\*AMHC is Affordable Monthly Housing Costs

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

## Poverty

According to United Way<sup>1</sup> , ALICE (Asset Limited, Income Constrained, Employed) refers to households that earn more than the Federal poverty Level, but less than the basic cost of living for the county (the ALICE Threshold). ALICE-classified households cannot always pay the bills, have little to no savings, and are forced to make tough choices, such as deciding between quality childcare or paying the rent. The 2023 report *ALICE in the Crosscurrents - COVID and Financial Hardship in Wisconsin*<sup>2</sup> provides the first look since the COVID-19 pandemic began at the extent of financial hardship in Wisconsin using ALICE metrics since the COVID-19 pandemic began. 38% of Dunn County households, as of 2021, were reported as being ALICE or in poverty, a 5% increase from 2019. Dunn County households that are single and cohabiting, as well as those 65 and over, have higher percentages of households in poverty and ALICE compared with families with children. Additionally, in 2021, Black households in the County had a higher percentage of those in poverty compared to other races. In the City of Menomonie, 51% of households were reported as being ALICE or in poverty in 2021.

<sup>1</sup> United Way ALICE Wisconsin (Asset Limited, Income Constrained, Employed), [www.unitedforalice.org/wisconsin](http://www.unitedforalice.org/wisconsin)

<sup>2</sup> ALICE in the Crosscurrents COVID and Financial Hardship in Wisconsin, 2023 Report. [https://cdn.ymaws.com/www.unitedwaywi.org/resource/resmgr/alice/alice\\_crosscurrents\\_finalrep.pdf](https://cdn.ymaws.com/www.unitedwaywi.org/resource/resmgr/alice/alice_crosscurrents_finalrep.pdf)

# Demographics and Economics

Eligibility in the school free and reduced meal program, which is based on household size and income, is another measure used to identify the level of needed assistance. As of October 2019, 42% of students in the four school districts (Boyceville, Colfax, Elk Mound, and Menomonie Area) throughout the County were approved for free and reduced lunches.<sup>1</sup> In the Menomonie Area District alone, as of October 2019, 42.5% of the student population was approved for free and reduced lunches.

## Economic Distress Designations

Portions of the City of Menomonie are within census tracts that have been recognized by the federal government as being severely distressed. There are two programs or designations in which these census tracts fall.

### Opportunity Zones

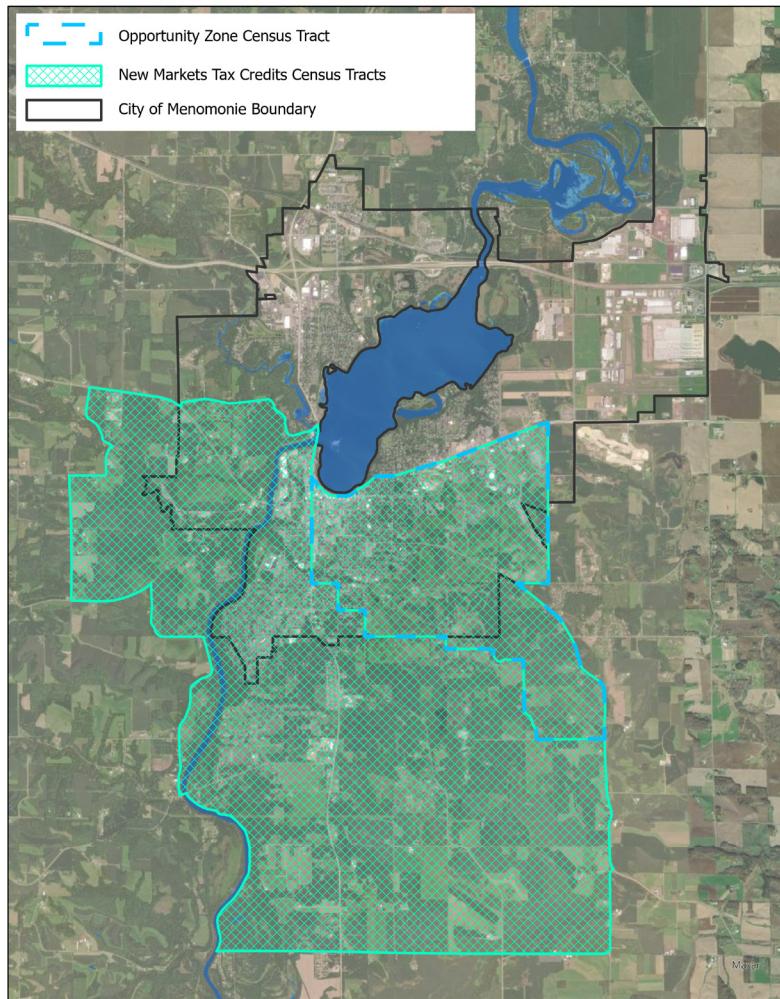
"Opportunity Zones are low-income census tracts nominated by governors and certified by the U.S. Department of the Treasury into which investors can put capital to work financing new projects and enterprises in exchange for certain federal capital gains tax advantages."<sup>2</sup> The goal of Opportunity Zones, which were created as part of the Federal 2017 Tax Cuts and Jobs Act, is to improve economic outcomes of these areas by incentivizing investors through the temporary deferral of capital gains taxes.

Per the Wisconsin Housing and Economic Development Authority (WHEDA), there are 120 Opportunity Zones in the State of Wisconsin. There is one designated Opportunity Zone in Dunn County; as shown in Figure 13, a portion of the City of Menomonie is included in this Zone.

### New Market Tax Credit Census Tracts

On the last day of its 2000 session, U.S. Congress created the New Market Tax Credit program, part of the Community Renewal Tax Relief Act of 2000, to encourage investment in low-income communities. Like Opportunity Zones, this

**Figure 13: Opportunity Zones & New Markets Tax Credit Areas**



<sup>1</sup> Wisconsin Department of Public Instruction, Free and Reduced Meal Eligibility. <https://dpi.wi.gov/school-nutrition/program-requirements/free-reduced-meal-eligibility>

<sup>2</sup> Opportunity Zones. Wisconsin Housing and Economic Development Authority.

# Demographics and Economics

program provides tax incentives to investors to make investments in distressed communities and promotes economic development. There are two census tracts in Dunn County that are eligible for the New Markets Tax Credit program due to their severely distressed status. A portion of the City of Menomonie is included in both of these census tracts.

Since these areas in the County are designated due to the distress and low-incomes, they may be eligible for some unique funding opportunities.

## Labor Force

As noted by the Wisconsin Department of Workforce Development (WI DWD), the COVID-19 pandemic has been the primary influence on the economy and workforce activity in Wisconsin since March of 2020. Despite this impact, WI DWD reports that a few industries' employment, such as manufacturing, construction, and professional business services, are back near or over pre-pandemic levels.<sup>1</sup> The more significant challenge now continues to be workforce shortage, which has made it difficult for employers to find workers, and in some cases, has impacted business expansion. WI DWD notes that while businesses' pursuit of workers has brought about wage and benefit increases and other incentives to try to attract workers, there are significant challenges and workforce barriers, including housing affordability.

*"Private businesses continue to voice concerns about their inability to attract talent and workers in general. The primary underlying challenge is the demographic situation of Baby Boomers exiting the workforce. This lifecycle event will continue to complicate the ability of employers to find workers and talent." (Wisconsin DWD)*

WI DWD has identified workforce quantity as the primary long-term challenge facing Wisconsin's economic future, noting that for Wisconsin to successfully compete in the global economy, the state needs to attract and retain everybody it can and educate and train everybody to match the requirements of the new technologies. In Dunn County, the labor force has increased since 2010 and the unemployment rate is low. As of December 2022, the unemployment rate in the County, per WI DWD, was 2.7%.

## Employment

The 2016-2020 ACS identified educational, health and social services as the major employment industry for the County's civilian employed population, followed by the manufacturing industry. Educational, health and social services is the leading industry in the City of Menomonie with approximately 26% of City of Menomonie employed residents working in this industry. This is followed by retail trade, arts, entertainment, recreation and food service as well as manufacturing.

<sup>1</sup> State of Wisconsin Department of Workforce Development, Dunn County 2021 Workforce Profile

# Demographics and Economics

**Figure 14: Dunn County Employment by Industry, 2010 and 2020**

Industry	2010		2020	
	#	%	#	%
Agriculture, forestry, fishing, hunting & mining	1,071	4.9	923	3.9
Construction	1,344	6.2	1,536	6.5
Manufacturing	3,505	16.1	4,095	17.3
Wholesale trade	443	2.0	723	3.0
Retail trade	3,608	16.6	3,464	14.6
Transportation, warehousing and utilities	1,118	5.1	1,608	6.8
Information	356	1.6	118	0.5
Finance, insurance, real estate, rental & leasing	866	4.0	884	3.7
Professional, scientific, management, administrative and waste management services	1,189	5.5	1,081	4.6
Educational, health and social services	5,291	24.3	5,662	23.9
Arts, entertainment, recreation, accommodation and food services	1,635	7.5	2,237	9.4
Other services, except public administration	812	3.7	911	3.8
Public administration	556	2.6	496	2.1
Total Employment (16 years and over)	21,794	100.0	23,738	100.0

Source: U.S. Census, Decennial & 2016-2020 ACS 5-Year Estimates

Consideration of the median hourly earnings of the top occupations in the County helps one better understand the incomes of the workforce. As of 2022, eight of the top ten occupations with the highest job count had median hourly earnings of less than \$20.00. All of the identified occupations had median annual earnings below that of the County's 2020 median household income.

The 2023 United Way Report<sup>2</sup> notes that of the 20 most common occupations in Wisconsin in 2021, 65% paid less than \$20 per hour. The Report recognizes that while all of these occupations saw an increase in the median wage, given that wages had stagnated for the previous decade, many top jobs still had a substantial percentage of workers who lived below the ALICE threshold in 2021.

**Figure 15: Dunn County Median Earnings for Top 10 Occupations, 2022**

Occupation	2022 Jobs	2022 Median Hourly Earnings	2022 Median Annual Earnings	Monthly Affordable Housing Costs (at 30% income)
Home Health and Personal Care Aides	833	\$13.33	\$27,736.63	\$693.42
Stockers and Order Fillers	658	\$14.19	\$29,523.49	\$738.09
Cashiers	639	\$13.82	\$28,748.77	\$718.72
Laborers and Freight, Stock, and Material Movers, Hand	633	\$17.38	\$36,154.03	\$903.85
Industrial Truck and Tractor Operators	542	\$23.16	\$48,176.48	\$1,204.41
Heavy and Tractor-Trailer Truck Drivers	407	\$22.66	\$47,127.71	\$1,178.19
Farmers, Ranchers, and Other Agricultural Managers	395	\$14.34	\$29,821.21	\$745.53
Miscellaneous Assemblers and Fabricators	384	\$17.91	\$37,261.31	\$931.53
Fast Food and Counter Workers	377	\$10.81	\$22,483.02	\$562.08
Office Clerks, General	375	\$18.49	\$38,464.92	\$961.62

Source: EMSI Complete Employment (Quarterly Census of Employment & Wages, Q4 Data Set)

<sup>2</sup> ALICE in the Crosscurrents COVID and Financial Hardship in Wisconsin, 2023 Report. [https://cdn.ymaws.com/www.unitedwaywi.org/resource/resmgr/alice/alice\\_crosscurrents\\_finalrep.pdf](https://cdn.ymaws.com/www.unitedwaywi.org/resource/resmgr/alice/alice_crosscurrents_finalrep.pdf)

# Demographics and Economics

Data on median earnings for top occupations is not available at the community level. That said, the County data can still provide insight into occupations and wages in the area.

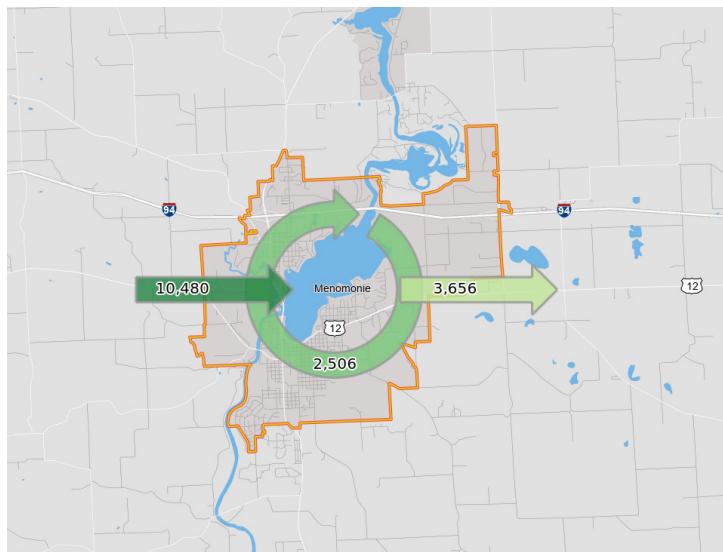
## Commuter Trends

Data from the 2016-2020 ACS show that Dunn County residents travel, on average, 22 minutes to work; this compares to 15 minutes for City of Menomonie commuters. In 2020, approximately 34% of residents in the City drove between 10 to 19 minutes to work. The City's location, within an hour of the Minneapolis-St. Paul metro, and within a half-hour of the Eau Claire area, is a geographical advantage that positions the City well for future growth and development.

There are many elements that factor into an individual's place of residence, including the location of a person's job. According to the 2019 U.S. Census Longitudinal Survey, 2,506 people both lived and worked within the City of Menomonie. At the same time, there was an outmigration of 3,656 residents to work outside of the City, and an immigration of 10,480 individuals from other communities into the City of Menomonie for work. Many of the commuters coming into the City are from surrounding townships.

While the exact numbers are not important, the large influx of workers into the City each day provides an opportunity for the City. It is possible that some of these commuters may prefer to live in the City if the housing they desire, and can afford, is available.

**Figure 16: Inflow/Outflow Analysis in Menomonie 2019 Primary Job**



Source: US Census On The Map, [onthemap.census.gov](http://onthemap.census.gov)

# Demographics and Economics

## Renter Profile

Figure 17 provides information to help better understand the characteristics of renters within the City of Menomonie. Householders under 35 years old comprise just over 60% of the renter-occupied households. Close to 39% of renter households in the City had an income of less than \$25,000.

**Figure 17: City of Menomonie Renter-Occupied Housing Units, 2020**

	City of Menomonie
<b>Age of Householder</b>	<b>%</b>
Under 35 years	60.1%
35 to 44 years	5.8%
45 to 54 years	8.7%
55 to 64 years	10.5%
65 to 74 years	4.8%
75 to 84 years	1.8%
85 years and over	8.4%
<b>Household Income in Past 12 Months</b>	<b>%</b>
Less than \$5,000	3.8%
\$5,000 - \$9,999	10.9%
\$10,000 - \$14,999	8.5%
\$15,000 - \$24,999	16.2%
\$25,000 - \$34,999	17.6%
\$35,000 - \$49,999	14.5%
\$50,000 - \$74,999	17.3%
\$75,000 - \$99,999	4.6%
\$100,000 - \$149,999	4.5%
\$150,000 or more	2.0%

Source: U.S. Census, 2020 Redistricting, 2016-2020 ACS 5-Year Estimates

As of 2020, 47% of rental households in the City were single-person households, 28% were 2-person households, and 11% were 3-person households.

### Rental Housing Costs

The 2016-2020 ACS estimates that 48% of City renter households were spending more than 30% of household income on gross rent (contract rent plus estimated average monthly cost of utilities and fuels), making them cost-burdened. Statewide it was estimated that 43% of renter households paid more than 30% of their income on gross rent; 42% of Dunn County renter households were cost-burdened.

Figure 18 shows the gross rent as a percentage of household income for City of Menomonie renter households. 96% of renter households earning \$20,000 or less were spending more than 30% of their income on gross rent. As shown in the table, the percentage of cost-burdened households decreases as the household income increases.

# Demographics and Economics

**Figure 18: City of Menomonie Gross Rent as a Percentage of Households Income, 2020**

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	0	0%
	20 to 29.9 percent	41	4%
	<b>30 percent or more</b>	<b>1,002</b>	<b>96%</b>
\$20,000 to \$34,999	Less than 20 percent	20	2%
	20 to 29.9 percent	349	40%
	<b>30 percent or more</b>	<b>498</b>	<b>57%</b>
\$35,000 to \$49,999	Less than 20 percent	108	21%
	20 to 29.9 percent	284	56%
	<b>30 percent or more</b>	<b>119</b>	<b>23%</b>
\$50,000 to \$74,999	Less than 20 percent	394	66%
	20 to 29.9 percent	167	28%
	<b>30 percent or more</b>	<b>33</b>	<b>6%</b>
\$75,000 or more	Less than 20 percent	324	82%
	20 to 29.9 percent	69	18%
	<b>30 percent or more</b>	<b>0</b>	<b>0%</b>
Not computed		119	N/A
<b>Total renter households</b>		<b>3,527</b>	N/A

Source: U.S. Census, 2016-2020 ACS 5-Year Estimates

## Length of Stay in Rental Unit

The 2016-2020 ACS data show 94% of renter households in the City had moved into their current place of residence in 2010 or later while 5% moved in between 2000 to 2009, only 2% moved in prior to 2000. In 2020, the median number of years a renter was in a rental unit was three years, two years longer than in 2000. People are staying in units longer once they find a housing unit that works for them.

# Demographics and Economics

## Owner Profile

Figure 19 provides details on the characteristics of owner households within the City of Menomonie. 35% of owner-occupied housing units had a householder aged 45-64.

**Figure 19: City of Menomonie Owner-Occupied Housing Units, 2020**

Age of Householder	%
Under 35 years	5.5%
35 to 44 years	20.4%
45 to 54 years	17.8%
55 to 64 years	17.3%
65 to 74 years	20.5%
75 to 84 years	12.9%
85 years and over	5.6%

Household Income in Past 12 Months	%
Less than \$5,000	0.0%
\$5,000 - \$9,999	2.7%
\$10,000 - \$14,999	6.5%
\$15,000 - \$24,999	8.0%
\$25,000 - \$34,999	5.9%
\$35,000 - \$49,999	10.4%
\$50,000 - \$74,999	15.9%
\$75,000 - \$99,999	19.5%
\$100,000 - \$149,999	19.4%
\$150,000 or more	11.6%

Source: U.S. Census, 2020 Redistricting, 2016-2020 ACS 5-Year Estimates

The 2016-2020 ACS estimates that approximately 32% of owner households in the City were single-person households, 34% were 2-person households, and 15% 3-person households. The City has a higher percentage of single-person owner households than the County.

### Homeowner Housing Costs

Per the 2016-2020 ACS, 22% of the City of Menomonie owner households with a mortgage were cost-burdened; this is on par with the State of Wisconsin, where 22% of owner households with a mortgage were cost-burdened, and lower than Dunn County, where 25% of owner households with a mortgage were cost-burdened.

Figure 20 shows the percentage of income spent on housing costs for owners with mortgages in 2020. Of owner households with a mortgage in the City who had incomes of \$20,000 to \$34,999, 89% were spending more than 30% of their income on housing costs. 100% of owner households with income of less than \$20,000 were cost-burdened by paying more than 30% of their income on housing costs.

# Demographics and Economics

**Figure 20: City of Menomonie Monthly Housing Costs as a Percentage of Income for Owners with Mortgage, 2020**

Household Income Bracket	Monthly Housing Costs as a Percentage of Household Income for Owners with a Mortgage	Number of Households	Percent of Households in Income Bracket
Less than \$20,000	Less than 20 percent	0	0%
	20 to 29.9 percent	0	0%
	<b>30 percent or more</b>	<b>67</b>	<b>7%</b>
\$20,000 to \$34,999	Less than 20 percent	0	0%
	20 to 29.9 percent	15	11%
	<b>30 percent or more</b>	<b>119</b>	<b>89%</b>
\$35,000 to \$49,999	Less than 20 percent	25	20%
	20 to 29.9 percent	21	17%
	<b>30 percent or more</b>	<b>79</b>	<b>63%</b>
\$50,000 to \$74,999	Less than 20 percent	85	29%
	20 to 29.9 percent	179	61%
	<b>30 percent or more</b>	<b>30</b>	<b>10%</b>
\$75,000 or more	Less than 20 percent	669	81%
	20 to 29.9 percent	136	17%
	<b>30 percent or more</b>	<b>18</b>	<b>2%</b>
Zero or negative income		0	N/A

Source: U.S. Census, 2016-2020 ACS 5-Year Estimates

## Length of Stay in Owner Unit

In 2020, the median year an owner moved into the unit the City was 2005, or 15 years in the unit. This is an 87.5% increase from 2000 when the median number of years in the unit was 8 years. Homeowners are tending to stay in their homes longer due to a variety of reasons including, but not limited to, housing costs (they may have no mortgage or little left on a mortgage), proximity to job, family, neighborhood, etc. It was also identified that many seniors, while desiring to downsize and move into different housing, are remaining in their home due to a lack of housing alternatives in the community where they live and rising interest rates.



# CHAPTER III. HOUSING SUPPLY



# Housing Counts and Characteristics

Like many areas in Wisconsin, residential construction in the City has been slow since the 2008 recession. The COVID-19 pandemic has only continued this trend. Census data show that the City saw a 0.4% increase in housing units from 2010 to 2020.

**Figure 21: City of Menomonie Housing Characteristics, 2000 to 2020**

City of Menomonie	2000	2010	2020 Estimates
Total Housing Units	5,480	6,234	6,674
Total Occupied Units	5,158	5,743	6,242
Owner-Occupied Units	2,254	2,317	2,528
Renter-Occupied Units	2,904	3,426	3,714

Source: U.S. Census, Decennial, 2020 Redistricting and 2016-2020 ACS 5-Year Estimates

It is estimated that 40% of occupied units in the City are owner-occupied while 60% are renter-occupied. The data estimates that there were 432 housing units that were not occupied in 2020 - these units were not all available for sale or rent, rather some were used for seasonal or recreational use while many were rented but not occupied. As will be discussed in future sections, the vacancy rates in 2020 were low, with few housing units available for rent or sale.

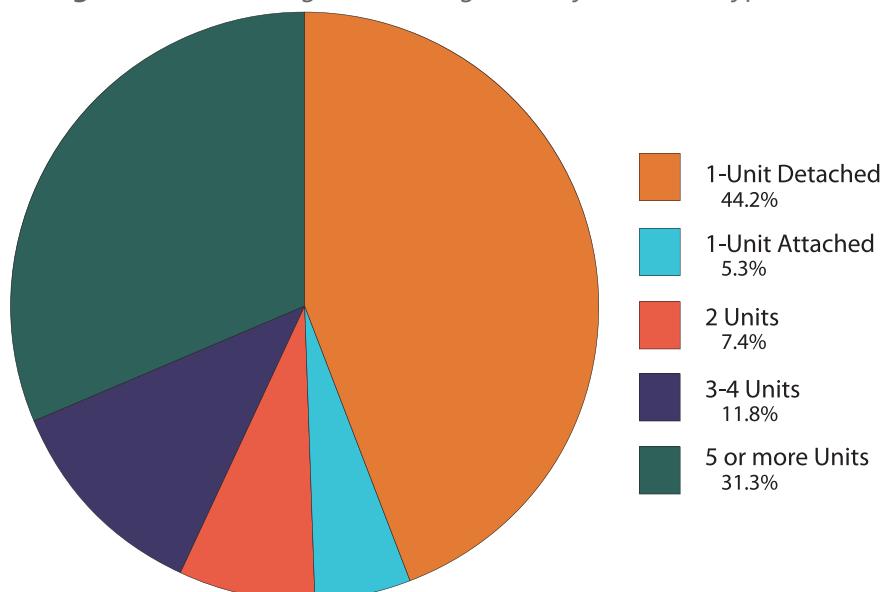
## Housing Types/Sizes

Per the 2016-2020 ACS, the City of Menomonie's housing stock was comprised primarily of 1-unit detached structures and multi-family structures containing five or more units (see Figure 22).

## Seasonal Units

The Census defines seasonal housing as "...units intended by the owner to be occupied during only certain seasons of the year. They are not anyone's usual residence. A seasonal unit may be used in more than one season; for example, for both summer and winter sports. Published counts of seasonal units also include housing units held for occupancy by migratory farm workers. While not currently intended for year-round use, most seasonal units could be used year-round."

**Figure 22: Percentage of Housing Units by Structure Type**



Source: U.S. Census 2016-2020 ACS 5-Year Estimates

# Housing Supply

According to the Census data, the County saw a 55% increase in seasonal units from 2000 to 2020, from 285 to 442 seasonal units. Seasonal units accounted for 2% of the total housing units in the County. As to be expected, many of these units are located near lakes and other natural areas. The Town of Tainter, which is home to Tainter Lake, a 1,605 acre lake, contained 131 seasonal units, 30% of the County's 442 total seasonal units, in 2020. The creation of seasonal housing has land use and economic implications. With increased access to broadband, and the increase in telecommuting, there is the possibility of some seasonal homes converting to year-round residences, which could help meet some of the County's housing demand.

## Manufactured Homes

The State of Wisconsin requires a license for a manufacturing homes community that has three or more manufactured homes on a plot or plots of ground. The units may be seasonal or year-round. A report titled *Manufactured Home Parks in Wisconsin 9/2021*, prepared by the State of Wisconsin Department of Safety and Professional Services, showed Dunn County had 23 manufactured home parks with at least 638 total sites. Some of these could potentially be seasonal or vacant sites.

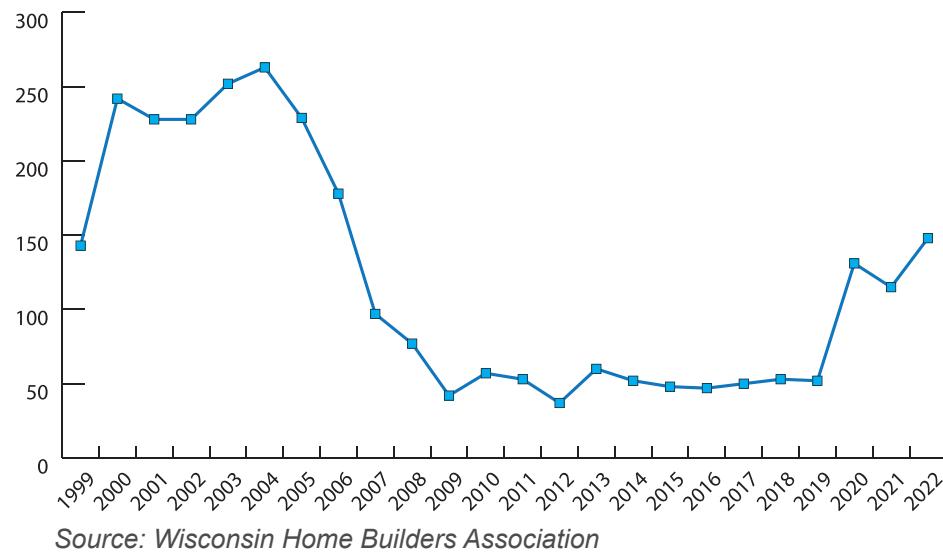
While manufactured homes provide a source of affordable housing, they can be more difficult to finance as they are generally considered personal property and not real estate.

## Housing Supply Trends

The Wisconsin Department of Revenue (DOR) issues a *Net New Construction Report* annually, which provides municipalities and counties with net new construction numbers for levy limits and the Expenditure Restraint Program. Per the WI DOR 2022 report, Dunn County experienced 1.35% increase in net new construction. The DOR reports that residential development made up 72% of the County's overall net increase. The City of Menomonie saw a 1.12% increase in net new construction in 2022 with 61.2% of this comprised of residential construction.

The Wisconsin Home Builder's Association maintains data on the number of single-family housing permits issued, by county, throughout the State. As shown in Figure 23, single-family residential construction was strong in the early 2000s and then fell to a low in 2008 during the Great Recession. The levels have remained low in the County over the past decade but numbers from more recent years are trending up.

**Figure 23: Dunn County Single-Family Housing Starts, 1999 - 2022**



As part of the study, the City was asked to provide data on the number of new construction building permits for housing units from 2010 to 2022 (through June). Since 2010, the City reports a total of 522 new units constructed: 145 single-family homes, 29 duplex units, 42 triplex or fourplex units, and 306 multi-family units (units in buildings with 5 or more units). The City's 2022 *Affordable Housing Analysis*<sup>1</sup> recognizes that the City had a "slower year" for new residential construction in 2022 with only 18 new single-family homes and 2 new two-family structures, for a total of 22 new housing units. The Analysis also provides some information on proposed residential dwelling units in the City. Per the Analysis, in 2022, there was one final subdivision plat that created six new lots and one Certified Survey Map that created one new lot.

The data confirm that the levels of new residential construction have been low in the City. To address the low vacancy rates and meet the projected housing demand, the City will need to attract new residential growth and development.

## Renter-Occupied Housing

### Renter-Occupied Units

It is estimated that in 2020, renter-occupied housing accounted for 3,714 (60%) of the 6,242 occupied housing units. Additional renter housing characteristics, per the 2016-2020 ACS, include:

- Renter-occupied units in the City are comprised of many different types - 21% are single-family units, 10% two-family units, 19% in three-to-four unit structures, 48% in structures having greater than 5 units, with 2% of renter-occupied housing being mobile homes.
- 3% of renter-occupied units in the City are studio units with no bedroom, 22% have 1 bedroom, 43% have 2 bedrooms, 17% have 3 bedrooms, and 15% have 4 or more bedrooms.

### Rental Vacancy

The rental vacancy rate in the City of Menomonie, per the 2016-2020 ACS data, was 3.2%. This compares to 4.4% in Dunn County, 4.9% in Wisconsin, and 5.8% in the United States. Realtors and other interviewees believe that the rental vacancy rate is certainly lower today in 2023, as there is not much available to rent within the City, especially non-student rentals, but the ACS estimate seems reasonable for 2020. A rental vacancy rate between 5% and 7% is generally considered healthy.

### Rental housing costs

The 2016-2020 ACS estimates that 44% of renters in the City of Menomonie paid between \$500 and \$799 for monthly contract rent while 26% paid \$800 to \$1,250. When accounting for all tenant-paid utilities, this number is even higher. The 2020 median gross rent in the City, which includes all tenant-paid utilities, was \$802; the median gross rent in Dunn County was \$822. A September 2022 search on Zillow.com for rental units resulted in 20 units for rent throughout the County ranging from a 3-bedroom, 1-bathroom house in downtown Menomonie for \$495/month to a 3-bedroom, 2-bathroom single-level unit on the north side of the City for \$1,575/month. According to rentdata.org, the median rent price in Dunn County for a 2-bedroom unit increased 20% from \$823 in 2020 to \$987 in today's market. Similarly,

<sup>1</sup> City of Menomonie Housing Affordability Analysis. Covering Permit Year 2022.

# Housing Supply

the Fair Market Rent, which is the rent amount, including utilities, for privately owned, existing, decent, safe, and sanitary housing of modest (non-luxury) nature with suitable amenities, for a 2-bedroom apartment in the County was \$789 in Fiscal Year 2020, increasing to \$921 in Fiscal Year 2023.

## Assisted Living Facilities

Assisted living facilities, as defined by the Wisconsin Department of Health Services,<sup>2</sup> include three types of facilities that combine housing with services to help people remain as independent as possible.

The facilities include:

- Community Based Residential Facility (CBRF) - a facility with five or more adults who do not require care above intermediate level nursing care, but still receive not more than three hours of nursing care per resident per week. The adults are residents of the facility and receive care, treatment, and services above the level of room and board.
- Adult Family Home (AFH) - A facility with three or four adults who reside and receive care, treatment, or service beyond room and board. The facility provides not more than seven hours of nursing care per resident per week.
- Residential Care Apartment Complex (RCAC) - a facility with five or more adults who reside in independent apartments (with kitchen, individual bathroom, sleeping, and living areas) that provides not more than 28 hours of supportive, personal, and nursing services per week per resident.

As of August 1, 2022, the City of Menomonie had the following Assisted Living Facilities<sup>3</sup>:

- CRBF - 10 facilities with capacity of 149
- AFH - 14 facilities with capacity of 55
- RCAC - 2 facilities with capacity of 81

Assisted Living Facilities are traditionally classified as rental units. As the 65+ age group continues to grow and age, these facilities will become more critical to serve the aging population.

## Subsidized Rental Housing

Subsidized housing refers to housing that is rent- and income-restricted for a period of time to keep housing costs for low-to-moderate income households low, often in exchange for government subsidies such as tax credits. These units require qualifying incomes, typically less than 80% of the county median income and may include units set-aside for other income levels (for example, less than 30% or 50% of the County Median Income). This study identified 477 subsidized housing units in the City; the Menomonie Housing Authority manages 149 of these units. According to the City of Menomonie Housing Authority, wait lists for these units are generally low with less than 10 per property. Five of the subsidized rental properties, totaling 152 units, were created using the Low-Income Housing Tax Credit (LIHTC) program. This program uses tax credits to encourage private developers to create affordable housing. Under this program, properties are required to preserve affordability for 30 years

<sup>2</sup> State of Wisconsin Department of Health Services. (September 2012). *Choosing an Assisted Living Facility*. <https://www.dhs.wisconsin.gov/publications/p6/p60579.pdf>

<sup>3</sup> Wisconsin Department of Health Services. (September 2019). <https://www.dhs.wisconsin.gov/guide/assisted-living.htm>

in exchange for the tax credits. Important to note is that it is possible that these properties will begin charging market rate rents when their program obligations expire, which may make some of the rental units unaffordable for current renters. In reviewing the LIHTC properties in the City of Menomonie, three of the five properties are set to expire within the next 4 years (one in 2024, one in 2025, and one in 2027). It will be important that the City monitors and discusses plans with these property owners and encourage that these units remain affordable for tenants.

## Owner-Occupied Housing

### Owner-Occupied Units

The 2016-2020 ACS estimates that 2,528 (40%) of the 6,242 occupied housing units in the City were owner-occupied.

- 83% of owner-occupied units in the City were single-family detached units while 8% were mobile homes.
- Just 3% of owner-occupied units reported having 1 bedroom, 22% had 2 bedrooms, 47% had 3 bedrooms, and 28% had 4 or more bedrooms.

### Owner Housing Vacancy

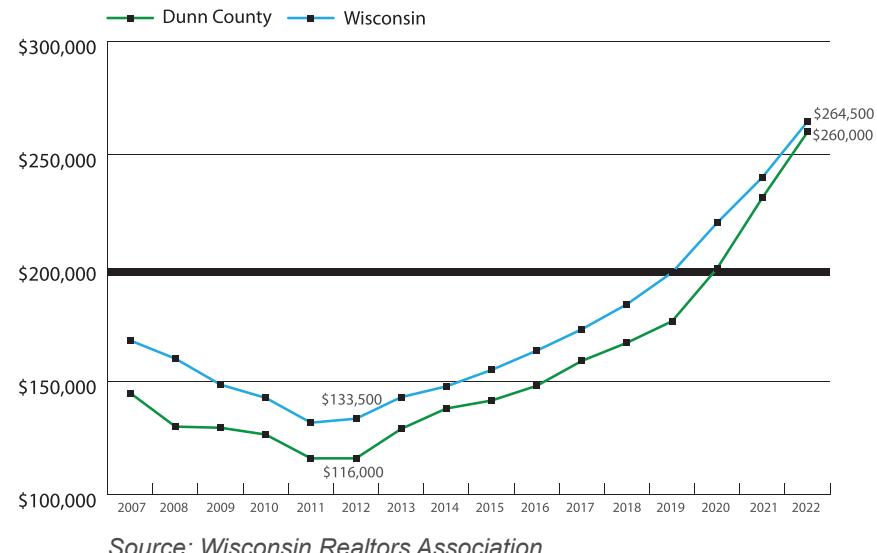
The homeowner vacancy rate in the City of Menomonie was reported as 2.1% in the 2016-2020 ACS; this was generally consistent with what was shared by interviewees. For comparison, the Dunn County owner vacancy rate was estimated at 0.8% and 1.0% in Wisconsin. For the homeownership market, a vacancy rate between 2% to 2.5% is considered healthy.

### Owner Housing Value/Costs

The median sale price of homes in Dunn County fell from 2007 to 2011, due in large part to the effects of the recession. Since 2012, the median sale price of homes in the County has increased and continue to rise. The sale price trend in the County mirrors that of the State of Wisconsin.

Understanding the value of homes in the County is important when analyzing whether the housing stock is affordable for local residents. Per the 2016-2020 ACS, the median home value in the County was estimated to be \$172,500; 8% of owner-occupied units were valued at less than \$50,000, 32% valued between \$50,000 and \$149,000, 46% valued between \$150,000 and \$299,999, and 14% valued over \$300,000. It is important to note that these values from the ACS include only year-round

**Figure 24: Median Home Sale Price, 2007 - 2022**



Source: Wisconsin Realtors Association

# Housing Supply

owner-occupied-homes and do not include the value of reported seasonal homes. The median sale price data in Figure 24 includes all home sales, year-round and seasonal. As shown, the 2022 median sale price in Dunn County almost reached the statewide median sale price.

## Group Quarters

A group quarters facility is a “group living arrangement” that houses multiple, unrelated people, where occupants may not have privacy, or the facility houses an institution or service-receiving population. Included in this housing category are nursing homes, memory care, or other facilities described as having a number of beds rather than units, homeless shelter facilities, dormitories, correctional facilities, and other group housing facilities. Approximately 97% of the County’s Group Quarters population resides in the City of Menomonie. The Census 2020 Redistricting data identified the Group Quarters population in the City as 3,135. These facilities are not considered a housing unit, rather they are a standalone category counted separately by the US Census.

**Figure 25: Group Quarters, City of Menomonie**

Menomonie Group Quarters	2020
Correctional facility	80
Nursing facilities	154
College/University	2,781
Other	120

*source: US Census, 2020 Redistricting*

### College/University Housing

The City’s housing situation is largely influenced and impacted by the presence of the University of Wisconsin - Stout and Chippewa Valley Technical College Menomonie campus. These educational institutions contribute to the economy and demographic makeup of the City and County, lowering the median age and median income of the population.

The University of Wisconsin - Stout currently houses about 2,600 students in on-campus residence halls. One dorm is currently under renovation; once complete the capacity of campus dorms will increase to 3,000.



### Nursing Homes

Per the Wisconsin Department of Health Services, the City of Menomonie has four nursing home facilities with a total of 174 beds. The Neighbors of Dunn County, owned by Dunn County, is a senior care facility that was built in 2013. It is located on the east side of the City and is built around the concept of neighborhoods with three different buildings to house 137 residents. The facility replaced the old Dunn County Health Care Center which has since been remodeled and is now home to County offices. Given the significant increase in the 85+ population as projected by the State of Wisconsin, nursing facilities may be in higher demand in future years and additional capacity may be needed.

## Correctional Facility

The Dunn County Jail is located on the east side of the City. As of February 9, 2023, there were 80 inmates reported as being held in the facility.

# Shelter Housing and Homelessness

Unfortunately, there is no single source of data that tells the whole story of homelessness in the City. Per the Institute for Community Alliances report, *The State of Homelessness in Wisconsin - 2019 Homeless Management Information System (HMIS) Report*, seven counties (Polk, Barron, St. Croix, Dunn, Chippewa, Pierce, and Pepin) in west central Wisconsin had 784 emergency shelter clients in 2019, down from 911 in 2017. The Point-in-Time Count, which is a count of sheltered and unsheltered people experiencing homelessness on a single night in January, estimates there were 212 total homeless individuals in west central Wisconsin in 2022, up from 186 in 2020.

Stepping Stones, the emergency housing provider in Dunn County, currently manages two fully furnished shelters totaling five apartments and also provides vouchers for hotel stays when the shelter is full. From August 2021 to August 2022, Stepping Stones sheltered 295 people with 10,756 shelter nights. Data from August 2018 to August 2022 shows a significant increase in the number of people sheltered and the number of households seeking shelter. The shelter reported 353 households seeking shelter from August 2018 to August 2019; this increased 73% with 610 households seeking shelter from August 2021 to August 2022.

As of June 2022, Stepping Stones had sheltered 404 persons for the year. That includes 303 adults and 101 kids. There have been up to 55 persons on the wait list but the Shelter has capped the wait list because they are only housing 7 hotel stays each night in an attempt to reserve money for the winter season. This data shows there is an increased demand for housing for the homeless in the County and a lack of available housing for vulnerable population groups. Stepping Stones, working with the City of Menomonie, was recently awarded grant funding to construct a new shelter that will have 20 single units and help cover the continued demand for shelter housing.

The Bridge to Hope, located in Menomonie, provides shelter, support, and advocacy for those effected by domestic violence, sexual assault, and human trafficking. The shelter has 8 rooms and has consistently had to turn people away due to high demand.

Both shelter facilities see an increased need for additional transitional housing to get difficult to house individuals (registered sex offenders, those with evictions on record, or a criminal history) re-entered into society.

The West Central Wisconsin Community Action Agency, Inc., known as West CAP, opened two new transitional houses in Menomonie in 2021 through funding assistance provided by a Community Development Block Grant. During the housing forum, it was identified that West CAP's funding for these houses is scheduled to end in December 2023.

# Housing Supply

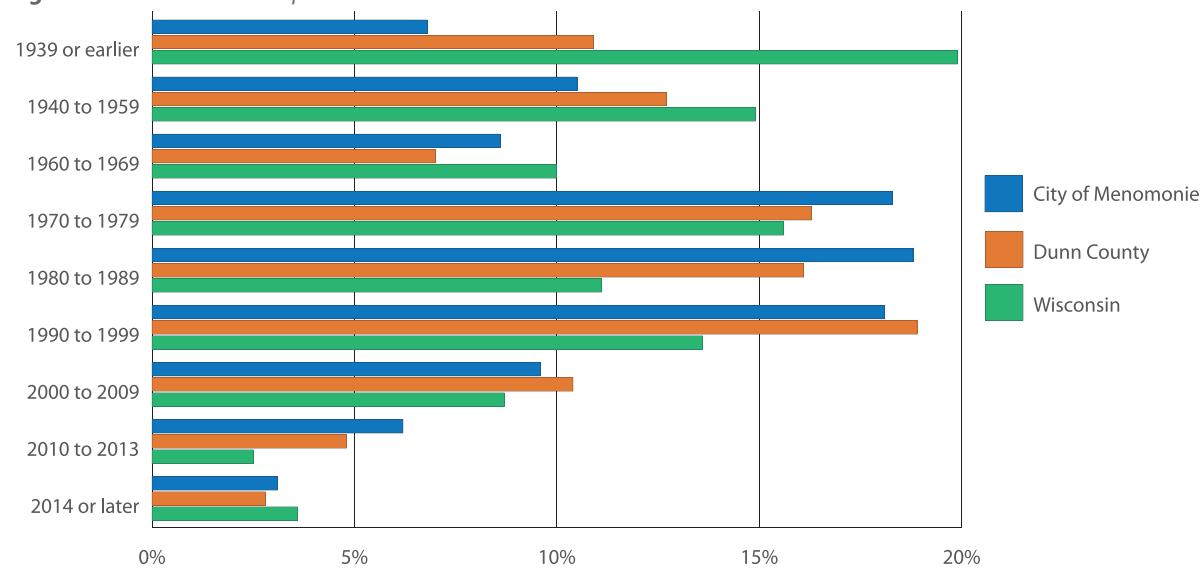
## Housing Quality

### Age of Structure

Age of structure and improved value of residential parcels are two indicators of housing quality. As structures age, they may fall into disrepair if they are not properly maintained. Depending on the state of disrepair, a structure may be able to be rehabilitated; in some cases it might be best suited for demolition. Based on the 2016-2020 ACS data, 12% of all residential structures in the City of Menomonie were built before 1939 with 58% constructed between 1960 and 2000. The age of a structure is one indicator of a structure being functionally obsolete or in need of repair.

As shown in Figure 26, 7% of renter-occupied structures in the City were built in or prior to 1939 compared to 20% statewide. Much of the City's renter-occupied housing stock was constructed between 1970 and 2000.

**Figure 26: Year Renter-Occupied Structure Built**



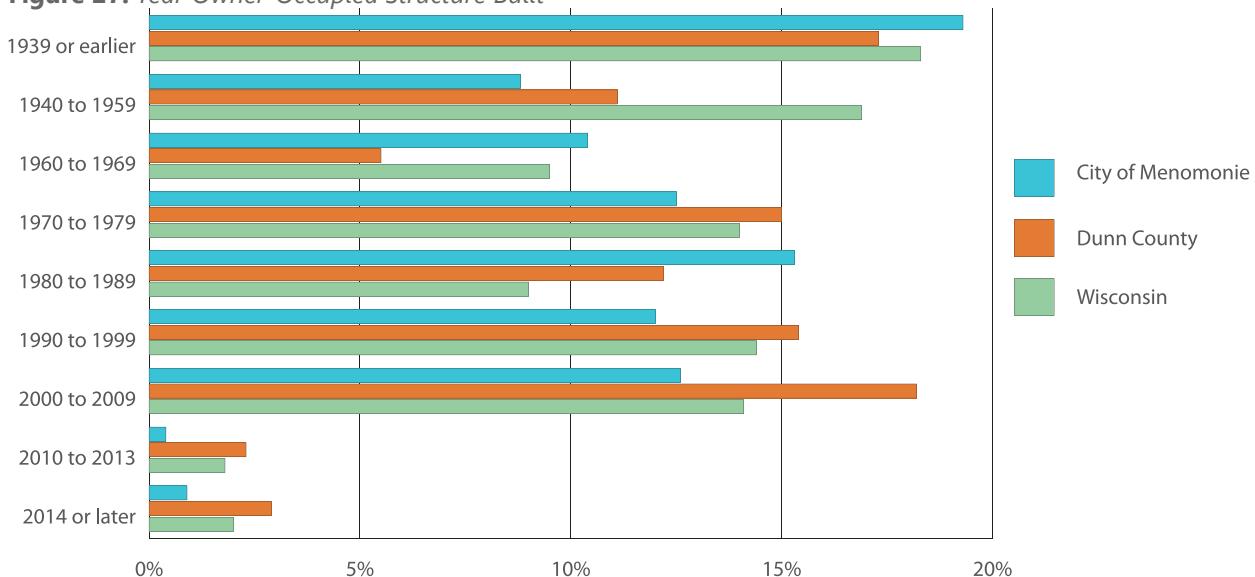
Source: U.S. Census 2016-2020 ACS 5-Year Estimates

Figure 27 shows the year of construction for owner-occupied structures in the City, County and State. 19% of owner-occupied structures in the City were built in 1939 or earlier; this is consistent with the state of Wisconsin at 18.3%.

The City's 2022 City's housing affordability analysis notes that the "Building Inspections Department approved 128 residential repair/addition/remodel permits. The repairing and remodeling of older housing units will likely be a top priority for the City in the next few years because there is a relatively large number of older residential structures that could be improved to provide better housing at more affordable prices."<sup>4</sup>

<sup>4</sup> City of Menomonie Housing Affordability Analysis, Covering Permit Year 2022.

**Figure 27: Year Owner-Occupied Structure Built**



Source: U.S. Census 2016-2020 ACS 5-Year Estimates

## Improved Value

Assessment data was used to identify the improved value of properties within the County. A low improvement value for a home is an indication of the structure being of a condition that is beyond repair. In reviewing the 2021 Dunn County residential assessed properties, 405 of the 15,558 parcels with a residential assessment, or 2.6%, had an improved value of \$10,000 to \$25,000. 21 of the identified properties were in the City of Menomonie. Note that this analysis did not include any residential structures greater than three units as they are assessed as commercial and did not include any agricultural farmsteads that are solely assessed as agricultural. Some mobile homes have improvements values below \$25,000; they are included in this count. The possibility exists that some of the improvements are accessory buildings, such as a detached garage; however, the \$10,000 cut-off was used in an attempt to exclude most accessory structures.

## Residential Condemnations, Razes, and Water Shutoffs

Statistics regarding condemnations, razes, and water shutoffs may indicate deteriorating housing conditions. City of Menomonie officials identified 42 housing units that have been razed since 2010. No units were identified as having been condemned nor were any water shutoffs longer than 6 months identified.

## Opinions on Conditions and Quality of Housing

The 2022 Dunn County Housing Survey asked respondents whether they are satisfied with the condition of their current housing. Of the 678 respondents who identified as living in Dunn County and who responded to this question, 10% strongly disagreed and 15% disagreed, indicating there is housing in the County that is in need of repair and improvements.

- 60% of these respondents live in the City of Menomonie with 18% in Towns
- 35% are renters, 57% homeowners, and 7% other (homeless, living with friends/family)

# Housing Supply

- Close to 60% of these respondents agreed or strongly agreed that they need access to housing financial assistance, such as rental subsidies or low-interest loans

Respondents were also asked to identify their top three housing-related challenges facing their community. 17% of respondents identified deteriorating housing conditions as one of the top challenges.

19% of respondents from the City of Menomonie identified deteriorating housing conditions as one of the top three challenges facing the City. Additionally, 15% of City respondents disagreed and 11% strongly disagreed that they are satisfied with the condition of their current housing. Specific to the City:

- 51% (50 respondents) are renters, 42% (41 respondents) are homeowners, with 7% other (homeless, living with friends/family)
- 12 of the 21 college students living in the Menomonie stated they are not satisfied with the condition of their current housing
- 53% of these respondents agreed or strongly agreed that they need access to housing financial assistance, such as rental subsidies or low-interest loans

Interviews with those familiar with the Menomonie housing market expressed concerns with the quality of housing, specifically units surrounding the University of Wisconsin - Stout campus. It was noted during one interview that many of the properties surrounding campus are not taken care of and continue to worsen every year; despite the quality, students continue to rent these units as they are the only 'affordable' units near campus. The poor condition of student rentals near campus was echoed in several interviews and is a top concern for many officials.

## Comments from a UW-Stout Lecturer:

*"One is that when we first moved here, I really wanted to live within walking distance to campus, but there were no single family homes available that weren't significant fixer uppers. Many of my friends have experienced the same. So, we live in North Menomonie, which is fine, but it means that I now usually drive to work. The second is that it breaks my heart to see many once lovely homes downtown that are now slovenly rentals. I would love to see more apartment-style buildings for student rentals - there is good evidence that moving students from rental houses into apartment buildings helps to decrease wild parties and problems with exteriors (lawns strewn with beer cans, etc.) If we had more apartment buildings for students, then some of those beautiful old homes could be renovated into duplexes and single family homes for professionals and families."*

## Existing Housing Programs and Initiatives

### **City of Menomonie Comprehensive Plan**

The City's Comprehensive Plan, adopted in 2016, provides goals, objectives, and policies for housing throughout the City. The plan recommends that the City maintain steady and planned growth and provide a balance between single-family and multi-family housing. It also suggests that the City help residents locate housing programs and agencies that will help them achieve home ownership and encourage developers to provide a variety of housing sizes and styles to meet the needs of all residents.

## ***Home Sweet Menomonie***

Home Sweet Menomonie is a residential down payment assistance program of local employers, the City of Menomonie, the Greater Menomonie Development Corporation, and the Community Foundation of Dunn County. A 0% loan of up to \$10,000 is available to employees of 22 participating employers who wish to own homes in the City of Menomonie.

To date the program has been extremely successful with 52 loans distributed since 2019. There are at least 20 others who have expressed interest in the program, after having been referred to the program through their employer, but have not yet secured a home within the City. The lack of inventory of for sale homes has reduced use of the program.

## ***Housing Authorities***

The Dunn County Housing Authority assists income-restrained households. While it does not own any rental properties, it is the agency that receives the Housing Choice Vouchers for the County (see Section 8 Rental Assistance Vouchers below). In addition to the County Housing Authority, there is also a City of Menomonie Housing Authority. The City Housing Authority owns and manages 149 units in the City of Menomonie.

## ***Section 8 Rental Assistance Vouchers***

The West Central Wisconsin Community Action Agency, Inc. (West CAP) administers the Section 8 Housing Voucher Choice Program for Dunn County. The program is funded through the U.S. Department of Housing and Urban Development (HUD). Per West CAP, there are 95 vouchers allocated to the County.

## ***Regional Community Development Block Grant (CDBG) Housing Program***

The Regional CDBG Housing Program for West Central Wisconsin (inclusive of Dunn County) is administered by the Chippewa County Housing Authority. The funds are used to assist low-and-moderate income (LMI) homeowners with home repairs through the provision of no-interest deferred payment loans. Funds are available for necessary home repairs such as plumbing, electrical, heating, insulation, doors and windows, roofing, siding, and other improvements.

## ***Other Housing Initiatives within Dunn County***

Dunn County has also stressed the importance of improving broadband access throughout the County; with the increase of telecommuting and need for high-speed internet, broadband infrastructure is becoming critical to attracting new residents and workforce. In 2016 the County Board passed a resolution supporting improved broadband service availability, access, and utilization in Dunn County. In 2018, a Rural Broadband Gap Analysis Study was prepared for the County. Since this time, several broadband grants have been awarded to various telecommunications providers for new infrastructure throughout the County. Broadband connectivity, and other quality of life amenities, are vital to attracting new residential development and a strong workforce.



# CHAPTER IV. OTHER FACTORS

Several factors influence the way in which development occurs, which in turn influences the cost of housing. These factors include a combination of market/economic forces, land availability, public infrastructure, proximity to other metropolitan areas, and topographic and environmental amenities or constraints. This Chapter identifies many of the factors that contribute to the cost of housing.

## Land Availability

Limited land availability is sometimes identified as a barrier to new residential construction. While it is beyond the scope of this study to determine the supply of vacant, developable lots in the City, or the vacant, undeveloped property available for housing development, there are some elements of land availability that can be explored.

Infill development focuses on vacant parcels within developed areas. These parcels are already serviced by utilities and, as such, maximize the use of existing public infrastructure. By developing these vacant or underutilized parcels, their values increase and the land is used more efficiently. The benefits associated with infill development include energy conservation, community revitalization, cost savings, efficient use of infrastructure, municipal tax benefits, and improved neighborhood stabilization. Additional opportunities might exist within the City to further develop or redevelop underutilized sites.

While there are lands within the City available for development, a lot could be owned by an adjacent homeowner and used as part of the homeowner's primary residence, therefore making it unavailable for building. Additionally, there may be other constraints, such as environmentally sensitive areas, development restrictions (e.g., conservation easement), landowner willingness to sell, or lack of infrastructure availability, which make development of these parcels not feasible.

The City of Menomonie, in consultation with Cedar Corporation, prepared a *Housing Affordability Analysis* that covers permit year 2022. Based on the projections prepared in this analysis, the Analysis estimates the City would need to average adding over 22.3 housing units per year to keep up with new housing demand out to 2040 (note that the projections in this analysis use a different methodology from that in this study, as detailed in Chapter V, and therefore demand projections are different). The City's analysis states "based on the project demand of 22.3 homes per year, there appears to be enough total lots for the next 8-9 years, but that will depend on the type of housing that is developed as there are fewer multi-family lots available. Additionally, some of those lots are not currently for sale and some of the sites may be unbuildable."<sup>1</sup> The analysis also identifies 141 vacant platted R1 zoned (residential single-family) lots, pointing to a significant opportunity for infill on existing lands within the City that are likely already served by utilities. Some attendees at the community housing forum expressed interest in seeing infill lots be built prior to the platting of new developments.

## Land Use Planning, Regulations, and Process

Comprehensive planning is a tool to help guide and coordinate development of the community. Planning for the future gives communities the opportunity to define the way they wish to grow. Developing a "vision" and establishing goals can help reduce many of the problems communities including loss of

<sup>1</sup> City of Menomonie Housing Affordability Analysis. Cover Permit Year 2022.

# Other Factors

community character, sprawling development, and increased infrastructure and maintenance costs. Land use planning, as part of the comprehensive plan, also provides a level of predictability to current and potential residents, businesses, landowners, and developers.

Adequately planning for the future can encourage and attract development. A community that has land available for development, and any required zoning entitlements in place, is more likely to attract development than is a community that lacks available land ready for development. The ease of navigating the development review process within a community, along with fees and regulations (zoning, land division, etc.), can also impact development and housing costs. Communities with flexible zoning regulations that allow for a variety of development types, while advancing the community's vision and goals, can be more attractive for development.

## **City of Menomonie Planning, Land Development Regulations, and Process**

While zoning and land development regulations aim to achieve various safety, environmental, and aesthetic goals, they can sometimes pose a hurdle and challenge to new residential development. One builder who was interviewed expressed that the City's permitting and development approval process was too slow, causing speed to market to be too long. A related comment from a few interviews was that the community is heavily opposed to growth and that neighborhoods are given a lot of weight in the development review process. However, one resident attendee at the housing forum suggested increased neighborhood communication early on in the development process rather than waiting until the public hearing.

The City's 2022 Affordable Housing Analysis identifies a few ways the City can help reduce the cost and time necessary to approve and develop new residential subdivisions, including: reducing fees by 20%, increasing density, creating a developers kit that provides a complete outline of all the regulations, establishing a development review team, and creating incentives to fast-track developments that include low-to-moderate income housing.

# Land Development Costs

Another critical factor in housing is land development costs. Development costs vary depending on geography, cost of materials, community fees, and more. The cost of infrastructure improvements continue to rise, which in turn impacts costs of new housing. Cedar Corporation, an engineering firm with offices in Dunn County, using bid tabs from 1998 to 2018 and removing outlier projects, analyzed the average cost of street and utility construction in Wisconsin.<sup>2</sup> These costs included street, sidewalk, water main, storm sewer, and sanitary sewer construction. The cost estimates did not include stormwater pond construction, rock excavation, street lighting, or other utilities such as electrical, gas, or telecommunications.

Cedar Corporation's analysis shows that the average construction cost per foot of street and utility infrastructure increased by 185% from 1998 to 2018, increasing from \$184.52 per foot in 1998 to \$525.33 per foot in 2018. Using 330 feet as a typical length of a city block, the total construction cost

<sup>2</sup> Wisconsin Realtors Association. February 8, 2019. Presentation: Overview of Wisconsin Housing Market. Accessed online at <https://www.ehlers-inc.com/wp-content/uploads/2019/02>Hello-Money.pdf>.

for these improvements, not including engineering design/construction, was \$60,891 in 1998 compared to \$173,356 in 2018. To extend this example further, ten quarter-acre lots could be developed in a 330' x 330' city block. To cover these basic infrastructure costs, the sale of each lot in 2018 would have to include \$17,335 specifically for the infrastructure.

More recent data from a residential builder in the Chippewa Valley verifies that development costs have continued to increase. The information shared by this builder shows the average cost for infrastructure (water, storm, sanitary, sidewalk) on a residential lot to be \$825 a linear foot for a 32-foot wide asphalt road. Infrastructure for a 65-foot wide single-family lot would cost \$53,625 (if the street is single-loaded, meaning there are developable lots only on one side of the street) or \$26,812 (if the street is double loaded with lots on both sides of the street). Important to note is that this does not include any costs for extra site work, stormwater ponds, or the land itself. It also does not include any home building material or labor costs.

## Property Taxes

Property tax is an ongoing annual cost that contributes to a homeowner's annual housing costs. Property tax is the primary source of revenue for local governments, including school districts, technical college districts, counties, municipalities (towns, villages, and cities) and any special districts (e.g., sanitary or sewerage districts and lake rehabilitation districts). A homeowner's gross property tax bill collects for all applicable taxing districts. In Wisconsin, real estate property (land and building improvements) and certain types of personal property (primarily for commercial and industrial uses) are subject to property tax. Figure 28 compares the 2021 Mill Rate of the City of Menomonie to other communities within west central Wisconsin.

**Figure 28: 2021 Mill Rates**

Municipality	County	2021 Mill Rate	Taxes on \$172,500*	2020 Population	2020 Median Household Income
City of Menomonie	Dunn	0.020	\$3,395	16,479	\$43,789
City of Chippewa Falls	Chippewa	0.018	\$3,069	14,197	\$54,917
City of Eau Claire - Chipp Falls SD	Chippewa	0.016	\$2,823	2,058	\$64,531
City of Eau Claire - Eau Claire SD	Chippewa	0.016	\$2,726	2,058	\$64,531
City of Eau Claire - Altoona SD	Eau Claire	0.018	\$3,139	66,662	\$59,580
City of Eau Claire - Eau Claire SD	Eau Claire	0.017	\$3,015	66,662	\$59,580
City of Altoona - Altoona SD	Eau Claire	0.020	\$3,536	7,769	\$63,556
City of Altoona - Eau Claire SD	Eau Claire	0.019	\$3,287	7,769	\$63,556
City of Altoona - Fall Creek SD	Eau Claire	0.022	\$3,849	7,769	\$63,556
City of Hudson	St. Croix	0.016	\$2,800	13,912	\$74,207
City of New Richmond	St. Croix	0.016	\$2,766	9,212	\$68,034
City of River Falls	St. Croix	0.016	\$2,839	15,870	\$62,786

Mill rate data comes from information from respective County Treasurers

\*Median Home Value per 2016-2020 5-Year ACS in Dunn County is \$172,500

2020 Population & 2020 Median Household Income from 2016-2020 5-Year ACS estimates

# Other Factors

While higher taxes bring in more revenue to fund local government projects and services, they also make housing more expensive. Increasing property taxes can disproportionately impact the elderly and those living on fixed incomes who do not have the financial means to pay more for shelter.

25% of survey respondents from the City of Menomonie identified property taxes as being one of the top three housing-related challenges facing the City. This compares with 28% of all respondents to the survey.

Data from the Wisconsin Department of Revenue provides a breakdown of the City of Menomonie's gross tax levy by percent of each taxing jurisdiction. The 2021 data show the breakdown as follows:

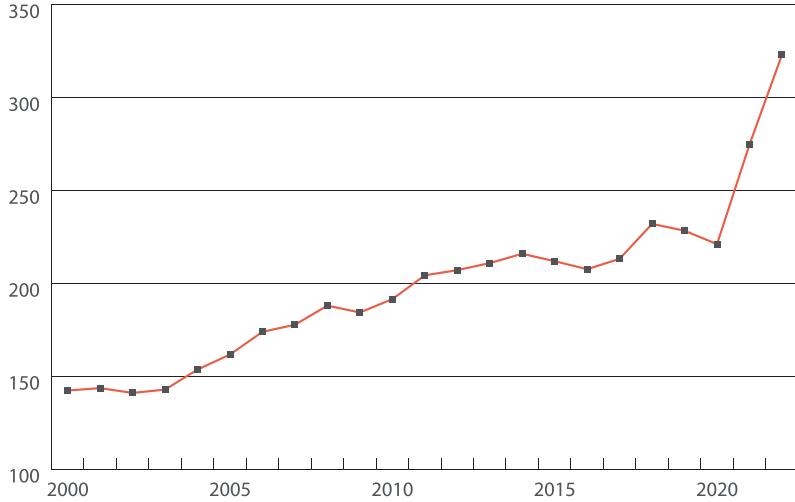
- County tax: 26.03%
- K-12 school tax: 32.65%
- Municipal tax: 26.75%
- Technical college tax: 3.43%
- Tax Increment District tax: 11.14%

Attracting new commercial and industrial development in a community could help to offset the tax burden and provide relief for residential properties. First, new business growth would generate a new corporate taxpayer. It might also bring additional housing development and other economic growth to the community, which would further increase the tax base and could help lower the tax rate by having more businesses and people to cover the cost of municipal services.

## Other Factors Influencing Construction Costs

Beyond development costs, land costs, and property taxes, there are other factors that influence construction costs.

**Figure 29: Producer Price Index: Construction Materials (June)**



Source: U.S. Bureau of Labor Statistics

<sup>3</sup> NAHB, Eye on Housing, <https://eyeonhousing.org/2022/06/rapidly-rising-building-materials-and-freight-prices-push-construction-costs-higher/>

Transportation costs have also increased significantly over the past year. The NAHB reports that the price of truck transportation for freight increased 2.9% in May 2022 and has climbed 25.8% year-over-year. Water transportation costs have increased 35.7% over the past 12 months and the price of rail transportation services for freight has increased 15.4% since January 2021.

## Labor Costs

In addition to the rising cost of materials, builders are also encountering rising costs for labor due to a shortage of skilled construction tradesmen. This shortage is due in part to changing workforce demographics as older construction workers retire, the 2008 recession when many workers exited the construction trades due to a lack of building activity, and the COVID-19 pandemic.

*"There are roughly half a million job openings in the industry, per April projections from the Bureau of Labor Statistics, higher than the previous high of 438,000 in April 2019. But that need is unlikely to be met by a rapidly aging workforce." (Biznow National, June 2022)*

"Since the end of the Great Recession, the share of construction workers aged 25-54 has dropped 8%, while the share of those 55 and over has risen, according to the Associated Builders and Contractors. Twenty percent of workers are 55 and older, and 61 is the average retirement age - meaning a fifth of the industry is at risk of leaving within the next six years."<sup>4</sup> As a result of the labor shortage and the high demand for construction services, we will likely see quite a bit of wage growth and projects costing more than initially predicted.

## Rate of Return

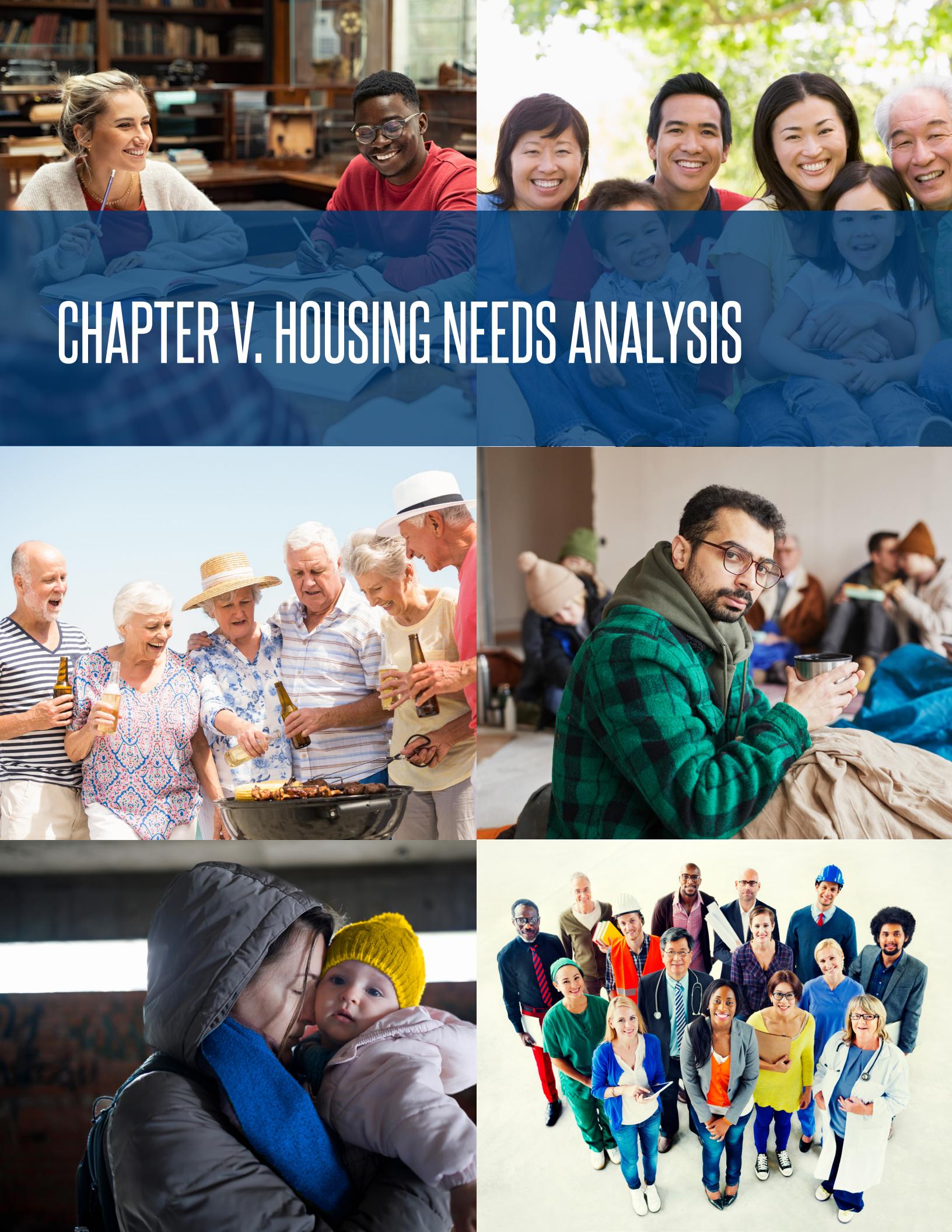
Developments are undertaken with the goal of being profitable. Risks, including zoning and development entitlements, current construction trends, and market forces are reviewed carefully to determine whether the project will generate positive cash-flow. A project considered to be feasible will have an expectation of a specific return on investment. A developer builds these costs and its expected profit (often called the developer fee) into the development proforma budget, in addition to the infrastructure costs associated with a development.

## Financing and Closing Costs

Interest rates play a large role in the overall cost of housing and the cost of construction loans. As interest rates increase, affordability decreases as the interest consumes more of the housing budget. In addition to interest, closing costs can be an additional obstacle to securing an affordable home. According to Zillow<sup>5</sup>, typical homebuyers will pay between 2% to 5% of the purchase price of their home in closing fees.

<sup>4</sup> Bisnow National. Sission, Patrick. "The Construction Labor Shortage is Set to Intensify Over Next 6 Months". <https://www.bisnow.com/national/news/top-talent/short-materials-now-short-workers-construction-cost-set-to-rise-amid-new-labor-woes-113573>

<sup>5</sup> Zillow, Inc. What Are Closing Costs and How Much Are They? Accessed online at <https://www.zillow.com/mortgage-learning/closing-costs/>.



# CHAPTER V. HOUSING NEEDS ANALYSIS

# Lifecycle Housing Stages

Basic housing requirements of an individual, and household, change over time, which is why it is important to analyze housing conditions to ensure that current (and future) supply and demand are balanced. As Kevin McCarthy notes in his 1976 publication *The Household Life Cycle and Housing Choice*, "...housing choices are powerfully conditioned by the demographic configuration of the household, as measured jointly by the marital status and ages of the household heads, the presence of children in the household, and the age of the youngest child. These configurations are denoted here as stages in the household life cycle."<sup>1</sup> Housing preferences and needs change as we move through life and into the next 'cycle'. Mooney<sup>2</sup> describes the cycles or stages as the following:

**Stage 1:** From a child thru [sic] teenage years to adulthood, space needs are growing but relatively small.

**Stage 2:** As a young person (or couple) now on his/her own; recently entered the workforce; income limited; space needs growing but still not large.

**Stage 3:** As a person (or couple) of increasingly greater means; perhaps a growing number of children; space needs are steadily growing; demands on income growing rapidly; excess cash flow limited.

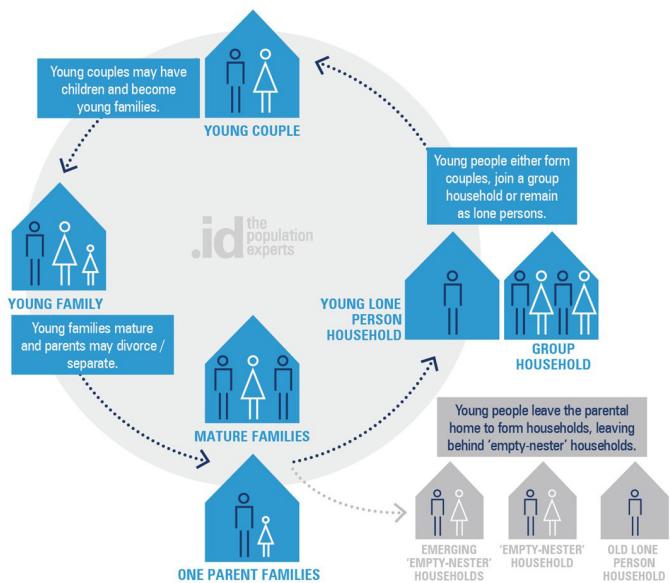
**Other Stage 3 types becoming increasingly common:** Stage 3 without family; income high; affordability high; needs low but choices many. Stage 3 without spouse; single parent; limited income; need great; affordability low; choices limited.

**Stage 4:** As an empty, or nearly empty nester; career at an earnings peak; demands on income dropping; space needs leveling off or dropping; excess cash flow at an all-time high.

**Stage 5:** As a retired person; income probably fixed and perhaps well below prime earning years; space requirements dropping; financial and physical ability to maintain large home diminishing.

**Stage 6:** As a person of advanced years, perhaps with increasing physical limitations; space needs and maintenance capability further reduced; possible requirement to reside near adult children to allow ongoing assistance.

**Figure 30: Lifecycle Housing Needs**



<sup>1</sup> McCarthy, Kevin F. The Rand Corporation. (January 1976). The Household Life Cycle and Housing Choices. <https://www.huduser.gov/portal/Publications/pdf/HUD-000590.pdf>

<sup>2</sup> Mooney, J. Michael. Mooney LeSage Group. (October 1991). The Impact of Local Government Regulation on Development of Affordable Housing.

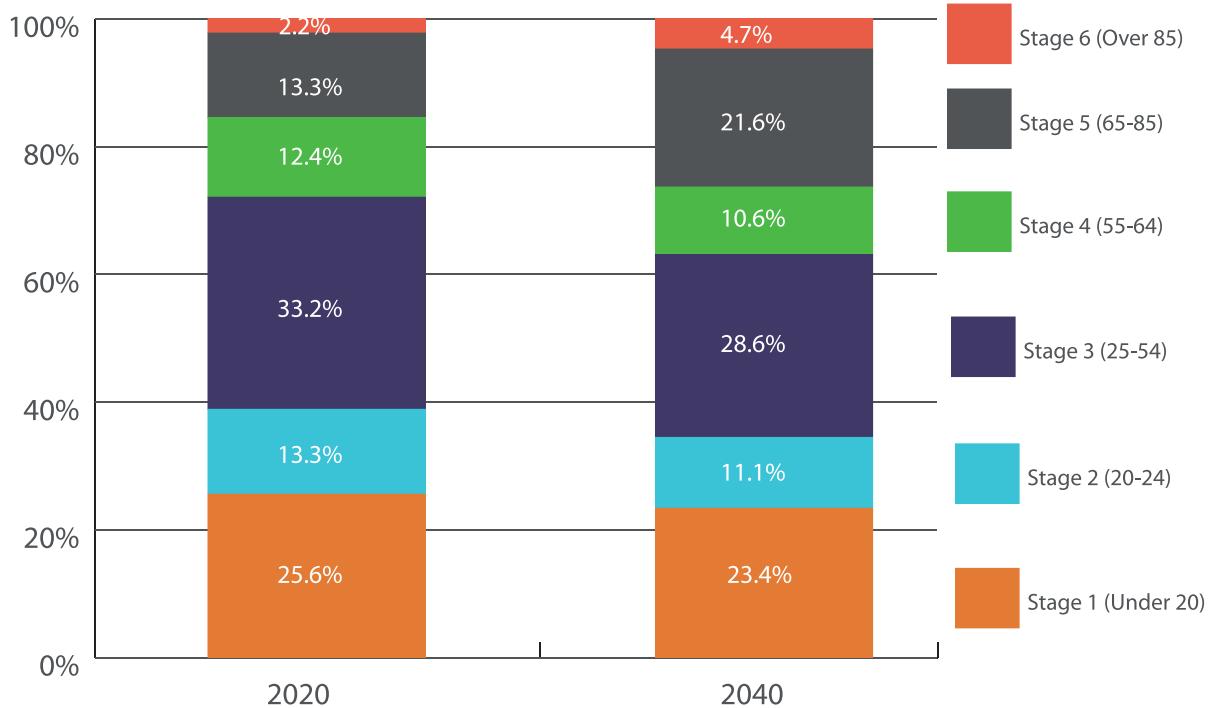
# Housing Needs Analysis

Understanding the lifecycle stages, while recognizing that not all individuals move through every stage, is important when analyzing housing needs. The benefits to having a diverse housing base is that it allows an individual to move through all stages within a community, often called “aging in community” or “aging in place”. This is significant in promoting neighborhood stability, a sense of place and responsibility for the community, and greater community pride.<sup>3</sup>

## The Lifecycles of Dunn County Residents

Age groups can be assigned to the various lifecycle stages to gain a better understanding of the County’s population. As of 2020, approximately 25.6% of Dunn County residents, based on age alone, fell within stage 1 of the lifecycle, with 33.2% of residents in stage 3. A similar breakdown was done for the County’s 2040 population using projection data from the Wisconsin Department of Administration.

**Figure 31: Dunn County Population by Lifecycle Stage, 2020 & 2040**



Source: U.S. Census Bureau, ACS 2016-2020 5-Year Estimates & Wisconsin Department of Administration

Note that the percentages in Figure 31 are based on the age of the population, not the age of households. Members of a household may fall into multiple stages depending on age and age is only one factor that plays a role in determining housing needs and preferences. Many other factors such as income, marital status, presence of children, and personal priorities also influence housing decisions.

As shown in Figure 31, the State of Wisconsin projects that the Stage 5 population group of 65-85 years will become a more significant part of the County’s population. The County and its communities must consider this when planning for the future.

<sup>3</sup> Mooney, J. Michael. Mooney LeSage Group. (October 1991). *The Impact of Local Government Regulation on Development of Affordable Housing*.

## Overall Housing Market

### Current Rental to Owner Mix

Figure 32 summarizes the current mix of rental vs. owner housing in the City of Menomonie utilizing the U.S. Census 2020 Redistricting data (for population, households, and housing units) and, where necessary, applying data from the 2016-2020 ACS 5-Year Estimates (the most recent data available at the time the analysis was completed) to arrive at estimates for the other data components. This section discusses these results with a comparison to related standards.

According to the Census definition, a housing unit is a house, an apartment, a mobile home, a group of rooms, a single room occupied as a separate living quarter, or vacant units intended for occupancy as separate living quarters.<sup>4</sup> While this data provides useful insights, it must be used carefully since it is based on Census definitions, reflects City totals, and is based on 5-year sample estimates and can have a large margin of error, especially for smaller communities. Further, this initial analysis does not consider market preferences, such as affordability, location, home size, condition, or housing style. For example, while units may be available for sale or rent, the units may not be what the market desires.

Some key findings based on the housing mix:

- The overall housing unit mix appears heavy on rental** - The mix is 60% rental occupied units to 40% owner occupied units.

**Figure 32: Rental vs. Owner Housing Mix, 2020**

City of Menomonie	2020
Population	16,843
Population in Rental Units	7,667
Population in Owner Units	6,041
Population in Group Quarters	3,135
Households, excluding group quarters	6,242
Avg. Household Size	2.2
Renter Avg. Household Size	2.1
Owner Avg. Household Size	2.4
<hr/>	
Housing Units, excluding seasonal	6,674
Rental Units	3,933
Owner Units	2,730
Other Seasonal & Migrant [5]	11
<hr/>	
Occupied Units	6,242
Renter-Occupied Units	3,714
Owner-Occupied Units	2,528
<hr/>	
Vacant Units for Rent, excludes seasonal	126
2020 Rental Vacancy Rate	3.2%
Rental Vacancy Rate Standard [6]	5-7%
<hr/>	
Vacant Units for Sale, excludes seasonal	57
2020 Homeowner Vacancy Rate	2.1%
Homeowner Vacancy Rate Standard[7]	2-2.5%
<hr/>	
% of Overcrowded Units – Renter Occup.	0.7%
% of Overcrowded Units – Owner Occup.	0.5%

Source: U.S. Census, 2020 Redistricting, 2016-2020 ACS 5-Year Estimates, WCWRPC Calculations

<sup>4</sup> Nursing homes, student housing, transitional shelters, jails, and other group quarters that lack separate living quarters for each household are not included in the housing units by Census definition.

<sup>5</sup> Includes seasonal, recreational, or occasional use as well as sold and rented, but not occupied and other vacant units that are not currently on the market.

<sup>6</sup> Florida, Richard. 2018 July. Vacancy: America's Other Housing Crisis. Accessed at: <https://www.citylab.com/equity/2018/07/vacancy-americas-other-housing-crisis/565901/>

<sup>7</sup> Ibid. For owner housing, Florida's vacancy rate standard was expanded by WCWRPC from 2% to 2%-2.5% in order to accommodate additional market flexibility given the County's relatively small population size.

# Housing Needs Analysis

While not uncommon for a University community to have a larger rental market share than non-university communities, when compared to many of the other University communities throughout the State, with the exception of Whitewater, Menomonie's housing market is heavier on rentals.

**Figure 33: University Community Comparisons**

	Eau Claire	River Falls	Stevens Point	Platteville	Whitewater	La Crosse	Menomonie
Total Population	68,720	15,870	26,144	12,113	14,762	51,543	16,479
Median Age	32.2	26.8	27.9	22.7	21.6	29.2	23.8
Total Housing Units	29,712	5,617	11,495	4,624	5,366	22,724	6,305
Total Occupied Units	28,040	5,462	10,673	4,265	4,767	21,239	5,929
% Owner Occupied Units	57%	51%	52%	45%	30%	46%	41%
% Renter Occupied Units	43%	49%	48%	55%	70%	54%	59%

Source: U.S. Census 2016-2020 ACS 5-Year Estimates

While the City has a high number of rental units, it does not mean that these units are 1) available for rent, 2) at a price point that is affordable for potential renters, or 3) meet the preferences of those looking to rent.

- **There is a need for more rental units based on the current mix.** The 2016-2020 ACS data estimate that the rental vacancy rate for the City in 2020 was 3.2%, which is below the 5% to 7% standard that is generally considered healthy. Based on this standard alone, an additional

## Using Vacancy Rate to Estimate Current Housing Need

Many housing studies only project future housing demand based on household size and growth trends, but they do not quantify existing needs for units. Estimating the current gap between housing supply and demand is challenging. Overcrowding statistics and housing waiting lists can provide some insights into demand, while considering that, other than those experiencing homelessness (for which reliable data is limited), everyone currently has a place to live. Surveys can be performed, but such insights are not without biases. Interviews can provide only supplemental anecdotal insights.

Due to such challenges, comparing existing vacancy rates to a recognized vacancy rate standard provides an empirical-approach to help quantify existing housing needs.

Vacancy rate standards are frequently used to evaluate the health and efficiency of a community's housing market. For example, an Iowa State University Study (Jerry Knox, Housing Needs Assessment, 1995) uses a 4% vacancy rate standard for the overall market. As explained in this section, this study uses standards for rental and owner housing suggested by Richard Florida (footnoted previously), which WCWRPC adjusted based on interviews and other considerations.

A healthy housing market provides an adequate supply and variety of housing choices, including for residents and those who may want to move to a community. A healthy vacancy rate allows renters and buyers to make housing choices that fit their individual needs and preferences, and a healthy rate can provide flexibility to accommodate other market factors. Vacancy rates are also tied to affordability. For example, a low vacancy rate can contribute to an escalation of housing costs beyond the affordable price point of a household.

# Housing Needs Analysis

71 to 149 units for rent are needed (beyond the 126 vacant rental units estimated for 2020) for a healthy housing market in the City.

- **As of 2020 the owner vacancy rate was within the healthy range.** It is estimated that the 2020 homeowner vacancy rate for housing units for sale was 2.1%, which is within the 2%-2.5% rate that is considered healthy. Based on this standard alone, 11 additional for sale units were needed beyond the 57 units estimated to be vacant in 2020. Keep in mind that this does not take quality of preferences into account nor does it consider whether these are units that the market wants or can afford.
- **Approximately 2.2% of the total housing stock (approximately 145 units in 2020) was not occupied, for sale or rent, and is not being used for seasonal, recreation, or temporary use.** These “other vacant” housing units tend to be older homes that are not being lived in for a variety of reasons, such as: the owner is residing elsewhere but does not want to sell, the unit is being used for storage, the unit is being renovated, or the unit is being foreclosed upon or held for the settlement of an estate. Given that these units were not for sale or rent, they are not included in the vacancy rates in Figure 32.
- **The City of Menomonie has seen a lack of new construction.** As previously discussed in Chapter III Housing Supply, the level of residential new construction in the City has been low when compared to previous years. In 2022 there were only 18 new single-family units and four duplex units constructed, for a total of 22 new units.
- **There is demand for a variety of housing types beyond the traditional housing products of single-family homes and traditional multi-family apartment buildings.** 24%(94 respondents) of Menomonie respondents to the housing survey identified the lack of variety of housing choices as one of the top housing challenges for the City.

## Local Perspectives on the Overall Housing Market

The following common themes regarding the City’s housing market were expressed during interviews with key contacts, discussions with the Housing Advisory Committee, as well as by attendees at the City’s housing forum:

- Levels of new residential construction in the City have been very low.
- The quality of off-campus single-family housing rented by students is poor and needs to be addressed.
- Housing inventory, both rental and owner, is very low.
- There is a critical need for housing for vulnerable population groups, along with low-and-moderate income households.
- Employers recognize the impact housing has on workforce attraction and retention.

# Housing Needs Analysis

## Rental Market Analysis

### Rental Market Supply Trends

It is estimated (using 2020 Redistricting data and applying percentages from the 2016-2020 5-Year ACS) that there were 3,933 rental units (non-seasonal) in the City of Menomonie in 2020. Of these, 126 were available for rent, giving the City a 3.2% rental vacancy rate.

- It is estimated that there were 3,714 renter-occupied units in 2020.
- Renter-occupied units are comprised of many different types. It is estimated that 21% are single-family homes (attached and detached), 10% two-family units, 19% three-to-four unit structures, 48% five or more unit structures, and 2% mobile homes.
- 3% of renter-occupied units are a studio unit/efficiency with no bedrooms, 22% have one-bedroom, 43% have two-bedrooms, 17% have three-bedrooms, and 15% have 4 or more bedrooms.
- 68% of single-person households in the City rented their housing unit.
- Renters are represented in all age groups within the City. It is estimated that 60% of renter households are under the age of 35. However, the likelihood of renting changes with lifecycle and financial situation. The median renter-occupied structure was built in 1983.
- Assisted living facility units represent about 7.2% (285 units) of the City's rental housing stock. With the aging population, demand for such assisted living rental housing will continue to increase.
- Rental households in the City generally have much lower household incomes than owner households. Per the 2016-2020 ACS estimates, the median household income of rental households in the City was \$30,046, compared to \$43,789 for the City median.
- A search of rental listings at Apartments.com, Zillow.com, and Trulia.com in January 2023 identified 20-30 rental listings.

### Local Perspectives on the City's Rental Housing Market

The following common themes regarding the rental market were expressed during interviews with local respondents as well as during the City housing forum:

- Inventory of rental units in the City is very low.
- There is a need for some higher-end apartment rentals to meet demand of households with upper-level positions who prefer to rent.
- There is a need for additional subsidized rental units for households with low-to-moderate

# Housing Needs Analysis

incomes.

- The condition of off-campus student rentals, specifically those units in homes surrounding the campus, is extremely poor and needs to be addressed.

## Rental Cost Trends

Census data, rental listings, and community interviews were used to obtain a better understanding of rental costs. Data from the Census estimates that the median gross rent within the City has increased 72.5% from 2000 to 2020. According to rentdata.org, the median rent price in Dunn County for a 2-bedroom unit increased approximately 20% from \$823 in 2020 to \$987 in late 2022/early 2023. The Fiscal Year 2020 fair market rent<sup>5</sup> for a 2-bedroom apartment in Dunn County was \$789, increasing to \$921 for Fiscal Year 2023. A January 2023 online search of rental units within the City resulted in 20-30 rental listings. A 275 sq ft studio was available for \$525/month while a 1,890 sq ft, 4 bed, 2 bath townhouse was available for \$1,960/month. Rents have increased at a rate much faster than household incomes.

## Rental Affordability Analysis

While the individual financial situation of each household varies, the analysis is based on the Federal affordability standard that households should not pay more than 30% of their income (before taxes) on housing costs, regardless of income. In other words, a household that is paying more than 30% of its income on housing costs is considered to be housing cost-burdened and may have difficulty affording necessities such as food, clothing, transportation, childcare, and medical care. Cost-burdened households also have less discretionary income to help support the overall local economy.

Per the 2016-2020 ACS, 48% of renter households in the City were cost burdened and paid 30% or more of their household income on housing

*Housing costs for renters = rent + utilities + renter's insurance.  
This is sometimes called the gross rent.*

costs. Nearly 67% of renter households with less than \$50,000 in income were cost-burdened while only 3% of renter households with household incomes greater than \$50,000 were cost-burdened.

To explore the current supply of rental housing relative to affordability, Figure 34 shows the households by income range and the number of rental housing units that fall within the corresponding affordable renter range, per the 2016-2020 ACS. This approach assumes that a healthy rental market mix will have a supply of rental units at certain affordable price points that are near or equal to the number of households within the respective household income ranges.

When considering Figure 34, it is important to understand that the balance does not necessarily represent a rental market surplus or deficit for each price point. The balance is simply the difference between the number of households and number of rental units for each income range or price point. The balance suggests how the City's existing rental units might be better distributed based on household

<sup>5</sup> Fair Market Rent (FMR) is the rent amount, including utilities, to rent privately owned, existing, decent, safe, and sanitary housing of modest (non-luxury) nature with suitable amenities. The FMR is established by the U.S. Department of Housing & Urban Development (HUD) to be used as a basis for paying federal housing assistance programs.

# Housing Needs Analysis

income and monthly contract rent price points; the total number of units does not change. A negative balance suggests that households are paying more or less than their price point for their housing. These households may be interested in housing at their price point should it be available. Given the City's low vacancy rate, a positive balance suggests that households from other income ranges are moving up or down from the corresponding price point.

**Figure 34: Renter-Occupied Housing Affordability by Monthly Contract Rent, 2020 (City of Menomonie)**

Household Income Ranges	# of Renter Households	% of Renter Households	Affordable Renter Range (price point)	Number of Rental Units	Balance
Less than \$10,000	519	15%	\$0-\$199	108	-411
\$10,000 to \$14,999	300	9%	\$200-\$299	26	-274
\$15,000 to \$24,999	573	16%	\$300-\$549	436	-137
\$25,000 to \$34,999	622	18%	\$550-\$749	1,092	470
\$35,000 to \$49,999	511	14%	\$750-\$999	992	481
\$50,000 to \$74,999	609	17%	\$1,000-\$1,499	749	140
\$75,000 to \$99,999	162	5%	\$1,500-\$1,999	71	-91
\$100,000 to \$149,999	159	5%	\$2,000-\$2,999	53	-106
\$150,000 or more	72	2%	\$3,000 to \$3,499	0	-72

Source: US Census 2016-2020 5-Year Estimates

Methodology Notes:

- i. The above price points are calculated based on affordable contract rent at 25% of household income, which is different than the 30% standard for gross rent discussed previously. The additional 5% in the Federal standards allows for the payment of all other housing costs.
- ii. The above includes some rental units with zero cash rent.
- iii. The U.S. Census Bureau provides data for household incomes and house values in ranges. To calculate the "Affordable Renter Range," the household income was divided by 12 (months) and multiplied by .25. This result did not yield household income ranges that aligned perfectly with the contract rent value ranges; these ranges were matched up as closely as possible.

Figure 34 provides the following insights:

- There was likely a deficiency for the lowest-income households. While there were 1,392 (30% of renter households) with a household income less than \$24,999, there were only 570 units reported at the affordable renter range for these households. The balance of 822 (23% of renter households) suggests that many of these lower-income households were cost-burdened and were paying more than they could afford for rental housing. As previously noted, housing costs have continued to rise and are outpacing household incomes.
- The City's primary pool of rental housing, per the 2016-2020 ACS, was at the \$550 to \$1,500 price point and was being relied upon by many renters from other income ranges. 80% of the rental units within the City were within the \$550 to \$1,500 price point. Given the low rental vacancy rate in the County, this further reinforces that a significant number of lower-income households were likely spending more on housing costs than they can afford. The data also show that there were some households in the upper income ranges that could potentially afford to be paying more for their housing; these households might also be saving to purchase a home in the future. Actual market rates are not solely based on income and numerous factors influence rental rates and

# Housing Needs Analysis

what an individual household can afford.

- The balance was negative for all households income ranges of \$75,000 and over. While 12% of all renter households fell into the \$75,000+ income ranges, only 3.5% of the rental units (or 124 units) were within those affordability ranges. Many of these “higher-income” households may be interested in purchasing a home as they have income ranges whereby they could possibly afford to purchase a house; however, there may be a lack of houses in their affordability range or lack of homes for sale with the characteristics and condition that they desire. In the interim, some of these households may be residing in rental housing below their price point as a cost-saving measure in anticipation of buying a home. 73% of the 141 City’s renters who responded to the 2022 Dunn County Housing Survey hope to be homeowners within the next 5 years.

It is important to keep in mind there are many factors that influence what people can afford for housing, including household size, number of income earners, other expenses, etc. For example, a single-income earner household with 3 children will likely have a different level of affordability than a single-income earner without children, depending on other costs of living.

The goal for a community should be to provide a variety of housing options that are “affordable” for different income ranges. Market-rate units, while not viewed as “affordable,” may be affordable to those with higher incomes. The term “affordable” is subjective and is different for each household; providing a variety of units that meets the needs of a variety of households will ultimately make the city more inclusive.

68% of City of Menomonie renter respondents to the countywide housing survey identified the cost of renting as one of the top three housing-related challenges facing the City. 63% of City renter respondents identified access to financial assistance for housing costs, such as rental subsidies or low-interest loans, as being very important.

## Rental Market Preferences

While renters account for approximately 33% of households in Dunn County, they are estimated to make up 60% of households in the City of Menomonie. Renters vary widely in age, relationship status, race, and income levels. These differences lead to some variability in rental housing preferences. In national studies, renters are more likely to be unmarried, younger, and have lower income than homeowners.<sup>6</sup>

Nationally, renters tend to be more mobile than homeowners. A 2022 renter preferences report<sup>7</sup> from National Multifamily Housing Council and Grace Hill shows that renters have been on the move during the pandemic. Approximately 60% of renters moved between April 2020 and September 2021, compared to 26% who moved in 2019. Of those 60% pandemic movers, about 25% moved because they were able to work remotely. Others moved for more space or to take advantage of lower rent. The 2022 renter preferences survey<sup>8</sup> identified that “in general, renters are teleworking with higher frequency than ever before. And there’s little expectation of that changing. In fact, nearly two-thirds (64 percent) of

<sup>6</sup> Belden Russinello Strategists, Inc. 2013. *American’s views on their communities, housing, and transportation: analysis of a national survey of 1,202 adults.* Urban Land Institute.

<sup>7</sup> Triplett, John. June 2, 2022. *Renter Preferences Survey Report Shows The Future Is Remote Work.* Rental Housing Journal.

<sup>8</sup> *Ibid.*

# Housing Needs Analysis

survey respondents said they expect to be teleworking about the same over the next year as they are now. This shift is driving demand for home offices and meeting space.”

Regarding rental-specific amenities, the 2022 renter preference report offers the following key findings:

- There is a strong desire by renters for additional space.
- Reported must-haves for rental units include: washer/dryer in-unit, air conditioning, soundproof walls, high-speed internet access, and walk-in closet.
- Renters want choices. “Our survey asked residents what types of rental homes they considered during their last home search. While traditional apartment homes garnered a majority of responses (57%), townhomes and single-family rentals were also in the mix at 23 percent and 19 percent of responses, respectively.” This is also true in Dunn County where those who prefer to be renters in 5 years (88 respondents) identified a variety of preferred housing types with 23% identifying a desire for senior apartments/retirement community, 18% preferring a smaller starter home rental, 15% preferring a duplex or twinhome rental, and 13% preferring a townhome rental. Only 7% (6 respondents) identified the desire to be renting a traditional multi-family apartment unit in the next 5 years.
- Renters have interest in smart home technology for convenience and savings.
- Noise remains a leading environmental pollutant at rental communities.

A 2018 Apartments.com report<sup>9</sup> predicted “outdoor community living” as the top amenity renters would care about in 2019 with “balcony space,” “dog friendly,” and “indoor relaxation” among their top search terms. The 2022 renter preference<sup>10</sup> report echos this desire noting that “Renters have long put a premium on private outdoor space like patios and balconies, as well as other community outdoor amenities.” These national trends are important to consider, especially when attempting to attract younger households and potential workers from outside Dunn County.

The results from the 2022 Dunn County Housing Survey provide some additional insights into likely renter preferences for the County<sup>11</sup>:

- As one might expect, renters are younger, have smaller households, live in homes with fewer bedrooms, and have lower household incomes.
- Housing costs, being near their job, not being able to find their desired housing elsewhere, and cost of living were the top reasons survey respondents chose to live where they do. Compared to homeowners, renters were less influenced by property taxes, aesthetics/beauty, quality of the neighborhood, quality of schools, and recreational opportunities.
- Approximately 35% of renter respondents live where they do because they cannot find desired

<sup>9</sup> Lane, Ben. “Here’s what renters are really looking for in their next apartment” [www.housingwire.com](http://www.housingwire.com). December 19, 2018.

<sup>10</sup> Triplett, John. June 2, 2022. Renter Preferences Survey Report Shows The Future Is Remote Work. *Rental Housing Journal*.

<sup>11</sup> It must be kept in mind that this survey was voluntary and is not statistically valid. Renters were slightly underrepresented (25% of respondents) compared to the County’s renter households (33%).

# Housing Needs Analysis

housing elsewhere; this compared to only 6% of owner respondents.

- Renters (70%), as compared to homeowners (33%), were significantly more concerned about the cost of renting. 88% of renters identified access to financial assistance for housing costs as being very important or important when making a housing decision.
- Renters were also more concerned about the high cost of living and the quality of available rental housing. Among renter respondents, 48% stated that the quality of available rental housing was one of the major issues facing their community.
- Compared to homeowners, renters were less satisfied with their current housing size, condition, and affordability. Higher proportions stated that they have not been able to find their preferred housing at an affordable price and would move if they found such housing. High proportions of renters also said they need access to financial assistance (39% of renters strongly agree versus 5% of homeowners).
- Renters were also much less satisfied with their housing location and neighborhood. 54% of renter respondents strongly agree that they could not find their preferred housing at an affordable price. 66% of renter respondents strongly agree that they would move if their preferred housing was available at an affordable price.
- Among renter respondents, 73% hope to own their own home within five years, with the following preferred housing types:

- Smaller (less than 2,000 sq ft) starter home: 45%	- Tiny home: 3%
- Larger single-family home: 37%	- Duplex / Twinhome: 2%
- Townhome or condominium: 5%	- Senior housing: 2%
- Mobile home: 5%	
- 31% of City of Menomonie renters live in a traditional multi-family apartment building (4+ rental units in the building), 18% in a townhome/condominium (3+ units attached), and 17% in a smaller single-family home.
- The three most important reasons that City of Menomonie renter respondents live where they do is: cost of home (45%), near job (43%), and cannot find desired housing elsewhere (36%).
- The top three housing-related challenges identified by City of Menomonie renter respondents: cost of renting (68%), lack of quality rental housing (51%), and cost of buying a home (43%). The high cost of living was also identified by 39% of respondents.
- Approximately 70% of Menomonie renter respondents identified a need for access to housing financial assistance, such as rental subsidies or low-interest loans.

In summary, affordability is the key housing factor for renters. Renters are more mobile with the majority viewing their rental situation as temporary (again, 73% of renter respondents want to own a home in 5

# Housing Needs Analysis

years). Renters tend to be less satisfied with their current housing and are more open to moving if they can find the affordable housing they desire. Nationally, the data also suggests that amenities and the “experience” (e.g., air conditioning, pet friendly, broadband, open space, common area to socialize) are increasingly important to renters, especially among the younger generations.

As noted, the survey results show that a strong majority of renters would prefer to own their own homes, with a preference for starter homes (45%) and larger single-family homes (37%). The data suggest that renters are more open to different types, styles, and locations of housing, perhaps due to their younger ages. In order to achieve their individual housing goals, however, renters are more likely to require financial assistance. Among renters who responded to the Dunn County Housing Survey, 35% said they live where they do because they do not think they will be able to find their desired type of housing elsewhere.

## Owner Market Analysis

### Owner Market Supply Trends

It is estimated (using 2020 Redistricting data and applying percentages from the 2016-2020 5-Year ACS) that there were 2,730 total owner housing units (non-rental, non-seasonal) in the City in 2020. Of these, only 57 units are estimated to have been available for sale, giving the County a 2.1% homeowner vacancy rate. A healthy housing market will have 2% to 2.5% of its housing units for sale; the City's rate is within this healthy range. Based on the healthy homeowner vacancy rate standard alone, an additional 11 units could be added to the owner market to bring the vacancy rate to the high end of the healthy range in 2020. However, this estimate does not fully account for the demand considering there is potentially a high demand for home purchases among the City's renters, as was previously discussed in the renter market analysis.

Additional insights regarding the homeownership market include:

- Of the total 2,730 owner units, it is estimated that there were 2,528 were occupied in 2020.
- 83% of owner-occupied units were single-family detached units while 8% were mobile homes.
- 22% of owner-occupied units had 2-bedrooms, 47% had 3 bedrooms, and 28% had 4 or more bedrooms.
- 19% of the City's owner-occupied housing stock was built in 1939 or earlier.
- 73% of married-couple family households were homeowners while 32% of single-person households owned a home.
- Not surprisingly, the 2020 median household income for owner-occupied households was

# Housing Needs Analysis

\$75,492, which is significantly above the City median of \$43,789.

## Local Perspectives on the City's Owner Housing Market

Census data trends were confirmed through interviews with stakeholders, the community housing forum, and the Menomonie Housing Advisory Committee.

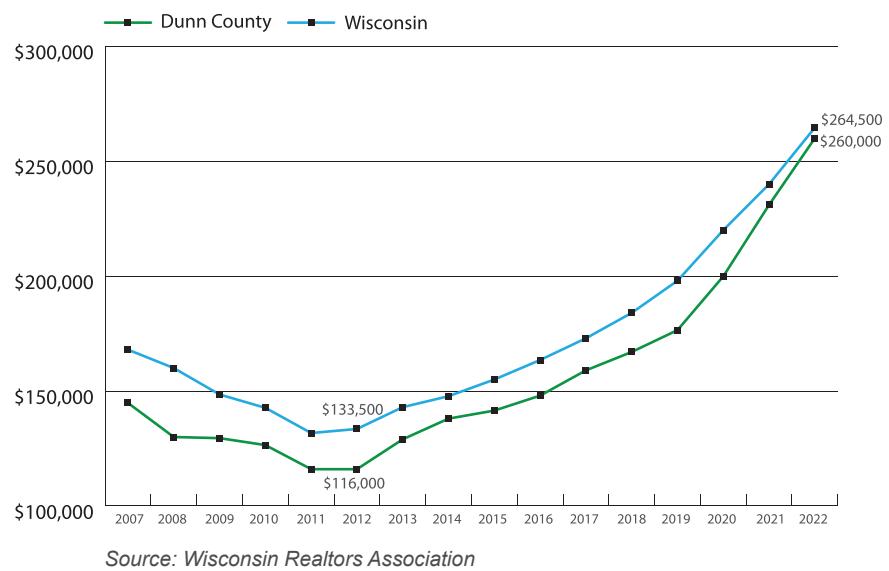
- Inventory is low in all price points.
- There is demand for single-level, low maintenance (twinhome) owner housing for couples entering the market and also for seniors looking to move out of their larger single-family home. A local realtor said that twinhomes in the City have “sold like hotcakes.”
- There is demand for owner/for-sale housing under \$250,000. During the City’s housing forum, a local realtor noted that within the City, as of the previous day, there were 8 homes under \$250,000 available for sale.
- There is a desire for condominiums and smaller single-family homes within the City.
- There is a need to update single-family homes (these may be owner or renter occupied), specifically those in neighborhoods surrounding the University.

## Owner Cost Trends

Sales data was reviewed to better understand the costs and sales trends of housing in Dunn County. Figure 35 shows the median sale price in Dunn County and the State of Wisconsin. Both markets have seen significant increases in sale prices.

A February 14, 2023, search of Realtor.com identified seven homes currently for sale in the City of Menomonie. The lowest cost house was a 3-bedroom, 2-bathroom, 1,328 sq ft home for \$155,000 while a 3,362 sq ft, 4-bedroom, 4-bath home on 3/4-acre lot was listed for \$370,000. A 2-bed, 2-bath, 1,443 sq ft new construction home on a 1-acre lot in the Town of Red Cedar, just east of the City limits, was listed for \$415,000.

Figure 35: Median Sale Price



Source: Wisconsin Realtors Association

## Owner Affordability Analysis

While the individual financial situation of each household varies, the analysis in this study is based on the Federal affordability standard that households should not pay more than 30% of their gross income

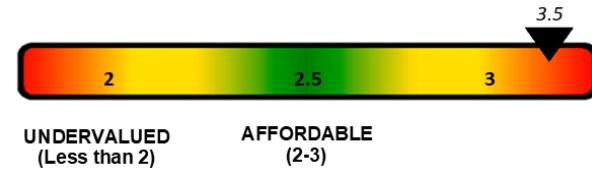
# Housing Needs Analysis

on housing costs, regardless of income. In other words, a household that is paying more than 30% of its income on housing costs is considered cost-burdened and may have difficulty affording necessities.

*Housing costs for owners = mortgage payments + real estate taxes.  
+ homeowner's insurance + utilities*

Consider the following:

- At a wage of \$15 - \$20/hour for a single-income family, a household could afford \$780 - \$1,040 in monthly housing costs without being cost-burdened.
- It is estimated that in 2020, 22% of homeowners with mortgages in the City spent more than 30% of their income on housing costs and were considered housing cost-burdened.
- Median home values and sale prices have increased significantly over the last 20 years while median incomes have increased at a much lower rate.



One quick way to assess housing affordability within the owner market is to compare a community's median value of owner-occupied homes to median household income.

Housing is considered affordable if this ratio is between 2 and 3. If the ratio is 2 or less, the housing is considered to be undervalued (i.e., homes are valued at less than what the average household can afford). If a community's ratio is 3 or greater, the housing stock is considered to be unaffordable. In 2020, it is estimated that Menomonie's ratio was 3.5, indicating that the median house is unaffordable for the median household income, based on the 2016-2020 ACS 5-year estimates. This number is likely much higher in today's market, given that home prices have increased significantly in 2021-2022.

To more fully explore the current supply of owner-occupied housing relative to affordability, Figure 36 shows the City of Menomonie's households by income range and the number of owner housing units that fall within that range. This approach assumes that a healthy homeownership market mix will have a supply of owner units at certain affordable cost ranges (or price points) that are near, or equal to, the number of households within the respective household income ranges.

Similar to the rental affordability analysis, the balance in Figure 36 does not necessarily represent a homes sales market surplus or deficit for each price point. The balance is simply the difference between the number of households and number of owner units for each income range and affordable price point range. The balance suggests how the City's existing owner units might be better distributed based on household income and the price points; the total number of units does not change. A negative balance suggests that households are paying more or less than their price point for their housing. These households may be interested in housing at their price point should it become available. A positive balance suggests that households from other income ranges are moving up or down from outside the corresponding price point.

# Housing Needs Analysis

Figure 36: Owner-Occupied Housing Affordability by Cost, 2020 (City of Menomonie)

Household Income Ranges	# of Owner Households	% of Owner Households	Affordable Owner Range (price point)	Number of Owner Units	Balance
Less than \$24,999	415	17%	Less than \$59,999	236	-179
\$25,000 to \$34,999	142	6%	\$60,000-\$89,999	169	27
\$35,000 to \$49,999	250	10%	\$90,000-\$124,999	424	174
\$50,000 to \$74,999	382	16%	\$125,000-\$199,999	894	512
\$75,000 to \$99,999	468	19%	\$200,000-\$249,999	317	-151
\$100,000 to \$149,999	466	19%	\$250,000-\$399,999	318	-148
\$150,000 or more	279	12%	\$400,000 +	44	-235

Source: US Census 2016-2020 5-Year Estimates

#### Methodology Notes:

- The above affordable price points are calculated based on 2.5 times the annual household income, which accounts for the financing of the home purchase over time at about 25% of the household income. This is less than the 30% affordability standard discussed previously. The additional 5% in the Federal standard allows for the payment of all other housing costs, such as real estate taxes, insurance, and utilities.
- The U.S. Census Bureau provides data for household incomes and house values in ranges. To calculate the "Affordable Owner Range," the household income was multiplied by 2.5, to allow for the home purchase as discussed under item i. The result did not yield household income ranges that aligned perfectly with the house value ranges; these ranges were matched up as closely as possible.

Figure 36 provides the following insights from 2020:

- Most of the lowest-income households either have their home paid off or are paying more than their affordable price point for housing. About 17% of owner households have an income less than \$24,999. Given the low price point for these homes, it is likely that many of these households are retirees who have paid off their homes and are now on fixed incomes. However, there are 179 fewer units than households at this price point, suggesting that many of these lower-income owner households are cost-burdened. It's important to recognize that not everyone can afford to purchase a house; the goal is to have housing, whether rental or owner, that is affordable for a community.
- The largest concentration of owner housing in the City is valued between \$125,000 and \$199,999, per the 2016-2020 ACS 5-year Estimates. While the balance for this price range is positive, it does not mean that these homes are on the market, or that the sale price would be within this range. As discussed, the City had an owner vacancy rate in 2020 that was on the low end of the healthy range (it is much lower today), which impacts both availability and cost.
- Based on the data, the market is tight towards the highest end of the housing values. There is a negative balance for households with incomes of \$75,000 or more. Many of these households have likely purchased homes with lower values, and perhaps at lower prices, than what they could afford. Like the rental analysis, there are many potential financial and personal reasons why a household may purchase a home less than their target price point. However, the table suggests that many of the \$75,000+ income households likely have the financial resources to "move up" and purchase homes at a higher price point in the future should the home they desire become available; this would "free up" units, potentially for households with incomes less than that of the seller and also for renters who are looking to purchase a home.

# Housing Needs Analysis

## Owner Market Preferences

There is a lack of reliable data regarding owner market preferences and trends regarding housing types, styles, neighborhood, etc., for the Midwest. Research conducted in July 2021 by Pew Research Center<sup>12</sup> shows some of the impacts and shifts in preferences that occurred during the Coronavirus outbreak and accompanying period of telework, remote schooling, and other closures. According to the research, six in ten US adults said they would prefer to live in a community with larger homes and with greater distances to retail stores and schools (up from 2019).

The 2020 National Community and Transportation Preference Survey,<sup>13</sup> prepared by the National Association of Realtors and American Strategies, also provides some insights into housing preferences.

- The majority (56%) of Gen Z (born 1997 to 2012) and Millennials (1981 - 1996) with children in school now prefer a larger yard.
- Over two-thirds of Millennials would like a larger home with more rooms and would like to make it easier to work from their current home by adding an office or private workspace.
- Over two-thirds of those with children at home want access to more outdoor space.
- Americans in the top 50 Metropolitan Statistical Areas (MSAs) continue to remain split on preference between a walkable, small-yard house, and a more conventional suburban home.

AARP's 2021 Home and Community Preferences Survey: A National Survey of Adults Age 18-Plus,<sup>14</sup> also shares some trends and data on housing.

- Most older adults in the U.S. (79%) own their own homes and about half have paid off their mortgage. The survey found that about three-quarters of those age 50+ would like to stay in their current homes and community for as long as possible, compared to about half of those ages 18-49.
- “What matters in choosing a new place? Top of the list is a home where a person can live independently as they age. Other factors include the cost of maintaining their current home and finding a house that’s easier to keep up. American adults surveyed most often look for areas that are safer, have a lower cost of living, have more affordable housing, and are located closer to family.” AARP finds that people want access to quality of life amenities such as a grocery store, health care, parks, trails, and other community amenities.

The 2022 Dunn County Housing Survey provides some insights into preferences for the Dunn County owner housing market.

- As one might expect, the homeowners who responded to the survey, compared to renters, were older, have larger households, live in homes with more bedrooms, live in larger housing units,

<sup>12</sup> Gomen, Vianney. “More Americans now say they prefer a community with big houses, even if local amenities are farther away.” Pew Research Center. August 26, 2021.

<sup>13</sup> National Association of Realtors. National Community and Transportation Preferences Survey - July/August 2020.

<sup>14</sup> Binette, Joanne. “Where We Live, Where We Age: Trends in Home and Community Preferences”. AARP, November 2021.

# Housing Needs Analysis

and have higher household incomes.

- Housing costs, quality of neighborhoods, being near family and friends, and being near their jobs were the top reasons that survey respondents choose to live where they do. Homeowners, compared to renters, placed greater emphasis on quality neighborhood, quality schools, aesthetics/beauty, and recreational opportunities when making a housing decision.
- Significantly more homeowners than renters identified property taxes, cost of maintaining a home, and availability of land/lots as the top housing challenges facing their community. The cost of buying a home was the top concern for homeowners.
- Compared to renters, homeowners who responded to the survey were significantly more satisfied with their current housing size, condition, affordability, and location. Only 27% of homeowner respondents strongly agree or agree that they have not been able to find their preferred housing at an affordable price (compared to 77% of renter respondents).
- Among all survey respondents, 85% identified having a home with low property maintenance and 83% desired a home that is not a fixer-upper. These respondents found such characteristics to be important or very important when making a housing decision. Further, 68% desired a country lifestyle (not a traditional neighborhood) and 65% desired a larger lot or property. To the contrary, 53% of all respondents identified living within walking or biking distance to work, downtown, school, parks, clinic, etc., as important or very important when making a housing decision.
- 26% (122) of the homeowner respondents would consider moving if the housing they need or desire was available in the community in which they work. The majority of these respondents work in the City of Menomonie with 17 respondents working outside of Dunn County and five working outside of Wisconsin. While most of these respondents continue to desire a detached single-family home (small or larger) in five years, there is interest in townhome or condominiums, senior apartments, as well as duplexes and twinhomes.
- 43% of homeowner respondents identified living in the country or a less developed area as being very important to them when making a housing decision.
- The large majority (94%) of homeowners desire to continue to own their own home within five years.
- The majority (49%) of Menomonie homeowners who responded to the survey live in a larger (more than 2,000 sq ft) single-family home while 43% live in a smaller single-family or “starter” home.
- Menomonie homeowners who responded to the survey identified quality neighborhood, cost of home, and near job as the top three reasons they choose to live where they do.
- 93% of Menomonie homeowners would like to remain owning a home in five years while 7% (14

# Housing Needs Analysis

respondents) would prefer to be renters (preferred housing types for these folks include senior apartments, townhome or condominium, duplex or twin home, and smaller single-family home).

- 87% of Menomonie homeowners placed emphasis on a home that is not a fixer-upper when making a housing decision.
- The majority of Menomonie homeowners agree or strongly agree that their current housing is affordable and they are satisfied with the location, size, and condition of their currently housing.
- 49% (102 respondents) of Menomonie homeowners agree or strongly agree they would move if their preferred housing was available at an affordable price. For many, the preferred housing would be a single-family home (mix of larger versus smaller) while 9% (9 respondents) prefer a townhome or condominium, 6% (6 respondents) desire a senior apartment, 5% (5 respondents) prefer a duplex or twinhome, and others prefer co-housing or some other type of housing product.

In summary, most homeowners who responded to the housing survey appear to be comfortable with their existing housing situation, yet approximately 26% of all County respondents would consider moving to the community in which they work. Compared to renters, a strong majority of homeowners prefer to live on a larger lot and in the country. Both renters and owners want a home with low property maintenance and a home that is not a fixer-upper. Far fewer Dunn County homeowners (25%) compared to renters (65%) identified access to financial assistance for housing costs, such as rental subsidies or low-interest loans, as being very important when making a housing decision.

## Housing Demand Projections

The need for new housing is generated from population growth, new household creation, and housing replacement needs. Population growth creates demand for new homes and apartments unless there is suitable vacant housing to absorb the demand. Employment generally supports growth in new households; however, changes in demographics, economics, and personal preferences are also factors. Declining household size in the City also increases the number of households and the need for more housing units.

Current and projected demand discussed in this section provides guidance based on recent trends and the best information available. No estimate, model, or projection is perfect. Area communities and partners have the ability to influence these projections based on other programming and policy decisions. Moreover, the housing market does not stop at municipal boundaries. A municipality's housing supply and demand is influenced by what is occurring around it. Further, unanticipated social, economic, and policy factors in the larger region or nation can also influence local growth, housing costs, and market demand.

# Housing Needs Analysis

## THE FOLLOWING DEMAND PROJECTIONS DO NOT INCLUDE ALL RECENT UNIT CHANGES

Housing units are continually entering and leaving the market and changing the net supply. At a county or community scale, there is no single-source for building permit data and it is even more difficult to estimate when units leave the market (e.g., converted to other uses, vacant but not on the market, razed).

The 2025 housing unit demand based on projected household growth since 2020 was decreased by 13 rental units and 263 owner units as that was estimated, based on Census data estimates and data provided by the participating communities, to be the net increase in units from 2020-2022 when the data was collected. However, this estimate is likely not a complete accounting of all unit changes since 2020. The above numbers should only be used as inputs into the demand model as an allowance for recent growth so that the 2020 demand is not significantly overstated.

## Methodology

This assessment used a 3-part approach to estimate housing demand within the City:

1. 2020 “pent up” demand, largely driven by vacancy rates and overcrowding
2. 2025 projected demand, largely driven by household projections, minus net residential permits
3. 2030-2040 projected demand, largely driven by household projections

## 2020 Housing Unit Demand

The following estimates for 2020 housing unit demand are based on the findings and data shared in previous sections of this report. As described previously, estimating additional unit demand based on a healthy vacancy rate accommodates needed market flexibility (e.g., unit sizes, types/styles, location, settings, price ranges) so that households can find housing that fits their lifestyle and budget. The current demand for seasonal or recreational housing and group quarters was not estimated given the lack of reliable vacancy data for such structures.

### 2020 Renter Housing Demand:

- It is estimated that there were 126 vacant units available for rent in the City of Menomonie in 2020. In order to project demand, vacant units must be considered since they are part of the overall supply and can contribute towards achieving a healthy vacancy rate.
- An additional 71-149 units for rent are needed in order to achieve a 5-7% vacancy rate standard that is indicative of a healthy housing market.
- This estimate does not include: (i) rental for seasonal, recreational, or occasional use, or (ii) rental related to group homes, assisting living, or nursing care. This estimate also does not account for the influences of other renter preferences, such as unit size, style, condition, and location.

### 2020 Homeowner Housing Demand:

- It is estimated that there were 57 vacant homes for sale in the City of Menomonie in 2020.
- An additional 11 units for sale could be added to the owner market to bring the 2020 vacancy rate to the high end of the healthy range.

# Housing Needs Analysis

- This estimate does not include seasonal, recreational, or occasional use homes. This estimate also does not account for the influences of other homeowner preferences.

## Housing Demand Projections - 2025 to 2040

The following demand projections build upon the 2020 housing unit demand estimates in the previous subsection with the following additional assumptions:

- The total population and total household projections are the official State of Wisconsin projections prepared by the Wisconsin Department of Administration (WDOA). These projections were last updated by the State in May 2014 and reflect City population trends in past censuses. The City has the ability to influence population and household growth, thereby impacting these projections.
- During interviews and discussions with the City, no major economic changes resulting in large workforce increases or losses were identified that necessitated a modification to the projections prepared by WDOA.
- The renter vs. owner household percentages for the City are the U.S. Census averages from the 2016-2020 ACS. The unit projections assume that the mix of renter vs. owner households for the community will remain the same over the projection period.
- The additional rental units needed was increased by 6% to provide for market flexibility, to account for assisted living units, and to maintain a healthy vacancy rate. Similarly, the additional owner units needed were increased by 2.2%.
- The projected units needed were not modified to reflect the physical condition of the existing housing stock. The unit demand can be met through new construction that replaces existing homes that are beyond repair, as well as through rehabilitation and/or reuse of vacant structures. Further, seasonal, recreational, and occasional use housing units are not included in the projections.

Figure 37 shows the housing unit demand projections based on the 2020 population and household data from the US Census 2020 Redistricting and the population and household projections prepared by the State of Wisconsin in 2014.

Key findings from the City of Menomonie housing unit projections are:

- The projections suggest that between 562 to 651 total housing units will be needed in the City by 2040.
- About 62% of the new units needed by 2040 will be rental, with 38% new units needed for owner occupancy; the projections were prepared on the assumption that the current mix of occupied housing units (60% rental vs. 40% owner) will remain the same. The exact mix is uncertain and can change over time based on factors such as incomes, lifestyle preferences, and the housing supply.

# Housing Needs Analysis

Figure 37: Housing Unit Demand Projections (City of Menomonie)

	2020 Redistricting	2025	2030	2035	2040	Net Change
Total Population	16,843	17,050	17,120	17,070	17,050	207
Total Households, excluding group quarters	6,242	6,467	6,604	6,688	6,758	516
Change in Total Households		225	137	84	70	--
Change in Rental Households (59% Rent)	---	102	81	50	41	273
Change in Owner Households (41% Own)	--	123	56	34	29	243
Additional Rental Units Needed*	71-149	96	86	53	44	350-428
Additional Owner Units Needed**	0-11	91	57	35	29	212-223
Total Additional Housing Units Needed	71-160	187	143	88	73	562-651
Population in Group Quarters	3,135	3,337	3,334	3,326	3,336	201

\* In addition to the 126 estimated rental units currently vacant; \*\* In addition to the 57 owner units currently vacant

Adjusts in 2025 to account for new construction and demolitions in 2020, 2021, and 2022 (estimated)

- This study projects that an additional 20-25 rental units per year, over the next 17 years, will be needed by 2040. As discussed in previous sections, while rentals are found in all lifestyle stages, a high proportion of rental households tend to be younger and/or have lower incomes. In addition, a growing number of seniors are looking to downsize and avoid home maintenance associated with single-family homeownership, some of these may prefer to rent a senior apartment or a duplex unit. Keeping these needs in mind, as well as the number of calls received by housing officials in the City, a portion of the new rental units should specifically target subsidized housing and affordable units for income-constrained households, especially for younger families and seniors.
- This study projects that an additional 12-13 owner units per year, over the next 17 years, will be needed by 2040. The preferred housing types vary but are primarily focused on smaller and larger single-family homes.
- The countywide housing survey suggests that a substantial percentage of renters desire to own their home in the next 5 years, if they are able to find a home that they can afford.
- The City of Menomonie is expected to see an increase in population through 2035 and then see a slight decrease. Households are expected to continue to increase through 2040.
- As previously discussed, the senior population in Dunn County is projected to increase dramatically, especially among the 85+ cohort, over the next 15-20 years.
- It is possible that Dunn County's population and households will begin to decrease after 2040. Many factors, both within and outside the County, can influence these projections, including the housing and development policies in local communities. It is important that the County's and City's population and household trends be monitored carefully over the next decade as the

# Housing Needs Analysis

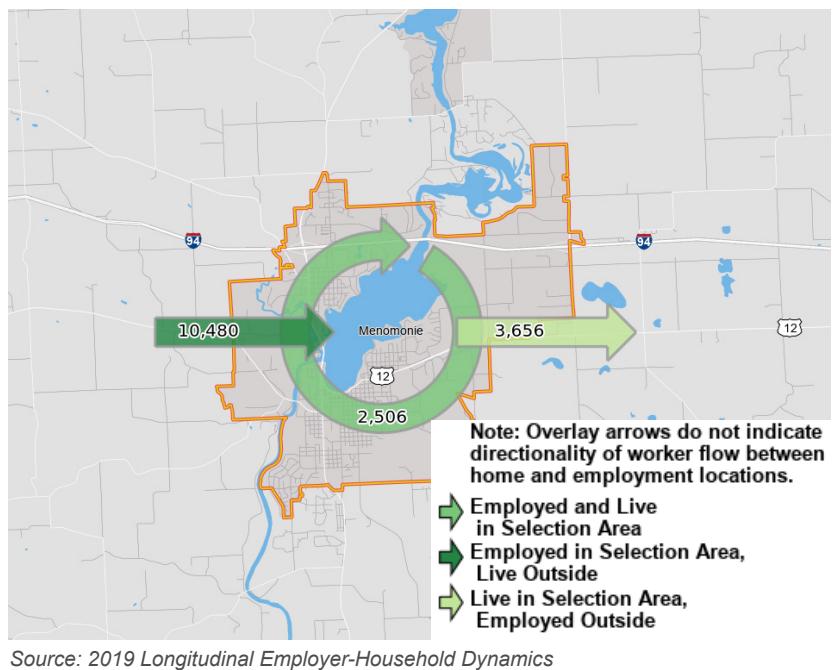
potential exists to over-build the housing supply resulting in vacancy rates above the healthy rate standard. "This urgent need for housing in the short and medium term may also create a very different challenge longer term. Wisconsin's youth population has been shrinking for two decades. Fewer children today means fewer younger workers in the future and a shrinking demand for housing by 2040 and beyond. That is about the same time that many of the baby boomers' homes will begin coming back on the market, possibly leading to an excess of housing."<sup>15</sup>

## Additional Growth Opportunities

As of 2019, there were 10,480 people working in the City of Menomonie that reside outside of the City. Many of these workers come from the City of Eau Claire, City of Chippewa Falls, and townships surrounding the City (Town of Menomonie, Town of Tainter, Town of Red Cedar, Town of Dunn) along with other communities.

The housing demand projections provided use household projections to calculate the future housing needs in the City. They do not include any potential new growth in households that could occur if the City attracts and captures new residents from outside the community. The City of Menomonie has the opportunity to exceed the household and housing demand projections if it captures some of the people commuting into the City each day for work. Providing housing choices for a variety of life stages and income ranges opens additional growth opportunities for the City.

**Figure 38: Inflow/Outflow 2019, City of Menomonie Primary Job**



## Housing Needs Summary

The previous sections in this Chapter describe and document the wide variety of housing needs throughout the City of Menomonie. To recap, these needs include:

- More rental units at all price points (subsidized for low-to-moderate incomes, workforce housing units, and executive/professional units)
- More owner units, both smaller 'starter' homes and larger homes

<sup>15</sup> Knapp, Dale. "A Housing Hurdle - Demographics Drive Need for More Homes". Forward Analytics. January 2023.

# Housing Needs Analysis

- More units specifically for low-to-moderate income households
- More units designed to allow and encourage seniors to “age in place”
- Improved housing quality, specific to off-campus single-family rental units

There is not a single solution that will address all of the identified needs, nor do changes and solutions happen overnight. A successful housing action plan will incorporate several strategies, involve many partners, and take time (and likely funding) to accomplish. The next Chapter identifies some recommendations, as well as goals and strategies, to help the City move forward in crafting its housing action plan.



# CHAPTER VI. RECOMMENDED HOUSING GOALS

# Recommended Housing Goals

This Chapter suggests housing goals to consider based on the findings in the previous Chapters of the study. These goals are shared with the County, but the numbers for demand and mix of housing are unique to the City. The County's housing market is largely one market and, while recognizing there are unique differences, most of the housing needs are shared. To successfully address these goals, a broad partnership of public and private entities throughout the County and City will be required, as well as support from outside partners.

## **GOAL 1 - Address the City's existing unmet housing demand, overcrowding, and low vacancy rates.**

- **Maintain a healthy housing mix of rental to owner units.** It is estimated that the housing mix in the City as of 2020 was 60% rental to 40% owner. The estimated housing demand within the City assumes this continued mix. As a University community, it is not uncommon to have a higher percentage of rentals. If the City desires to shift the rental/owner mix, it will need to create new housing opportunities that allow this shift.
- **Build more rental units at various price points.** It is projected that for 2025 there is a need for 167-245 additional rental units (non-seasonal / non-recreational) for a healthy housing market, in addition to current vacant units. A total of 350-428 additional rental units would be needed by 2040.
- **Build more owner units at various price points.** It is projected that for 2025 there is a need for 91-102 additional owner units (non-seasonal / non-recreational) for a healthy housing market, in addition to current vacant units. A total of 212-223 owner units would be needed by 2040. The estimated demand is based on the current rental/owner mix - if the City wants to shift this mix to a more even split, it will need to add some of the rental demand noted above to owner demand.

## **GOAL 2 - Strive to achieve a balanced housing market with opportunities for all households.**

- **Maintain existing and construct new affordable rental units for the lowest-income households.** This study identified 477 rental units in the City that are specifically reserved for low-and-moderate income households. The rents charged for these units are capped at rents that are determined by HUD to be appropriate based on the unit size and income level. Three of the five Low-Income Housing Tax Credit properties in the City are set to expire within the next four years. It will be important that these income-restricted units are preserved or replaced.
- **Increase the number of affordable rental units for the City's workforce population,** specifically for households with incomes marginally outside the income limits for subsidized housing. Interviews with employers confirmed the need for 'workforce' units to accommodate the workforce population, including the lower income-earner industry groups and entry level job holders. The workforce incomes are typically classified as making 80%-120% of the median income, but it is also possible, based on the wage data shown in Figure 15, that some of the workforce population falls into the low-and-moderate income category.

# Recommended Housing Goals

- **Increase the number of quality market rate rentals for executives and families.** While the City of Menomonie's primary pool of rental housing, per the 2016-2020 ACS, is at the \$550-\$1,500 price points, these units are being relied upon by households who may be paying less than they can afford. This may be by preference, the lack of other housing choices, or the cost of living (daycare, student loans, etc.) Adding new market rate units to the housing supply could provide an opportunity for the redistribution of households, particularly those that can afford higher rents, and open up existing units for other households. This also provides another housing option for professionals with families who can afford and prefer a higher-quality, market rate rental unit.
- **Address the need for additional smaller, starter homes in the \$150,000 - \$250,000 range.** Compared to renters, affordability and cost-of-living is less critical for many homeowners; the ability to find the desired housing is often a greater barrier. Interviews identified a need for "affordable starter homes" in the \$150,000 - \$250,000 price range. 14% of City respondents to the housing survey identified the lack of smaller, starter homes as one of the top three housing-related challenges facing the community. Recognizing that building material and labor costs make it difficult to meet this demand solely through new construction, it is possible that the creation of new move-up housing, along with new senior housing opportunities, would open-up starter home opportunities for entry-level homebuyers. This could also open up the opportunity for higher-income renter households to purchase a home, which in turn would open up a rental unit to another household.
- **Address the need for additional move-up homes and executive homes.** It is estimated that 2% of the owner-occupied housing units in the City are valued at \$400,000+ while 12% of the owner households have incomes to support this price range. Some interviews suggested the need for additional executive homes for upper-level engineers and other professionals. Nationwide, realtors are not seeing as many 'move-up' sellers in today's market as they have in the past. Many of these folks are choosing to stay put for now, as they consider the impact of higher mortgage rates on their monthly budget. While not as big of a need as the smaller, starter homes, there may be some unmet needs in the market for the City's highest income earners.
- **Evaluate vacancy rates of Assisted Living Facilities as well as Group Quarters and build new facilities as needed.** As mentioned, about 7.2% of the City's rental units are in assisted living facilities; this trend and demand for facilities will likely continue given the aging population. It will be important to monitor the need for these facilities along with Group Quarters (nursing homes, correctional facilities, dormitories, etc.).

## **GOAL 3 - Encourage quality housing choices that meet local demand and preferences.**

- **Provide a diversity of housing styles and sizes that offer a variety of choices for all lifecycle stages.** The housing market, both rental and owner, is diverse in terms of lifecycle stages and preferences. In the early stages, a household is likely to rent housing until it is ready to purchase a starter home (may be a single-family home, condominium, townhome, etc.) As a household ages and grows, the likelihood of owning a home increases until the senior stages,

# Recommended Housing Goals

when a senior may be looking to downsize (could be a rental or owner unit). Interviews with stakeholders in the county, as well as the countywide housing survey, suggested that more housing choices for all lifecycle stages and a variety of preferences were needed. Of all City of Menomonie respondents to the housing survey, 24% identified the lack of variety of housing choices as one of the top three housing-related challenges facing the City.

- **Provide housing choices to encourage seniors to age in place.** Given the projected dramatic increase in the senior population, there is a growing market for senior rental housing as well as single-level low-maintenance owner options that allows aging in place and aging in community. Since the 2016-2020 ACS estimates that 64% of households with a householder age 65+ in the City owned their own home, opportunities may become available for them to downsize into small units with less maintenance. Seniors electing to make this choice could free-up existing homes in the larger market. Given many seniors are on fixed-incomes, the price points will need to reflect the income levels. A wide-range of price-points is needed for the aging population.
- **Improve conditions of existing deteriorating housing stock.** 19% of City of Menomonie respondents to the housing survey identified deteriorating housing conditions as one of the top-three housing-related challenges facing their community. 36% identified the lack of quality rental housing as a top challenge, which leads one to believe these respondents are unsatisfied with the quality of rental housing in the City. Interviews and attendees at the housing forums also stressed the concern over deteriorating housing stock, specifically commenting on the poor quality of rentals near the University of Wisconsin-Stout campus. The 2016-2020 ACS estimates that 12% of all residential structures in the City were built prior to 1939, making them 80+ years old. The City should encourage and support the renovation of older residential structures to help improve the housing stock.
- **Incorporate and maintain quality of life amenities and services in new residential developments** (childcare, recreational opportunities, broadband, etc.) Quality of life amenities, such as broadband, recreational opportunities, and childcare, are becoming essential ingredients for attracting new growth and development.
- **Provide quality owner housing opportunities for professionals and families near the UW-Stout campus.** There is demand for quality owner-housing opportunities near the University. One UW-Stout professor commented that “..when we first moved here, I really wanted to live within walking distance to campus, but there were no single-family homes available that weren’t significant fixer uppers. Many of my friends have experience the same.” This need was also expressed during several of the interviews with employers, realtors, and others.

# Recommended Housing Goals

## **GOAL 4 - Strive to provide shelter for all, including those not currently in the housing market.**

- **Working with the County and community partners, identify and support opportunities for establishing transitional and/or supportive housing in the City.** There is an identified need in the County for housing to support various vulnerable population groups. Interviews with key informants stressed the challenges that individuals with a history or record, whether formerly incarcerated or former eviction, have in finding housing. The low vacancy rates, high rents, and high demand make it extremely difficult for these individuals to locate housing. It's possible that these folks end up homeless or couch surfing and sometimes end up back in the system. 33% (121 respondents) of City of Menomonie respondents to the housing survey identified transitional/supportive housing as one of the top three housing types most needed in their community.
- **Find opportunities to assist with individual household housing costs.** Housing costs have continued to outpace household incomes. The median gross rent in Dunn County, according to rentdata.org, increased approximately 20% from \$823 in 2020 to \$987 in today's market. The 2016-2020 ACS estimates that 48% of renter households in the City spent more than 30% of their household income on housing costs, making them housing cost-burdened. The median sale price in the County increased 106% from 2010 to 2022. The 2016-2020 ACS also estimates that 22% of owner households with a mortgage in the City were cost-burdened. These cost-burdened households could likely use financial assistance to help close the gap and make their housing costs more affordable.

## **GOAL 5 - Educate, collaborate, and advocate on housing related issues.**

- **Educate and involve residents in continued conversations surrounding the need for housing as well as the development process.** The housing forums conducted as part of this study helped to start the conversations on wages and housing costs within the City. These conversations need to continue to help educate people on the housing needs. It will also be important that residents be involved in planning for future residential development.
- **Educate landlords and tenants on rights and responsibilities.** A fundamental concern with the quality of housing is the risk of unsafe, even life-threatening conditions, such as decayed wiring. The City should undertake robust outreach to help tenants identify and report unsafe conditions in their units.

# Recommended Housing Goals

*(This Page Intentionally Left Blank)*

# CHAPTER VII. POTENTIAL HOUSING STRATEGIES



As the Urban Institute notes, “building affordable housing is not particularly affordable.”<sup>1</sup> There is often a large gap between the cost of land development and building construction compared to the housing costs that people can afford based on household incomes. The Urban Institute notes that “the gap between the amount a building is expected to produce from rents and the amount the developers will need to pay lenders and investors can stop affordable housing development before it even begins, leaving few options...”<sup>2</sup> As quoted in a September 2022 article from the New York Times, “It’s not that I don’t want to build entry-level homes, said Mr. Konter, the chairman of the National Association of Home Builders, it’s that I can’t produce one that I can make a profit on and sell to that potential purchaser.”<sup>3</sup>

AARP, in partnership with the National Building Museum, produced a report titled “Making Room - Housing for a Changing America.” The report provides three ways in which housing can be made more affordable:

1. Subsidize the Housing Supply - developers are incentivized to build, buy, and/or rehabilitate housing by receiving tax credits, tax breaks, low-interest loans, or direct subsidies. In exchange, housing units are reserved for households that earn a prescribed percentage of the area’s median income - an amount that’s established by HUD.
2. Subsidize the Housing Demand - supplement a household’s budget with a direct subsidy that can be used on the private housing market. This form of housing assistance is known as a housing voucher.
3. Expand the Menu, Grow the Supply - The Making-Room premise asserts that providing a wider menu of housing designs and choices can help people find the housing they can afford. For example:
  - Homes with less square footage can be less expensive.
  - Homes that can be shared allow people to combine their incomes.
  - Homes that can be divided into two or more units can generate income for a household.
  - Accessory units are likely to be more affordable than a standard apartment.

Multiple strategies will need to be employed to accomplish the goal of providing quality, affordable, housing for all in the City of Menomonie. Many of the strategies shared in this Chapter can help narrow the gap, expand the menu, and grow the supply.

This Chapter identifies seven primary “housing pieces” that together can work to accomplish the City’s identified housing goals. Within each piece are many different strategies or programs that can be used, as will be discussed in detail on the following pages. It will be important that the City consider and use a variety of strategies in its action plan, as no single strategy will successfully accomplish providing housing for all.

<sup>1</sup> “The Cost of Affordable Housing: Does it pencil out?” The Urban Institute in partnership with the National Housing Conference. <https://apps.urban.org/features/cost-of-affordable-housing/>. Accessed September 4, 2019

<sup>2</sup> *Ibid.*

<sup>3</sup> Badger, Emily. “Whatever Happened to the Starter Home?”. The New York Times. September 25, 2022.

# Potential Housing Strategies





## Strategies to Reduce Development Costs

Financial packaging can be complicated and can be even more complicated when trying to undertake an affordable housing project. A financing gap can exist even with tax credits and land donated for a project. Actions are necessary to reduce development costs and close the funding gap for developers, while still maintaining and working towards community goals.

**Minimize regulatory barriers.** A longer and more uncertain development review process increases the cost of development. The City should review its land development process and work to make it simpler, shorter, and more transparent, while maintaining requirements that are necessary to achieve the community's goals. A transparent review process, that is clear to all parties involved (developer, residents, officials, neighbors, and others), helps remove uncertainty and minimizes risk. As part of this strategy, create a development guide that provides all of the land development regulations, fees, meeting guides, etc. to help educate developers and citizens on the development process.

As part of this strategy, the City should also consider, as suggested in the City's 2022 Affordable Housing Analysis report, establishing a Development Review Team. This team would be comprised of staff and would work with the developer to discuss all requirements, expectations, and timelines for approval and help shepherd projects through the process.

**Streamline the development process.** Time is money. In the development review process, added meetings and review time mean added project cost. A streamlined approval process for housing projects that include affordable units would offer an incentive to include such units in a project and reduce the project cost. The City's 2022 Affordable Housing Analysis report suggests that the City create incentives to fast-track development that include low-to-moderate income housing. Review the current development review processes and identify opportunities for efficiencies.

**Install the necessary infrastructure (streets, utilities, etc.) or provide land for development.** Installation of utilities and land cost make up a significant portion of the development cost of a residential lot. By utilizing a variety of funding sources, most commonly Tax Increment Financing (TIF), communities can install the streets and utilities necessary for development and/or provide land to a developer. The City should evaluate existing public land for housing opportunities.

**Consider reducing permit fees for projects that include affordable housing units.** Review the fees charged for residential developments and identify opportunities for waivers or reductions, specifically for projects that commit to providing a certain number of low- and moderate-income units. One example would include requiring 20% of the units in a development to be affordable at 50-80% of the County Median Household Income, or other criteria as established by the City.

**Contribute financially, or provide financial incentives, to residential development projects.** Consider providing financial incentives or contributions to residential development projects to help reduce the overall development costs. Funding tools include the use of Tax Incremental Financing and a Revolving Loan Fund (the City already has a Revolving Loan Fund in place).

# Potential Housing Strategies

**Consider creating an Affordable Housing Fund.** The City could create an Affordable Housing Fund to be a general purpose funding vehicle that can serve various affordability initiatives anywhere in the city. This can be used for matching funds, land purchase, new construction, rehabilitation, renovations for seniors, and downpayment assistance. This funding could be leveraged to make developers more competitive when applying for Low Income Housing Tax Credits (LIHTC). The City could consider offering low-interest loans rather than grants, to help sustain the fund over a period of time.

**Encourage developer/builder participation in local, state, federal, and non-profit housing assistance and initiatives.** There are a number of financial assistance programs (e.g., loans, grants) to help reduce the cost of development and encourage affordable housing. The City should encourage and support participation in these programs. Many of these programs encourage or even require local participation in projects, which could include public financing or a public-private partnership.

**Hold educational sessions for partners on how to financially package affordable housing projects.** Packaging an affordable housing project can be complicated and takes time and resources to pull together. Educating developers and other partners on assembling a successful package, which uses a variety of financial sources would be of support to a developer.

**Explore the possibility of “the city as the developer,” where the community dedicates resources to create local subdivisions or partners with other organizations to build housing units.** Explore opportunities to act as the developer in order to achieve local housing goals. This activity can be carried out directly by the local unit of government or through a housing authority, redevelopment authority, etc. The City could also partner with other organizations that have experience in this line of work to carry out projects. Additionally, the community can identify, zone, and assemble sites to make them ‘shovel-ready’ for new projects.

Along with taking these steps, the City could fund a “spec” home as an example project, which could demonstrate to developers the type of housing the community envisions developing and could show how projects can be put together. This could help to ease uncertainty and hesitation about doing such projects. It is rare that someone wants to be the first one to try a new project; having an example project to demonstrate demand and financial packaging could motivate developers and spark additional projects.



## Strategies to Assist with Household Housing Costs

The rise in housing costs has continued to outpace growth in household incomes. It is estimated that approximately 48% of renter households in the City spent more than 30% of this household income on housing costs, making them cost-burdened. The median sale price for a home in Dunn County increased 106% from 2010 to 2022. The 2016-2020 ACS estimates that 22% of homeowner households in the City with mortgages spent more than 30% of their household income on housing costs. Identifying and acting on opportunities to provide direct assistance to households can help narrow the gap between housing costs and household incomes.

# Potential Housing Strategies

**Continue to promote corporation participation (business assisted housing) programs, both home purchase and/or rent assistance, for employees.** Home Sweet Menomonie has been a very successful program in the City. Continue to promote this program and encourage other employer-assisted participation where appropriate.

**Support financial programs designed to benefit lower-income families seeking affordable housing.** Advocate for and support the continuation of existing, and the creation of new, financial programs that specifically provide resources to lower-income individuals or families. Work with community organizations, program administrators, and other governmental bodies to identify additional funding needs and advocate for new resources.

**Promote and educate individual households on participation in local, state, federal, and non-profit housing assistance programs.** There are a variety of programs that exist to provide direct financial assistance to households. These resources are available for homebuyers and homeowners as well as renters. Residents and prospective residents are often not aware of the support available and the programs that exist. The City can work collaboratively with the County and local housing authority, along with other partners, to educate and promote the use of these programs.

**Consider utilizing the Tax Increment District (TID) affordable housing extension to create a need-based grant or loan program.** The affordable housing extension allows municipalities to extend the life of a successful Tax Increment District by one year if the final increment is used for affordable housing. At least 75% of the final increment must benefit affordable housing in the municipality. The City should continue to evaluate its TIDs and identify opportunities to use this extension to fund need-based loan or grant programs. Examples of such programs would include home improvement loans for low-income residents, or home-based childcare providers. These programs could help keep costs, including childcare costs, down for low-income residents.

**Consider the creation of a need-based grant or loan program designed specifically for seniors.** Communities can use funding sources such as the TID affordable housing extension to establish a grant or loan program designed specifically for seniors. A home improvement loan program designed to assist with accessibility upgrades for seniors would support aging in place.



## Strategies for Transitional / Supportive Housing

There is an identified need in the City and County for transitional and/or supportive housing that helps vulnerable population groups. The City, working with the County, will need to engage with partners, and possibly form new partnerships, to explore these concepts and identify options for developing facilities, as well as related management and operation functions.

**Support and encourage efforts for establishing transitional housing.** Support efforts of partner organizations working to establish and/or maintain transitional housing that provides a residence and

# Potential Housing Strategies

services to those in recovery or exiting the correctional system. As noted, 33% of City of Menomonie respondents to the countywide housing survey identified transitional housing as one of the top three housing needs facing the community.

**Support the reuse of vacant buildings and land for transitional and supportive housing.** There may be opportunities in the City to reuse existing, vacant buildings for the purpose of transitional housing. The City should work with community organizations, including the housing authority, to identify potential adaptive reuse opportunities. Example reuse opportunities include renovating former motels, hospitals, and other structures into housing units.

**Explore the use of tiny homes or pallet shelters as a form of transitional housing.** Partner with a community organization to explore the use of tiny homes or pallet homes for transitional housing, looking to the Hope Village Chippewa Falls development as an example. Local zoning regulations will also need to be reviewed and may require adjustments.



## Strategies for Improved Housing Quality and Conditions

**Working within the confines of 2017 Wisconsin Act 317, consider identifying districts where inspections of rental property would be required.** While 2017 Wisconsin Act 317 places limits on a local government's ability to undertake inspections of rental property, it does allow "a city, village, town or county to establish a rental property inspection program in designated districts in which there is evidence of blight, high rates of building code complaints or violations, deteriorating property values, or increased in single-family home conversions to rental units."<sup>1</sup> The City should discuss and identify if there are areas within the City where this should be used.

**Work with local high school students and University groups as resources for undertaking housing improvements.** Home repairs may be too costly for households to undertake, especially those of low-and-moderate incomes. Consider ways to use high school students and university groups to assist in undertaking home improvements and repairs.

**Provide financial incentives to encourage private redevelopment of deteriorating housing.** La Crosse County's "Neighborhood Revitalization Acquisition and Demolition Grant Program," which provides grants to homeowners and developers who wish to tear down deteriorating housing to build new housing in its place, could be looked at as a model program. "\$1.3 million was originally put towards the program, which turned into more than \$30 million of new tax base in La Crosse, along with 263 housing units."<sup>2</sup>

<sup>1</sup> Wisconsin Legislative Council Act Memo. 2017 Wisconsin Act 317. Rental Housing, Landlord-Tenant Law, Court Records, and Local Government Authority.

<sup>2</sup> 2022 July 5. "La Crosse County expands program to replace dilapidated homes with new housing developments." WEAU.

# Potential Housing Strategies

**Remove and replace some of the worst homes.** The data, including interviews and comments at the housing forums, confirm that the City has some homes that are in very poor condition. For these homes, it would be more cost effective to demolish and replace the home rather than undertaking repairs. To address this issue, the City may look to create a housing replacement program.

The City of LaCrosse, WI, has been recognized for its Housing Replacement Program which is aimed at restoring the residential character of its older neighborhoods where homes have been neglected. "It is designed to eliminate the worst housing and improve the environment so others will reinvest in decent housing."<sup>3</sup> The program, initially funded through a Community Development Block Grant (CDBG) and Home Investment Partnership Program (HOME) funds, uses the funds returned to the City through the sale of the property for continuation of the program. Much of the work to rebuild the homes is accomplished with donated labor and materials. The City also partners with the local technical college to use job sites as field training for students involved in the Wood Technologies course. To qualify for purchase of the home, a purchaser must have an income below 80% of Median Family Income and be able to secure mortgage money. The purchaser must also participate in a program that provides housing counseling and down payment assistance.

**Educate tenants and landlords on rights and responsibilities.** Hold educational sessions on "how to be a good tenant" and "how to be a good landlord". Work with the University to promote these sessions for students living off-campus. The City of Stevens Point has worked with the University to offer a credit to students who attend a landlord/tenant class. The City's Neighborhood Improvement Coordinator stated that since implementing this voluntary program, the City has seen a 50% reduction in off-campus property maintenance violations. They've had about 100 students go through the program and have received positive feedback from students and landlords on the program.

## **Establish a Rental Conversion Program.**

The conversion of owner-occupied homes to renter-occupied homes is a common occurrence in college communities. While not all instances are problematic or undesirable, these conversions can cause concerns from nearby owner-occupants. The areas of concern in the City of Menomonie are likely most pronounced in neighborhoods surrounding the University. It could be desirable to convert some of these renter-occupied homes back to owner-occupied units. Information shared during interviews seems to show a desire by some professors and others to own a single-family home near the University.

*...it breaks my heart to see many once lovely homes downtown that are now slovenly rentals. I would love to see more apartment-style buildings for student rentals...if we had more apartment buildings for students, then some of those beautiful old homes could be renovated into duplexes and single family homes for professionals and families. When I lived in Ithaca, NY, we had an organization called Ithaca Neighborhood Housing Services that did many things, but one of them was to buy and fix up old homes - I'd love to see something like that happen in Menomonie, too."*

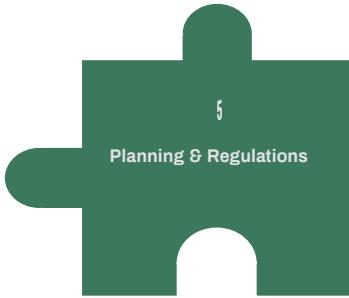
*Submitted by a University of Wisconsin - Stout Professor*

The cities of Madison, Wisconsin, and Elgin, Illinois, have both established programs that could be looked at as models. In the City of Elgin, grants are available for the conversion of non-conforming

<sup>3</sup> City of La Crosse Website - <https://www.cityoflacrosse.org/your-government/departments/community-development-and-housing/replacement-housing>

# Potential Housing Strategies

multi-family housing back to original conforming residential uses. In Madison, funds are offered in specific neighborhoods for the cost of renovations to convert the unit plus up to 10% of the purchase price of a home, not to exceed \$80,000 for a single unit property. The City of Menomonie should consider a similar program, limited to homes within a certain distance of UW-Stout.



## Planning and Regulation Strategies

Planning policies and regulations have a direct impact on development. The County and communities should evaluate their regulations to ensure that they are not acting as a barrier to affordable housing, but rather that they support and enable development to meet the housing demands and needs for existing and prospective residents. The City should use the *“Enabling*

*Better Places: A User’s Guide to Neighborhood Affordability,”* a 45-page report that outlines zoning and building code changes that communities can consider to make it easier and cheaper to build housing that’s affordable, as a guide to help inform regulatory changes.

**Review and amend local ordinances.** Review and amend local ordinances to allow for a variety of housing options (lot sizes, Accessory Dwelling Units, tiny homes, co-housing, etc.), reduce parking requirements where appropriate, and increase flexibility in the development process. Allow for different housing types in residential zoning districts. The City’s zoning and subdivision ordinances should be reviewed and updated with consideration given to the following:

- Adjust lot sizes, lot widths, and minimum setback requirements to allow for variety within a residential neighborhood.
- Adjust minimum required floor areas for principal buildings.
- Enable Accessory Dwelling Units (ADUs).
- Reduce parking requirements for affordable housing projects.
- Enable development of tiny homes.
- Enable “missing middle” housing types, which fall between single-family detached homes and mid-rise multi-family buildings, to locate in residential zoning districts.
- Increase flexibility in the development process.

**Promote and prioritize the development of projects that support healthy neighborhoods**, those which provide a variety and balance of jobs and housing and have quality of life amenities including parks and open space, community gathering places, and other social and recreational opportunities. Healthy neighborhoods have a balance of jobs, housing, and quality of life amenities and allow a resident to navigate through the various stages of the housing lifecycle.

**The City’s Comprehensive Plan was adopted in 2016. Incorporate this study into the Comprehensive Plan as part of a future update.** Use the Comprehensive Plan as a tool to identify target growth areas for new residential development. The Plan can also be used to promote and plan for a variety of new housing types. A solid Comprehensive Plan, when followed, can help minimize uncertainty and delays in the development process.

# Potential Housing Strategies

**Identify and promote the availability of land for infill development. Explore the creation of a purchase fund to acquire vacant residential lots.** Encourage new housing development to locate on existing vacant residential properties where infrastructure is in place and services are accessible. These lots are 'development ready' and benefit the community through increased tax value. The City's 2022 Affordable Housing Analysis report identifies and maps the undeveloped parcels zoned for residential development with the City. The City should specify priority infill development areas and offer incentives, such as density bonuses, for developing infill locations. Explore the creation of a fund dedicated to acquiring vacant residential lots, which could be used for new housing.

The City of South Bend, Indiana, implemented the following initiatives to encourage infill development in existing neighborhoods within the City:

- Policy changes for utility connection fees: "The policy changes will be made to the current System Development Charges (SDCs), which cover the utility's cost of connecting new developments to water and sewer services. Under the revised policy, SDCs will not apply to infill housing of 5 or fewer units. They will also not apply to housing developments of more than 5 units if they are financed with low-income housing tax credits or are built by a non-profit."<sup>4</sup>
- Pre-approved Building Plan Sets: Under the "Build South Bend" program, the City offers a set of pre-approved building types at no cost. "A 'Sears Catalog' of housing options offers a range of contextually appropriate plans to individuals and developers that are interested in pursuing new construction infill projects within the City of South Bend."<sup>5</sup> Each plan has been vetted against zoning regulations, common construction techniques, and market conditions.

## **Identify opportunities to add value and residential density to existing developed parcels.**

Underutilized developed sites, while not vacant, can be prime redevelopment opportunities. The City should identify underutilized sites (think sites with deteriorating buildings, etc.) that have potential for housing development. These sites can be identified and prioritized in the City's comprehensive plan.

**Consider forming a private-public work group or team at the City level, or participate in a County group, that will monitor demographic and housing changes.** The City will need to monitor population/household changes, the overall housing mix, and progress toward the housing demand projections. Compare changes and progress to the numbers in this study and modify actions as necessary. The demand projections are based on State household projections. These projections are not a foregone conclusion and the City has the ability to influence these projections based through various policies.



## Education, Collaboration, and Advocacy Strategies

Educating residents, developers, lenders, and others on the City's housing needs and action steps will be important. The City will also need to collaborate with partners, and organizations to undertake many of the suggested strategies identified in this study.

<sup>4</sup> South Bend Indiana. "Mayor Mueller Announces New Neighborhood Homes Initiatives". June 24, 2022.

<sup>5</sup> South Bend, Indiana. "Build South Bend: Pre-Approved Building Plan Sets."

# Potential Housing Strategies

## Advocate for new federal and state programs to assist developers and individual households in housing and development cost reductions and to address other housing needs within the County. Advocate for balancing regulations with local housing needs.

Rural communities are often at a disadvantage when trying to access capital through state and/or federal financing programs. For example, a project competing for funding through the Low Income Housing Tax Credit (LIHTC) will score higher if it has access to public transit, has a higher “walk score,” meaning the housing will potentially reduce residential transportation costs, and other criteria that might not be easily met in rural areas. The City and partners should advocate for new programs or set-asides designed specifically for rural communities to be established by state and federal legislators. In Wisconsin, WHEDA (Wisconsin Housing and Economic Development Authority) administers the Housing Tax Credit program. WHEDA’s 2022-2023 Qualified Allocation Plan, which provides the criteria and process for the allocation of the Housing Tax Credit, includes a Rural Set-Aside of 25%; this is an increase from the 15% set-aside in the 2019-2020 plan, which was an improvement from no rural set-aside in earlier plans.

Use a common message/voice to advocate for top housing priorities. Use examples and scenarios to demonstrate and educate legislators and elected officials on City and County housing needs and challenges. Other ways to advocate for local housing needs include: local legislative day, town hall meetings, comment periods, and letters/phone calls to legislators.

## Advocate for changes to the limitations established under 2017 Wisconsin Act 317, which restricts local government inspection of rental properties.

2017 Wisconsin Act 317 of the Wisconsin legislation, which was enacted in the spring of 2018, made several changes to law affecting rental housing. The law prevents municipalities and counties from passing ordinances that require inspection of rental property. Prior to this law, the City of Menomonie was undertaking routine inspections of rental properties, which helped to ensure the safe condition of rental units. Since this law was enacted, the City’s Building Inspector is no longer able to perform such inspections except on a complaint basis (from tenant on lease or a city official) or if the owner want a voluntary inspection of the unit. The City should work with the County and other municipalities to advocate for changes that would allow the City to undertake routine inspections.

## Consider forming a private-public work group, or participate in a County team, that will meet to promote collaboration with housing industry groups, build consensus regarding housing issues, and help put this study into action.

Engage the public, employers, the development community, and other partners to develop a shared vision for housing. Discuss the challenges and barriers to addressing housing needs of all residents, while further prioritizing potential actions. Advocate for, and coordinate implementation of, the recommendations in this study. The housing task force could be responsible for the following:

- Identify the housing advocacy priorities, which based on this study could include:
  - Need for new financial programs or funding programs designed specifically for rural communities.
  - Need for additional funding mechanisms to develop housing for those most in need.
  - Amend local/state/federal policies to balance regulations with local housing needs.
- Hold regular meetings to monitor housing and demographic changes within the City.

# Potential Housing Strategies

- Conduct and coordinate forums and trainings on housing-related topics.
- Undertake marketing efforts to attract developers and promote the City.
- Communicate existing and new housing programs and initiatives to residents, businesses, developers, builders, and other key stakeholders.

**Educate residents on the wages and incomes of those within the City and County and work to dispel myths associated with “affordable” housing and higher-density development.** A community must ensure it is addressing all housing needs within its boundaries. Given the City’s trends of lower incomes, aging population, and workforce needs, it must improve the mix of housing types and allow for residential infill.

The key to overcoming NIMBY (“Not In My Backyard”) opposition to housing projects is to educate and communicate with people as to what affordable housing is and why it is important. When people hear the term “affordable housing,” they tend to think of the worst-looking and poorly managed housing project they have encountered. Perceptions and stigmas often act as a barrier. Efforts to break through this barrier include:

- Educate the community on critical housing needs. Show them the demand numbers and the desperate need for additional housing units.
- Educate the community on what “Low and Moderate Income” really means, recognizing that the majority of the top 10 occupations in the County fall below 80% of the County median income.
- Move away from using housing classifications and instead move towards a “housing for all” approach.
- Involve community members early in the planning process so that they have a seat at the table and are part of the process. Listen to their concerns and address any legitimate items that could help improve a project.
- Engage community members and developers in creating tools and standards to ensure compatibility of development within the community and solutions to maintain property values.

**Encourage the involvement of neighborhood residents when planning new residential developments by inviting them to participate early on in the process.** Consider requiring developers to hold a neighborhood meeting and incorporate neighborhood input early on in the process, prior to submitting a request for approval.

**Market the City’s housing needs.** Be a “Housing-Ready” City that entices developers to make an investment in the City. Proactively engage developers in a clear, simple, and creative manner. Share the City’s needs with strong evidence of market demand and support for the project. Be a partner and share the risks, especially during the earlier phases of a project. Given the limited number of developers available, competition for development time and investment is high; your outreach and enticements may need to be a bit more aggressive to garner attention.

# Potential Housing Strategies

**Advocate for state facilitation, or funding for a regional facilitator, to assist communities and developers in financing and packaging affordable housing projects.** Packaging an affordable housing project is very complicated and takes time, sometimes 2-3 years if using funding sources such as Low-Income Housing Tax Credits. Added time to the project increases the project expenses. The City, working with the County, should advocate for the state to facilitate or provide funding for a regional facilitator, to help developers package funding sources and navigate the process.

**Work with local banks and realtors to provide financial planning and first-time homebuyer workshops.** While there are different loan and financing products available for first-time homebuyers, many people are not aware of the different options. Interviewees expressed a need for credit and loan product education. A first-time homebuyer workshop for prospective homeowners would offer education on the homebuying process and available financing programs and terms.

**Work with local high schools to encourage enrollment in the building and contractor trades.** The lack of skilled builders and tradespersons has impacted housing supply and ultimately housing costs. Work with local high schools to encourage students interested in construction to enroll in construction programs and identify opportunities for high school and technical college partnerships. Explore the creation of a scholarship program for high school students who commit to enrolling in a building and contractor trade program. Mr. Dennis Frandsen of Frandsen Bank and Trust offered to pay for two years of technical college for all of the Luck School District graduates in 2018 and 2019.



## Other Potential Housing Initiatives

**Leverage Opportunity Zones and New Markets Tax Credit designations to generate affordable housing and investment.** As discussed in Chapter II, portions of the City of Menomonie fall within census tracts that have been designated as distressed and are identified as an Opportunity Zone and/or New Markets Tax Credit area. Being located in these areas can provide additional funding opportunities to encourage economic development. While traditionally this development has been commercial or industrial in nature,

there are some examples of residential development that has happened as a result of the financial programs offered in these areas.

Some example residential developments in Opportunity Zones:

- Bluestem Commons - Fremont, Nebraska: "...mixed income and product neighborhood combining market rate multifamily rental, LIHTC tax credit rental, and market rate ownership opportunities supported by common amenities, a lake, walking paths, and a clubhouse."<sup>6</sup> According to Hoppe Development, the project's developer, the financing structure included community support for initial infrastructure, with projects supported by LIHTC 9%, HUD 221 d(4), and conventional financing.
- Antelope Tower - Lincoln, Nebraska: "A market rate mixed-use building in the newly redeveloped Telegraph Area of Lincoln that supports the growing need for new housing units in the downtown

# Potential Housing Strategies

area.”<sup>7</sup> This project used opportunity zone equity, TIF, and value engineering.

- The Fenley - Bloomington, Minnesota: This is a 402-unit rental residential project (40 units affordable at 80% area median income) at Bloomington Central Station. “The additional returns provided by the Opportunity Zone incentive made the difference for this project...”<sup>8</sup>

Some example residential developments utilizing New Markets Tax Credits:

- Housing Partnership Network - “Since 2017, Housing Partnership Network has employed New Markets Tax Credits to advance our members’ work in the field of single-family homeownership. In that time we have deployed \$10MM to 12 HPN Member organizations and supported the development of a projected 550+ for-sale homes.”<sup>9</sup>
- St. Louis, Missouri - Smith NMTC Associates, LLC worked with Habitat for Humanity International to collaborate on an application for New Markets Tax Credits. “The application, and subsequent ones, successfully garnered \$108 million in NMTCs to be used exclusively for Habitat affiliates’ projects throughout the U.S. - all of which develop affordable for-sale housing and sell to low-income households.”<sup>10</sup>

**Work with existing manufactured home parks and new communities to be Resident Owned Communities (ROCs).** A ROC is a neighborhood of manufactured home where the land is owned by the residents through a co-operative. The Northcountry Cooperative Foundation, a 501(c)3 nonprofit organization, which serves Wisconsin, Minnesota, and Iowa, provides co-op development and support services to affordable housing co-ops.

According to the Foundation, resident ownership of manufactured housing communities:

- Converts tenants to owners with a direct voice in the governance of their own communities;
- Replaces chronic displacement risk with long-term security;
- Replaces returns to investors with returns to residents in better infrastructure, more stable and lower lot rents over time, better home financing, and homes selling more quickly for higher prices; and
- Builds a strengthened sense of community as residents work together on issues of common concern.

## Aligning Goals and Strategies

Figure 39 shows the relationship between the housing goals for the City and the housing strategies that can be used to help accomplish each goal. Important to note is that the goals and strategies are not linear as many of the strategies may work towards multiple goals.

7 *Ibid.*

8 City of Bloomington Minnesota - Opportunity Zone Program: <https://tinyurl.com/n6ru3r2k>.

9 Housing Partnership Network. <https://housingpartnership.net/growing-homeownership-with-new-markets-tax-credits>

10 East Liberty Development, Inc. - <https://www.eastliberty.org/spotlight-using-new-markets-tax-credits-as-a-tool-to-build-affordable-for-sale-housing/>

# Potential Housing Strategies

Figure 39: City of Menomonie Housing Goals, Objectives, and Potential Strategies

GOALS	OBJECTIVES	STRATEGIES
<b>GOAL 1</b> - Address the City of Menomonie's existing unmet housing demand, overcrowding, and low vacancy rates.	<p>Maintain a healthy mix of rental to owner housing. Build 350 - 428 rental units by 2040.</p> <p>Build 212 - 223 owner units by 2040. (Note: if the City wants to shift the mix of housing and increase the percentage owner housing, it will need to increase the number of owner units and decrease the number of rental units).</p>	<p>Participate in the Dunn County Housing Workgroup that will focus on and address ongoing housing needs and issues and work to advance the County's housing goals.</p> <p>Market the City's housing needs and opportunities actively and clearly, and creatively engage developers to address local housing needs.</p> <p>Advocate for new federal and state programs to assist developers and individual households in housing and development cost reductions (e.g., Assembly Bill 39.)</p> <p>Incorporate findings and strategies from this study into the City of Menomonie Comprehensive Plan.</p> <p>Review and amend zoning and land division ordinances to allow for a mix of housing types (reduce minimum lot sizes, allow accessory dwelling units, tiny homes, etc.)</p> <p>Use the Tax Increment District (TID) affordable housing extension.</p> <p>Reduce fees for developments that include affordable housing (30% or less of household income).</p> <p>Explore the use of New Market Tax Credits as one tool for financing affordable housing construction.</p> <p>Continue/expand employer programs for downpayment assistance (i.e., Home Sweet Menomonie).</p>
<b>GOAL 2</b> - Strive to achieve a balanced housing market with opportunities for all households.	<p>Maintain existing, and create new, affordable rental units for the lowest-income households.</p> <p>Increase the number of affordable rental units for the City's workforce population.</p> <p>Increase the number of quality market rate rentals for executives and families.</p> <p>Address the need for additional smaller, starter homes in the \$150,000 - \$250,000 range.</p> <p>Address the need for additional move-up homes and executive homes.</p> <p>Evaluate vacancy rates of Assisted Living Facilities as well as Group Quarters and build new facilities as needed.</p>	

# Potential Housing Strategies

GOALS	OBJECTIVES	STRATEGIES
<b>GOAL 3</b> - Encourage quality housing choices that meet local demand.	<p>Provide a diversity of housing styles and sizes that offer a variety of choices for all lifecycle stages.</p> <p>Provide housing choices to encourage seniors to age in place.</p> <p>Improve conditions of existing deteriorating housing stock.</p> <p>Incorporate quality of life amenities and services into new residential developments.</p>	<p>Use the Tax Increment District (TID) affordable housing extension.</p> <p>Consider use of the TID affordable housing extension to establish a grant or loan program specifically designed to upgrade housing for accessibility or for resale.</p> <p>Establish (as permitted by statute) a rental inspection program in certain districts.</p> <p>Consider financial incentives (e.g., LaCrosse County "Neighborhood Revitalization, Acquisition and Demolition Grant Program") for demolition or replacement of deteriorating housing.</p> <p>Support the reuse of vacant buildings and land for transitional and supportive housing.</p> <p>Explore the possibility of the City as developer (provide land, install infrastructure, etc.)</p> <p>Provide regulatory support (zoning, rezoning, etc.)</p> <p>Work with individuals and households to build knowledge and encourage participation in available nonprofit, state, and federal housing assistance programs.</p>
<b>GOAL 4</b> - Strive to provide shelter for all, including those not currently in the housing market.	<p>Working with partners, identify and support opportunities for establishing transitional and/or supportive housing throughout the County.</p> <p>Find opportunities to assist with individual/household housing costs.</p>	<p>Consider forming a private-public work group or team at the County level, with participation by local communities, that will meet to promote collaboration with housing industry groups, build consensus regarding housing issues, and help put this study into action.</p> <p>Work with local banks and realtors to provide financial planning and first-time homebuyer workshops.</p>
<b>GOAL 5</b> - Educate, collaborate, and advocate on housing-related issues.	<p>Educate and involve residents in continued conversations surrounding the need for housing as well as the development process.</p> <p>Educate landlords and tenants on rights and responsibilities.</p>	

# CHAPTER VIII. RECOMMENDED ACTION PLAN



# Recommended Action Plan

## Keep housing at the forefront -

It is recommended that this study, and the mission to provide housing for all, be a specific program area within the City's Departments and ensure that priority strategies become part of the City's annual workplan.

## Participate in the Dunn County Housing Workgroup

The County is forming a Dunn County Housing Workgroup that will lead the charge on identifying and implementing priority strategies to advance housing throughout the County. The workgroup will be comprised of diverse partners throughout the County and State and will report to the County's Planning, Resource, and Development (PR&D) Committee. Responsibilities of the Housing Workgroup, with guidance from the County's Planning Department, could include:

- Thoroughly review the potential housing strategies identified in Chapter VII of this Assessment Report and the recommended action plan on the following pages, which identifies actions in the following categories:
  - Educate, Collaborate, and Advocate
  - Remove Regulatory Barriers
  - Stabilize Households
  - Allocate Funding
  - Promote Development
- Provide periodic updates to the County's Planning, Resource, and Development Committee.
- Monitor progress and performance on implementation of the action items.
- Monitor demographic and development trends within the County and adjust actions as necessary.

## Keep the public engaged and educated on the City's housing needs and efforts to address such needs.

Continue to educate the public on the housing needs identified in this assessment. Pursue a "housing for all approach" that incorporates the needs of everyone.

## Get started on implementation efforts, recognizing that it takes time.

Utilizing the recommended housing action plan, begin to take on specific actions that together can improve the housing situation within the City. Items will be phased in as time and funding allows.

## Evaluate the City's progress.

It will be important that the City monitors progress on the implementation of its housing priorities. If one action or strategy doesn't seem to be working, reevaluate and adjust as necessary.

# Recommended Housing Action Plan

**Figure 40:** Recommended City of Menomonie Housing Action Plan

RECOMMENDATION	DESCRIPTION	KEY ROLES
<b>EDUCATE, COLLABORATE, AND ADVOCATE</b>		
1 - Participate in the Dunn County Housing Workgroup and consider forming a City of Menomonie housing team.	Participate in the Dunn County Housing Workgroup that will work to advance the County's housing goals. The group could oversee progress on priority strategies, discuss new ideas and issues as they arise, and continue to assess housing needs within the County and City.	Lead: Public
2 - Establish a housing education program.	In coordination with the County, develop a housing education program that educates the public, elected officials, landlords/tenants, and employers about the housing issues and barriers the City faces. Promote a housing for all approach throughout the City.	Lead: Public, private, or non-profit partners
3 - Advocate for changes to state and/or federal programs to assist with advancing housing within the City to meet the identified goals.	Identify areas where state and/or federal programs could assist with advancing the City's housing goals. For example: changes to 2017 Wisconsin Act 317 could be made to provide the City more oversight of rental inspections.	Lead: Public, private, and non-profit partners
4 - Market the City's housing needs to developers throughout the region.	Be a "Housing-Ready" Community that entices developers to make an investment in Menomonie. Proactively engage developers in a clear, simple, and creative manner.	Lead: Public, private, and non-profit partners
<b>REMOVE REGULATORY BARRIERS</b>		
5 - Audit and revise zoning and subdivision ordinances to allow diverse housing types and to reduce barriers.	Perform a code audit, talk to developers and builders to identify barriers to development of housing within the City, and undertake revisions to address identified hurdles. Needed housing types include:  - Single-family housing: small-lot, cottage cluster housing, twinhomes (zero-lot line duplex), and single-family attached housing (e.g., townhomes), and multi-family residential.  Ordinance amendments may include: expanding the types of housing permitted in each zoning district, adjusting standards such as lot coverage, minimum and maximum lot sizes, densities, setbacks, parking standards, etc.	Lead: Public
6 - Ensure sufficient land is zoned to accommodate residential development.	Ensure the City can accommodate residential development by planning for and providing a supply of land zoned for residential development.	Lead: Public
7 - Streamline the development process.	Review the current development review processes and identify opportunities for efficiencies.	Lead: Public
8 - Create a development guide.	Create a development guide to help the public and developers understand the required approvals and process. This would help residents, officials, developers, and others to better understand the process and requirements for development.	Lead: Public

# Recommended Housing Action Plan

RECOMMENDATION	DESCRIPTION	KEY ROLES
9 - Establish a development review team process.	Establish a formal Development Review Team process for all major subdivision reviews where developers and staff meet to discuss all requirements, expectations, and timelines for approval.	Lead: Public
<b>STABILIZE HOUSEHOLDS</b>		
10- Continue to offer down payment assistance with the Home Sweet Menomonie program.	Offer down payment assistance to eligible households to help support housing stability.	Lead: Public or non-profit partners
11 - Provide emergency housing assistance.	Emergency housing assistance helps stabilize persons/households who are at risk of losing their housing or are currently unhoused.	Lead: Non-profit
12 - Work to keep existing subsidized housing units affordable.	Identify and communication with owners/managers of subsidized housing units, specifically those utilizing Low-Income Housing Tax Credits, to discuss timeline for tax credit expiration and options to keep units affordable.	Lead: Public or non-profit
13 - Create housing opportunities for the unhoused and marginalized individuals and households.	Without support and assistance, many marginalized individuals and households (i.e., felons, evicted renters, etc.) are unable to locate housing. Work to find opportunities for these and high-risk renters to secure safe and supportive housing.	Lead: Public, private and non-profit partners
<b>ALLOCATE FUNDING</b>		
14 - Consider being a participant in the development process and offering direct subsidies for projects.	<p>The City and funding partners could look to provide financial assistance to projects that advance the City's housing goals. This could potentially include:</p> <ul style="list-style-type: none"> <li>- Subsidies for new residential construction to help off-set the cost of development of needed housing types.</li> <li>- Subsidies for rehabilitation of existing housing</li> <li>- Subsidies for transitional housing</li> <li>- Direct investments of public infrastructure to encourage new residential development</li> </ul> <p>A developer's agreement would need to be established to establish terms.</p>	Lead: Public or non-profit
15 - Incentivize private redevelopment of deteriorating housing units.	Provide financial incentives (grants or low-interest loans) to owners and developers who wish to tear down deteriorating housing to build new housing in its place.	Lead: Public or non-profit
16 - Explore creating a rental conversion program.	Incentivize the conversion of previous single-family homes that have been converted into rentals back to single-family homes. Priority focus should be given to homes in neighborhoods surrounding the University of Wisconsin-Stout campus.	Lead: Public or non-profit
<b>PROMOTE DEVELOPMENT</b>		
17 - Identify and promote land available for infill development.	Encourage new housing development to locate on existing vacant residential parcels in the City where infrastructure is in place. These are already 'development ready' parcels. Market these lots for development.	Lead: Public, private and non-profit partners

# Recommended Housing Action Plan

RECOMMENDATION	DESCRIPTION	KEY ROLES
18 - Identify opportunities to add value and residential density to existing developed parcels throughout the City.	Underutilized developed sites, while not vacant, can be prime redevelopment opportunities. The City should identify underutilized sites that have potential for housing development (or increased density).	Lead: Public

## Potential Performance Indicators and Metrics

Implementation of any action should be followed by a review and evaluation. The performance indicators identified in Figure 41 may be used to help with evaluation.

**Figure 41: Potential Performance Indicators and Metrics**

INDICATOR	METRIC	POTENTIAL DATA SOURCES
Housing Production	The number of new units produced/delivered keeps pace with demand	Building permit data, by year and by housing type Household projection data
Housing Preservation	Rehabilitation of existing units	Building permit data for rehabilitation projects
Residential Vacancy Rates	Renter residential vacancy is maintained at a rate of five to seven percent Owner residential vacancy is maintained at a rate of two to two-and-a-half percent	U.S. Census ACS or decennial data Qualitative data from realtors, landlords, etc.
Development Ready Inventory	Number of available (infrastructure is installed, property is zoned residential, and site is ready for building) housing sites throughout the City	City
Workforce Housing	Housing stock (inventory and price points) meets the needs of the growing workforce within the City	Information from employers and economic development professionals U.S. Census ACS and building permit data
Homeless Estimates	People experiencing homelessness decreases People facing housing insecurity decreases Number of households living in hotels/motels decreases	Point In Time Homelessness Estimates Shelter stay data Data from shelter providers
Eviction Rates	Eviction rates decrease	Data collected by housing service providers
Housing Estimates and Housing Mix	Alternative housing types are increasingly built	U.S. Census ACS or decennial housing data City

# Recommended Housing Action Plan

*(This Page Intentionally Left Blank)*

# APPENDIX A. HOUSING SURVEY RESULTS



# Survey Overview

An online survey was conducted as a means of gathering feedback from the public on housing issues and preferences throughout the City and County. The survey was conducted using Survey Monkey. Hardcopy surveys were also available at various locations throughout the City and County. The survey was widely promoted on social media platforms, a press release, and by word-of-mouth by County and community staff, officials, and housing advisory committee members. The pages that follow in this Appendix provide a summary of the overall survey results of those who identified they live within the City of Menomonie.

## Notes

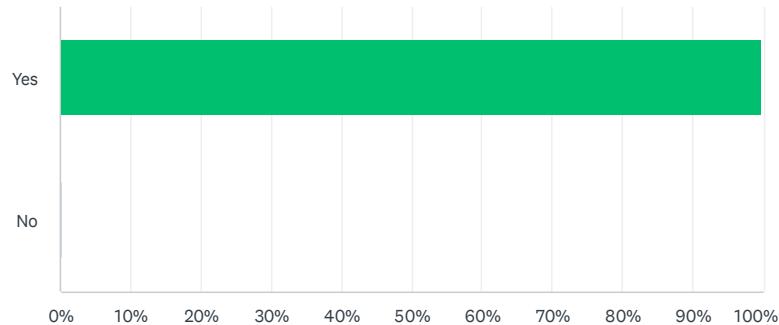
The survey was designed to be qualitative and exploratory. It was a voluntary survey using an opt-in methodology. The results are not statistically valid and cannot be used to infer from the sample to the general population in statistical terms. The survey is one engagement effort undertaken for the purposes of gathering feedback from residents.

Not all respondents answered every question, so the total number of responses for each question did not always equal the grand total number of participants. Percentages provided in this report are based on those who responded to the individual questions, which varies throughout the survey.

Housing Survey - Dunn County, City of Menomonie, Village of Boyceville

**Q1 I live in Dunn County.**

Answered: 402    Skipped: 1

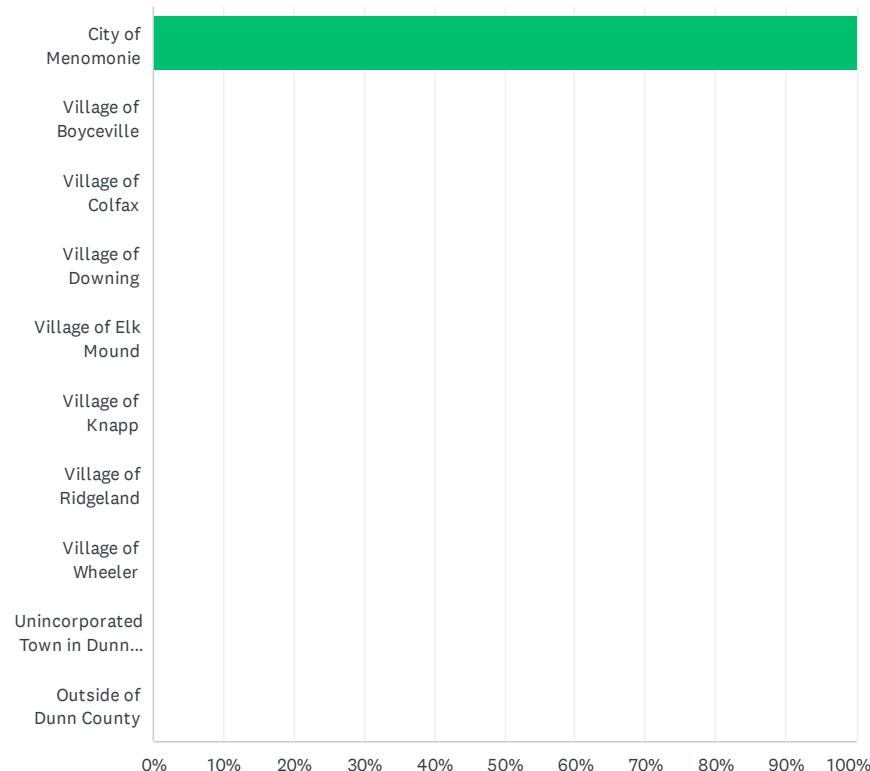


ANSWER CHOICES	RESPONSES
Yes	99.75%
No	0.25%
<b>TOTAL</b>	<b>402</b>

Housing Survey - Dunn County, City of Menomonie, Village of Boyceville

**Q2 I live in the following community:**

Answered: 403    Skipped: 0

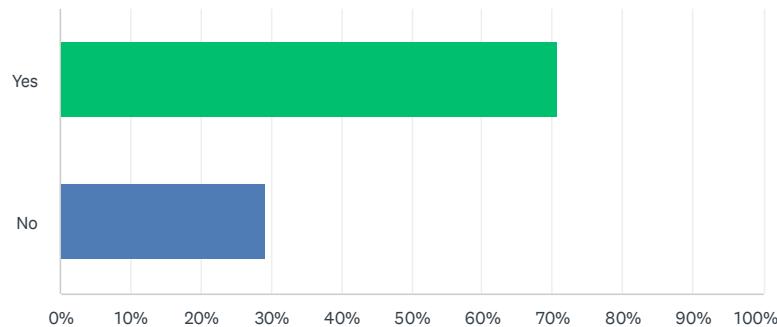


Housing Survey - Dunn County, City of Menomonie, Village of Boyceville

ANSWER CHOICES	RESPONSES
City of Menomonie	100.00% 403
Village of Boyceville	0.00% 0
Village of Colfax	0.00% 0
Village of Downing	0.00% 0
Village of Elk Mound	0.00% 0
Village of Knapp	0.00% 0
Village of Ridgeland	0.00% 0
Village of Wheeler	0.00% 0
Unincorporated Town in Dunn County	0.00% 0
Outside of Dunn County	0.00% 0
<b>TOTAL</b>	<b>403</b>

### Q3 I work in Dunn County.

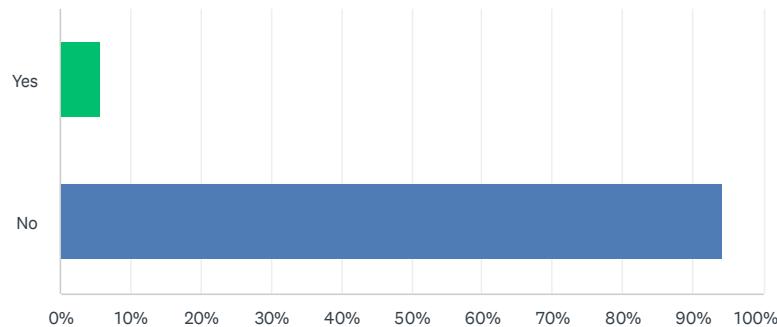
Answered: 400 Skipped: 3



ANSWER CHOICES	RESPONSES
Yes	70.75%
No	29.25%
<b>TOTAL</b>	<b>400</b>

### Q4 I'm a college student.

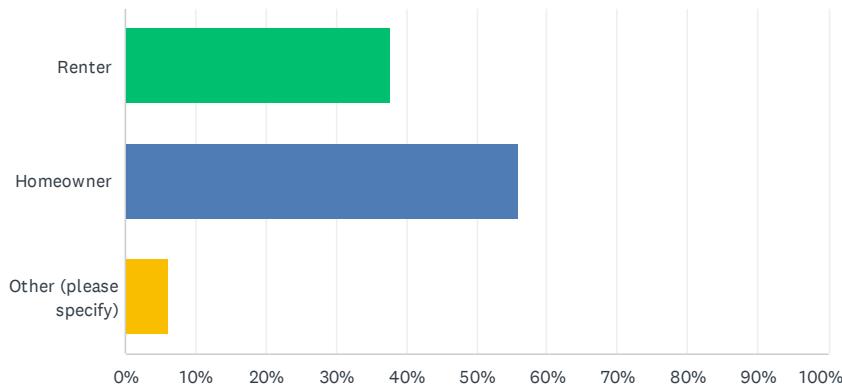
Answered: 400 Skipped: 3



ANSWER CHOICES	RESPONSES	
Yes	5.75%	23
No	94.25%	377
<b>TOTAL</b>		<b>400</b>

## Q5 What best describes your current housing situation?

Answered: 402 Skipped: 1



ANSWER CHOICES		RESPONSES
Renter		37.81% 152
Homeowner		55.97% 225
Other (please specify)		6.22% 25
TOTAL		402

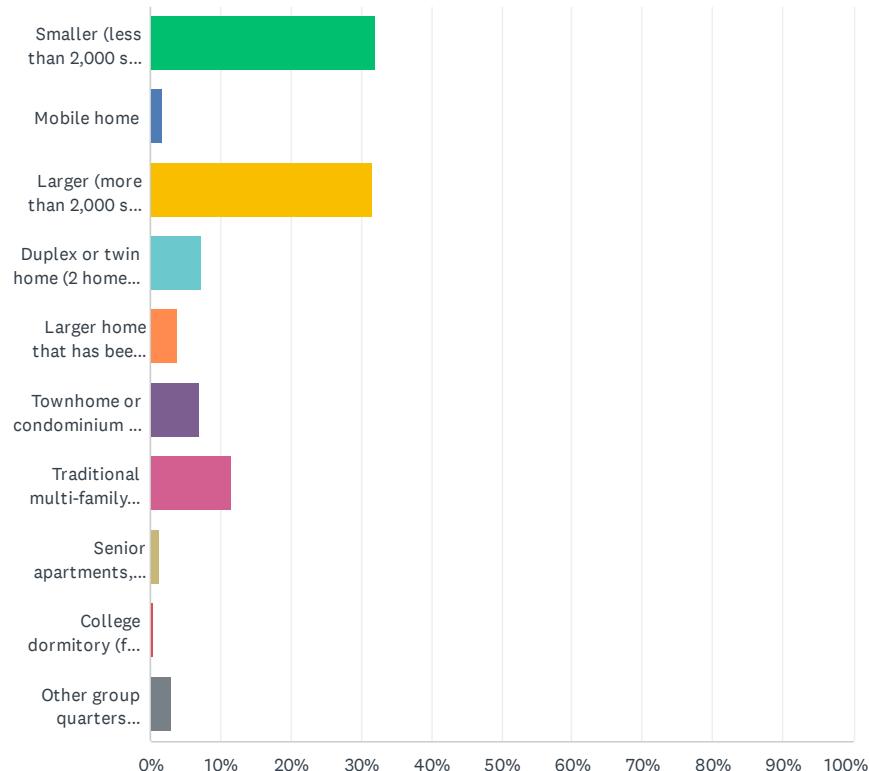
#	OTHER (PLEASE SPECIFY)	DATE
1	homeless	9/16/2022 11:02 AM
2	Incarcerated	9/16/2022 10:57 AM
3	homeless	9/16/2022 10:48 AM
4	Jail	9/16/2022 10:41 AM
5	Homeless/Jail	9/16/2022 10:33 AM
6	Stay with extended family	9/16/2022 10:28 AM
7	homeless	9/16/2022 10:20 AM
8	homeless	9/16/2022 10:17 AM
9	homeless	9/16/2022 9:56 AM
10	Motel	9/16/2022 9:46 AM
11	Stepping Stones/Shelter	9/16/2022 8:53 AM
12	homeless	9/16/2022 8:50 AM
13	homeless	9/16/2022 8:44 AM
14	1 yr homeowner strongly interested in going back to renting a duplex as I had the 7 yrs before buying	9/12/2022 12:14 PM
15	homeless	9/8/2022 4:25 PM

Housing Survey - Dunn County, City of Menomonie, Village of Boyceville

16	homeless	9/8/2022 4:22 PM
17	staying in shelter/homeless	9/8/2022 4:15 PM
18	College Student	9/8/2022 10:09 AM
19	Live with daughter	9/1/2022 9:04 PM
20	Live with family, no rent	8/25/2022 1:15 PM
21	Residing with parents due to high cost of available/livable housing.	8/19/2022 9:35 AM
22	Condo(twinhome)	8/15/2022 5:58 PM
23	In law owned home	8/4/2022 9:10 PM
24	I own a lot of property and I make a lot of money	8/4/2022 5:55 PM
25	live at home w parents	8/4/2022 2:38 PM

## Q6 What best describes your current type of housing?

Answered: 396    Skipped: 7



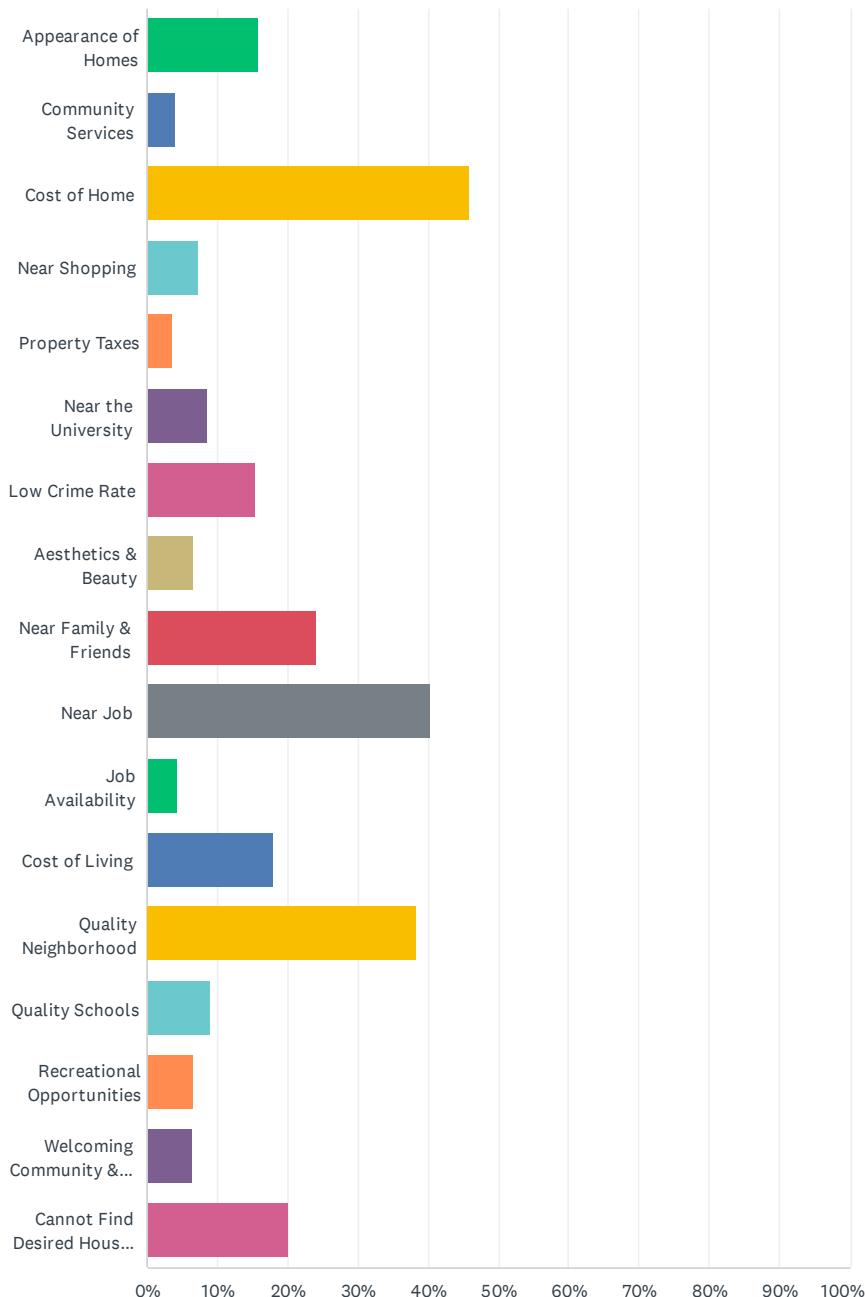
Housing Survey - Dunn County, City of Menomonie, Village of Boyceville

ANSWER CHOICES	RESPONSES	
Smaller (less than 2,000 sq ft) single-family or "starter" home (1 home on 1 lot)	32.07%	127
Mobile home	1.77%	7
Larger (more than 2,000 sq ft) single-family home (1 home on 1 lot)	31.57%	125
Duplex or twin home (2 homes, usually attached)	7.32%	29
Larger home that has been divided into multiple dwelling units / apartments	3.79%	15
Townhome or condominium (3+ homes/units attached)	7.07%	28
Traditional multi-family apartment building (4+ rental units in the same building)	11.62%	46
Senior apartments, assisted living, or retirement community	1.26%	5
College dormitory (for student respondents only)	0.51%	2
Other group quarters (larger building or home with individual bedrooms but shared common areas)	3.03%	12
<b>TOTAL</b>		<b>396</b>

**Q7 What are the three most important reasons you and your family choose to live where you do? (choose up to 3)**

Answered: 395 Skipped: 8

Housing Survey - Dunn County, City of Menomonie, Village of Boyceville

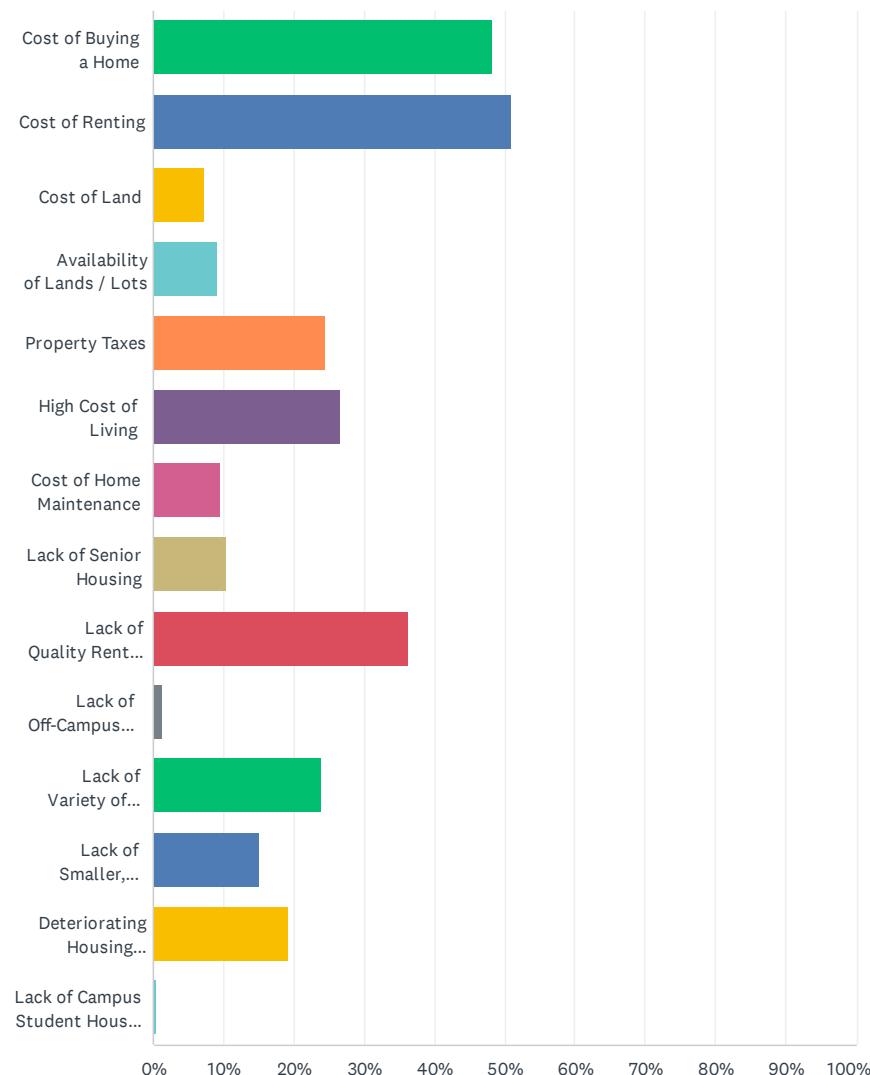


Housing Survey - Dunn County, City of Menomonie, Village of Boyceville

ANSWER CHOICES	RESPONSES
Appearance of Homes	15.70% 62
Community Services	4.05% 16
Cost of Home	45.82% 181
Near Shopping	7.34% 29
Property Taxes	3.54% 14
Near the University	8.61% 34
Low Crime Rate	15.44% 61
Aesthetics & Beauty	6.58% 26
Near Family & Friends	24.05% 95
Near Job	40.25% 159
Job Availability	4.30% 17
Cost of Living	17.97% 71
Quality Neighborhood	38.48% 152
Quality Schools	8.86% 35
Recreational Opportunities	6.58% 26
Welcoming Community & Social Activities	6.33% 25
Cannot Find Desired Housing Elsewhere	20.00% 79
Total Respondents: 395	

## Q8 What are the top three housing-related challenges facing your community? (choose up to 3)

Answered: 395 Skipped: 8



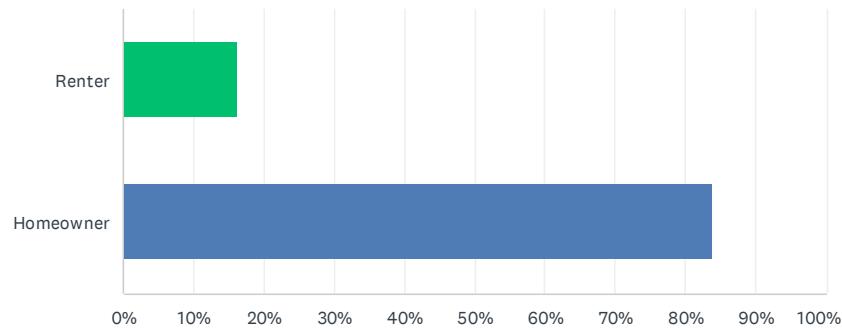
Housing Survey - Dunn County, City of Menomonie, Village of Boyceville

ANSWER CHOICES	RESPONSES
Cost of Buying a Home	48.10% 190
Cost of Renting	50.89% 201
Cost of Land	7.34% 29
Availability of Lands / Lots	9.11% 36
Property Taxes	24.56% 97
High Cost of Living	26.58% 105
Cost of Home Maintenance	9.62% 38
Lack of Senior Housing	10.38% 41
Lack of Quality Rental Housing	36.20% 143
Lack of Off-Campus Student Housing	1.27% 5
Lack of Variety of Housing Choices	23.80% 94
Lack of Smaller, Starter Homes	15.19% 60
Deteriorating Housing Conditions	19.24% 76
Lack of Campus Student Housing / Dormitories	0.51% 2
Total Respondents: 395	

Housing Survey - Dunn County, City of Menomonie, Village of Boyceville

**Q9 In 5 years, I would like to be a:**

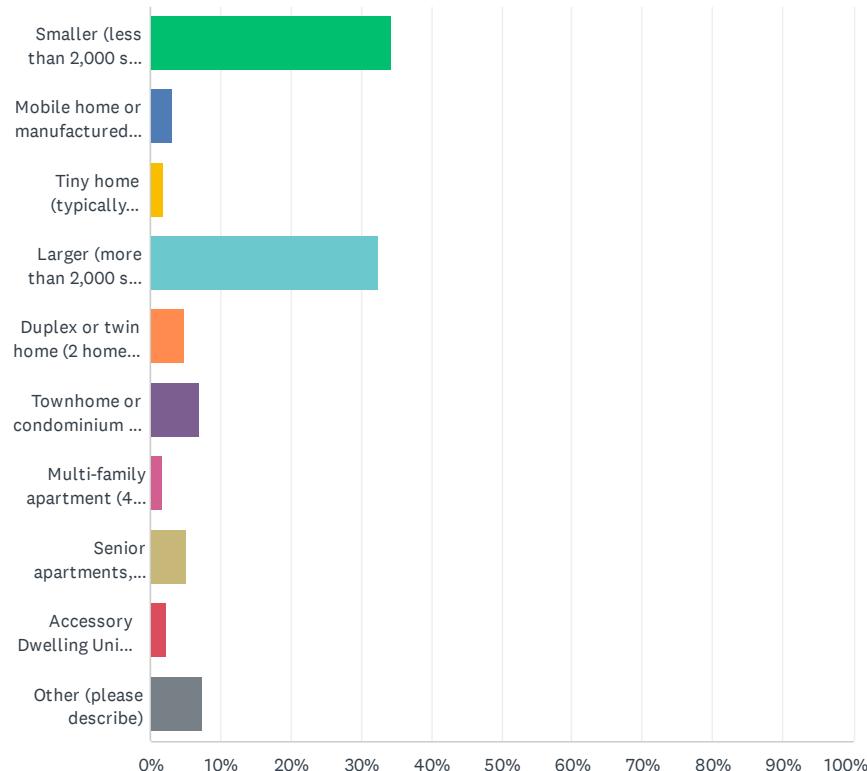
Answered: 369    Skipped: 34



ANSWER CHOICES	RESPONSES
Renter	16.26%
Homeowner	83.74%
<b>TOTAL</b>	<b>369</b>

### Q10 In 5 years, my preferred type of housing is:

Answered: 374    Skipped: 29



## Housing Survey - Dunn County, City of Menomonie, Village of Boyceville

ANSWER CHOICES	RESPONSES	
Smaller (less than 2,000 sq ft) single-family or "starter" home (1 home on 1 lot)	34.22%	128
Mobile home or manufactured home	3.21%	12
Tiny home (typically defined as a small house sized under 400 square feet)	1.87%	7
Larger (more than 2,000 sq ft) single-family home (1 home on 1 lot)	32.35%	121
Duplex or twin home (2 homes, usually attached)	4.81%	18
Townhome or condominium (3+ homes/units attached)	6.95%	26
Multi-family apartment (4+ rental units in same building)	1.60%	6
Senior apartments, assisted living facility, or retirement community	5.08%	19
Accessory Dwelling Unit (sometimes referred to as granny flat, or in-law unit and defined as a smaller, independent dwelling unit located on the same lot as a stand-alone single-family home)	2.41%	9
Other (please describe)	7.49%	28
<b>TOTAL</b>	<b>374</b>	

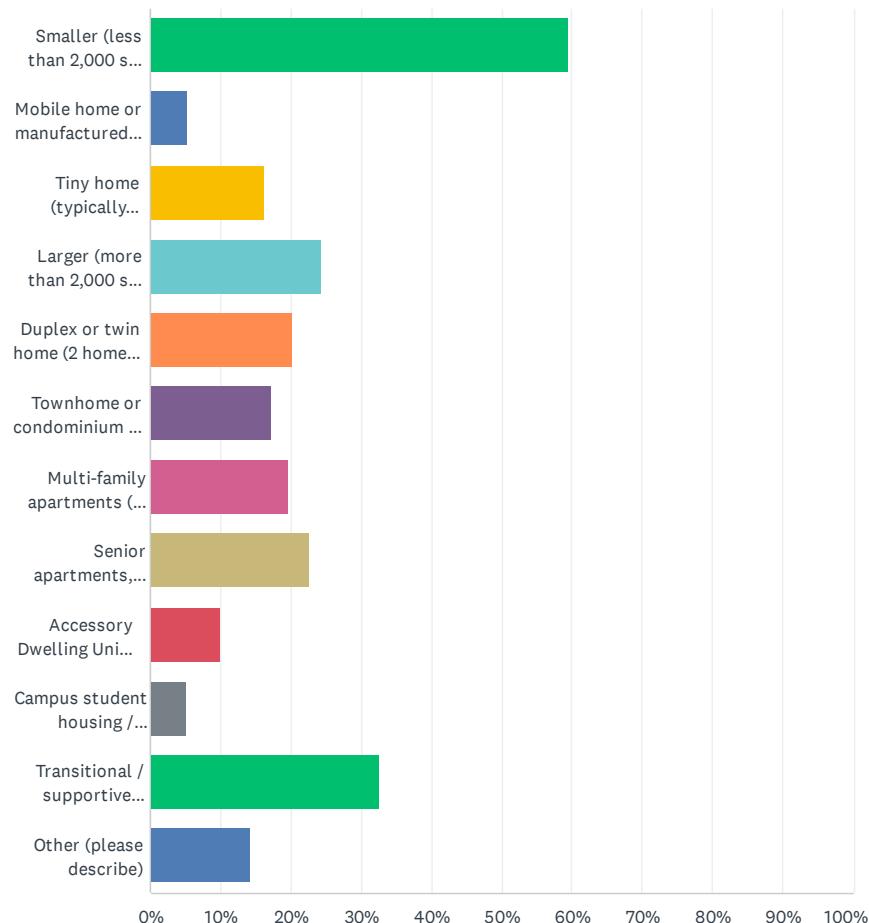
#	OTHER (PLEASE DESCRIBE)	DATE
1	Any	9/16/2022 10:19 AM
2	Same one I am living in now = less than 2000 sq feet	9/12/2022 1:15 PM
3	Prefer renting due to maintenance of older home and affording property taxes on the newer twinhomes or single family homes is a huge deterrent. I'd like to see more condos in the area also.	9/12/2022 12:28 PM
4	Buying land and building a home	9/12/2022 12:18 PM
5	Single family home on more than 40 acres	9/12/2022 12:17 PM
6	I want to be out of the shithole city of Menomonie as the Mayor is a piece of shit.	9/7/2022 4:03 PM
7	Doesn't matter	9/5/2022 11:53 AM
8	Stay where we are	9/1/2022 9:11 PM
9	Ability to expand farm land, add accessory dwelling like a tiny house for renters or farm help	9/1/2022 5:58 PM
10	ADA accessible Condo or Intentional Community	8/24/2022 10:07 AM
11	Any decent 1-2 bedroom apartment (that isn't geared toward college students or families; there is very little for single professionals in the area).	8/19/2022 9:42 AM
12	depends on our health, senior living if needed, hopefully stay in our 1000sq foot home.	8/18/2022 7:23 PM
13	Larger home on at least 5 acres	8/18/2022 10:00 AM
14	Right where I am currently	8/13/2022 2:44 PM
15	Home with more land	8/7/2022 10:42 PM
16	same home I am in currently	8/7/2022 7:58 PM
17	A co-housing community	8/6/2022 11:43 AM
18	100% renewable energy home on a sunny lot	8/6/2022 7:32 AM
19	Being disabled would like to know I can stay where I am at as it accommodates my healthchallenges.	8/5/2022 11:48 AM
20	LANDLORDS THAT ARE NOT SLUMLORDS AND DO NOTHING TO MAINTAIN THEIR PROPERTIES	8/5/2022 7:44 AM

### Housing Survey - Dunn County, City of Menomonie, Village of Boyceville

21	charette a mix of sizes and types and mix of ages and income	8/4/2022 10:01 PM
22	I hop around from one property to another.	8/4/2022 5:59 PM
23	Remain where I am	8/4/2022 4:57 PM
24	The same house I'm currently in.	8/4/2022 2:24 PM
25	Cohousing community	8/4/2022 1:42 PM
26	Senior apts with amenities that assist seniors in their lives	8/4/2022 1:40 PM
27	co housing opportunity	8/4/2022 1:08 PM
28	current home	8/4/2022 12:56 PM

## Q11 What type of housing do you feel is most needed in your community? (pick your top 3)

Answered: 371    Skipped: 32



## Housing Survey - Dunn County, City of Menomonie, Village of Boyceville

ANSWER CHOICES	RESPONSES	
Smaller (less than 2,000 sq ft) single-family or "starter" home (1 home on 1 lot)	59.57%	221
Mobile home or manufactured home	5.39%	20
Tiny home (typically defined as a small house sized under 400 square feet)	16.17%	60
Larger (more than 2,000 sq ft) single-family home (1 home on 1 lot)	24.26%	90
Duplex or twin home (2 homes, usually attached)	20.22%	75
Townhome or condominium (3+ homes/units attached)	17.25%	64
Multi-family apartments (4+ rental units in same building)	19.68%	73
Senior apartments, assisted living facility, or retirement community	22.64%	84
Accessory Dwelling Unit (sometimes referred to as granny flat, or in-law unit and defined as a smaller, independent dwelling unit located on the same lot as a stand-alone single-family home)	9.97%	37
Campus student housing / dormitories	5.12%	19
Transitional / supportive housing (often provides people temporary housing and support after a crisis)	32.61%	121
Other (please describe)	14.29%	53
Total Respondents: 371		

#	OTHER (PLEASE DESCRIBE)	DATE
1	Temporary/Sublets	9/16/2022 10:58 AM
2	Homeless shelters/Housing	9/16/2022 10:43 AM
3	Cabin/Country Living	9/16/2022 10:35 AM
4	Subsidized	9/16/2022 9:13 AM
5	rentals further from campus that are nicer	9/13/2022 12:03 PM
6	cheaper housing options for retiree's	9/13/2022 1:03 AM
7	Would love to see tiny home options/community for those that want that. Starter homes in good condition are needed also. I prefer condos and twinhomes, primarily due to maintenance and taxes on single family homes that are in an affordable range. My current home I paid \$233,000. Not sure if we need more student housing or not. Many homes around campus have been student rentals for years. Seems like we have enough, but maybe not the best quality at all.	9/12/2022 12:28 PM
8	No more low income housing. Need to attract higher income buyers/re-locators	9/11/2022 7:20 AM
9	Apartments for off campus students	9/8/2022 5:17 PM
10	none	9/8/2022 4:13 PM
11	This is another absolute BULLSHIT survey put out by the piece of shit Menomonie Mayor and no one should use that useless public money sucking douchebag's input into this topic.	9/7/2022 4:03 PM
12	Reasonable rent	9/5/2022 11:53 AM
13	affordable, quality housing for non college student in safe place in town	9/1/2022 9:50 PM
14	Low income pet friendly	9/1/2022 6:06 PM
15	Quality low income housing choices	8/30/2022 11:31 AM
16	affordable rentals!	8/25/2022 9:10 PM

## Housing Survey - Dunn County, City of Menomonie, Village of Boyceville

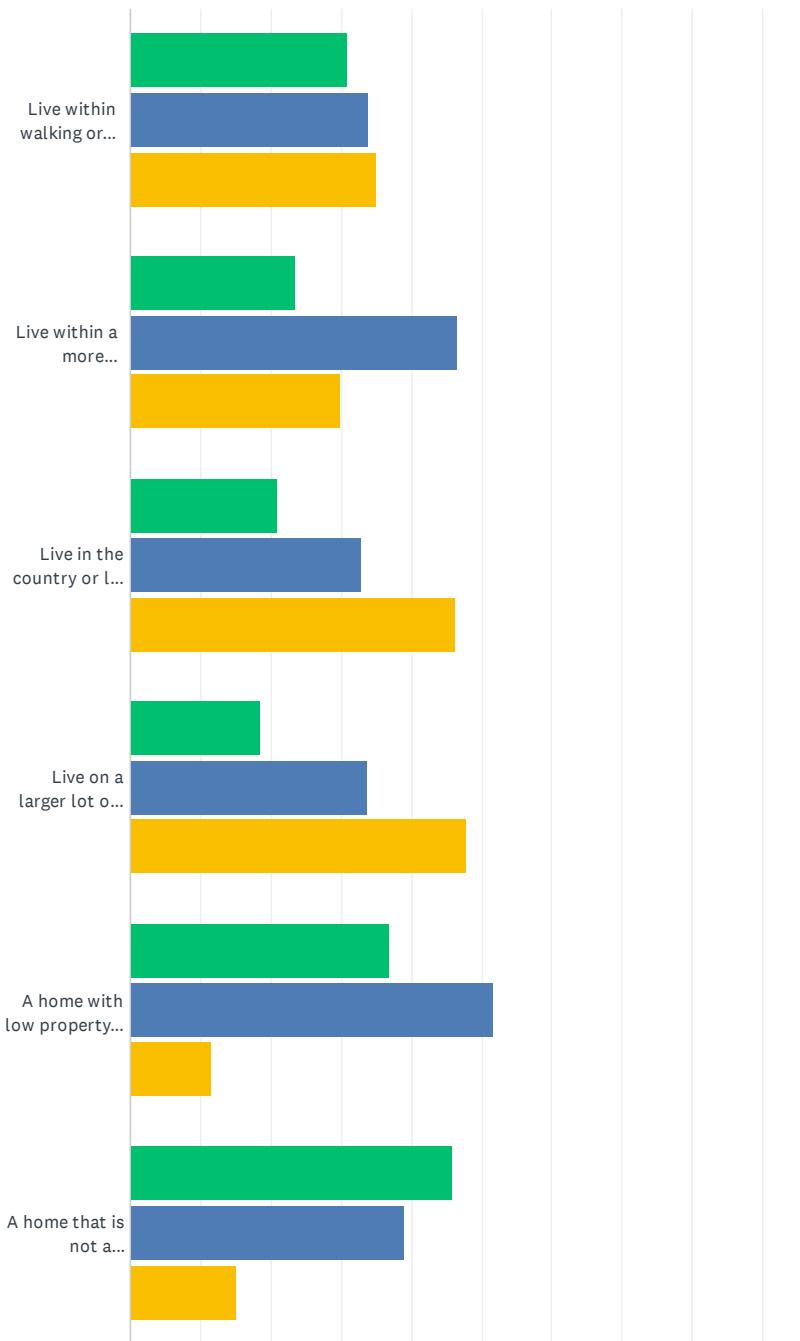
17	Low Income Housing away from Student Rentals, noisy areas	8/25/2022 1:28 PM
18	quality off campus student housing	8/25/2022 9:06 AM
19	ADA accessible condos or rental units	8/24/2022 10:07 AM
20	As noted above, affordable housing options for single professionals.	8/19/2022 9:42 AM
21	*affordable* housing. It doesn't matter how many units are available if they are out of price range!	8/18/2022 3:52 PM
22	Newer housing	8/18/2022 10:28 AM
23	Quality rentals. The lack of oversite is atrocious.	8/16/2022 6:12 PM
24	I don't know where the demand is.	8/16/2022 7:48 AM
25	Houses and apartments that aren't run down.	8/16/2022 6:35 AM
26	Places that are affordable and up to code. The rentals around Menomonie are mostly deteriorating and over priced because landlords know people are desperate	8/14/2022 4:26 PM
27	Low income housing	8/11/2022 9:20 AM
28	Affordable housing/renting	8/8/2022 11:56 PM
29	Nicer Off campus housing	8/7/2022 10:42 PM
30	Housing options for families	8/7/2022 12:13 PM
31	Senior housing cooperative with independent 1, 2 BR facilities and shared spaces. They're in the Twin Cities.	8/6/2022 12:47 PM
32	Co-housing communities that people can buy into or rent and more multi-family units that people can buy into instead of just rent	8/6/2022 11:43 AM
33	co-housing, energy efficient housing	8/6/2022 7:32 AM
34	Well thought out apartments with garages that are handicap accessible and energy efficient.	8/5/2022 11:48 AM
35	Any of the above, but quality and affordable.	8/5/2022 9:17 AM
36	Landlords that are NOT SLUMLORDS	8/5/2022 7:44 AM
37	High quality rental housing for young professionals and young families. I rented for 15 years as a college professor at UW-Stout and the rental market was awful. We also have a crisis of derelict landlords and properties in our community, including owners who make a lot of money renting to university staff and students without maintaining properties, honoring rental agreements, and protecting the safety of tenants. Not to mention the many rundown, even derelict buildings that populate our downtown/ central neighborhoods, campus area, and many other parts of town. It's very sad and reflects poorly on our town!!! I would be grateful if we could mount a campaign to improve and beautify our city as well as crack down on the property owners.	8/4/2022 7:21 PM
38	I would love to squeeze tiny shitbox homes into all corners and collect the rent from the lower class people. Students are good cash flow until you get some that skip out on rent. Families are not as profitable, we need to pack each room and maximize profits.	8/4/2022 5:59 PM
39	Affordable homes. Not at 1000 plus without pet options. Town is being bought out by crappy rental agencies who don't accept anyone with even a smudge on their record either and expect shiny pennies for terrible apartments or homes. The rental market here is a joke and you're lucky if you find a private landlord.	8/4/2022 5:29 PM
40	Just affordable housing in general, no matter what kind or style.	8/4/2022 5:26 PM
41	Housing not targeted to students.	8/4/2022 5:21 PM
42	Attractive and integrated neighborhoods, apartments, condos, townhomes and single homes. We need to stop separating humans by age, color, and income. Students and seniors should be living in the same apartments! Great examples of these in college towns in the US too. No trailers should be 'necessary'. Quality small homes are possible.	8/4/2022 4:08 PM

## Housing Survey - Dunn County, City of Menomonie, Village of Boyceville

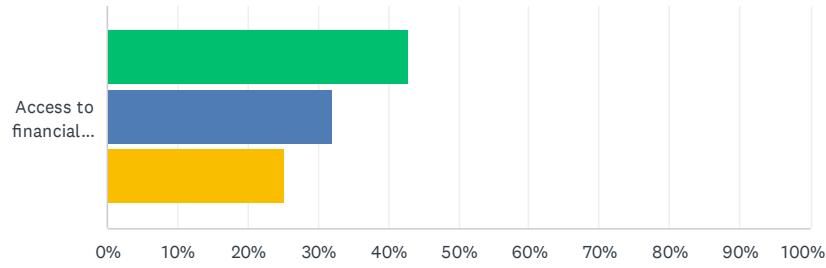
43	Units for single people/professionals. Similar to smaller homes/townhomes or even 4 unit apartments, affordable (\$650/month max), secure, two rooms (bedroom and office) with the kitchen, living area, bathroom/laundry, with non-coin operated laundry, and garage. Once the renter signs, rent should never increase if they continue to resign (or fixed rent for at minimum 5 years) and especially if they pay on time, in full and never have complaints (a good renter). Single people who cannot afford homes, should be able to live somewhere decent and not essentially pay a mortgage each month. No more extra monthly charge for pets, they get one deposit and that's it along with no more restrictions on types of cats/dogs.	8/4/2022 2:22 PM
44	Affordable housing for single people	8/4/2022 2:06 PM
45	quality rental property	8/4/2022 1:50 PM
46	cohousing community	8/4/2022 1:42 PM
47	co housing opportunities	8/4/2022 1:08 PM
48	Quality rentals (non-student housing)	8/4/2022 1:07 PM
49	Cohousing offering shared facilities	8/4/2022 12:46 PM
50	Family housing	8/4/2022 12:17 PM
51	Quality rentals that are kept in good condition. The river heights rental area is not looking so great. The city needs to hold the landlords to account. The city should invest in making that rental community look nicer... street lamps, landscaping, planting trees, raising some of the more dilapidated buildings and putting in small playground parks. Poorer renters deserve nicer living conditions.	8/4/2022 12:13 PM
52	Middle class independent retirement community. Not low income	8/4/2022 11:43 AM
53	Refurbished downtown housing	8/4/2022 11:41 AM

## Q12 How important to you are the following when making a housing decision?

Answered: 376    Skipped: 27



## Housing Survey - Dunn County, City of Menomonie, Village of Boyceville

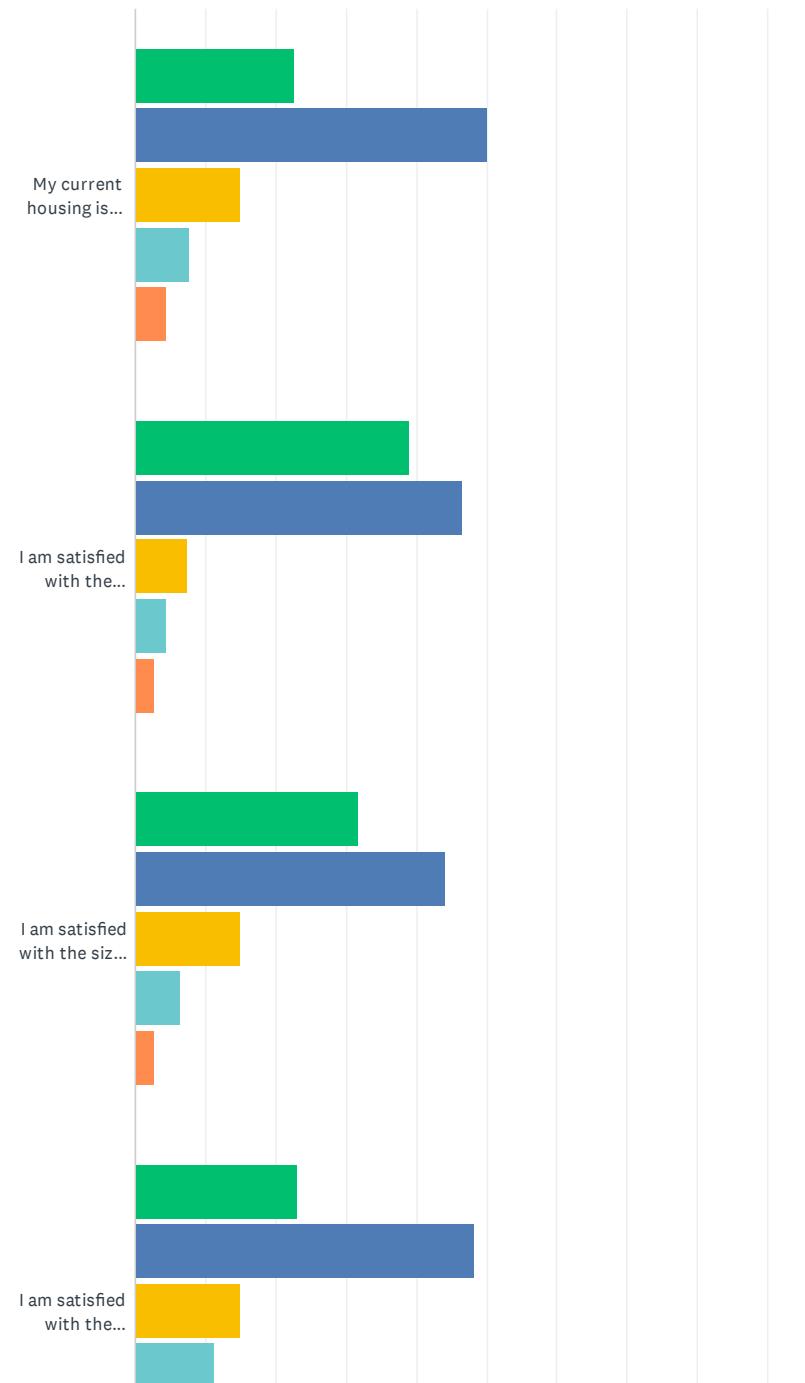


Very Important      Important      Not Important

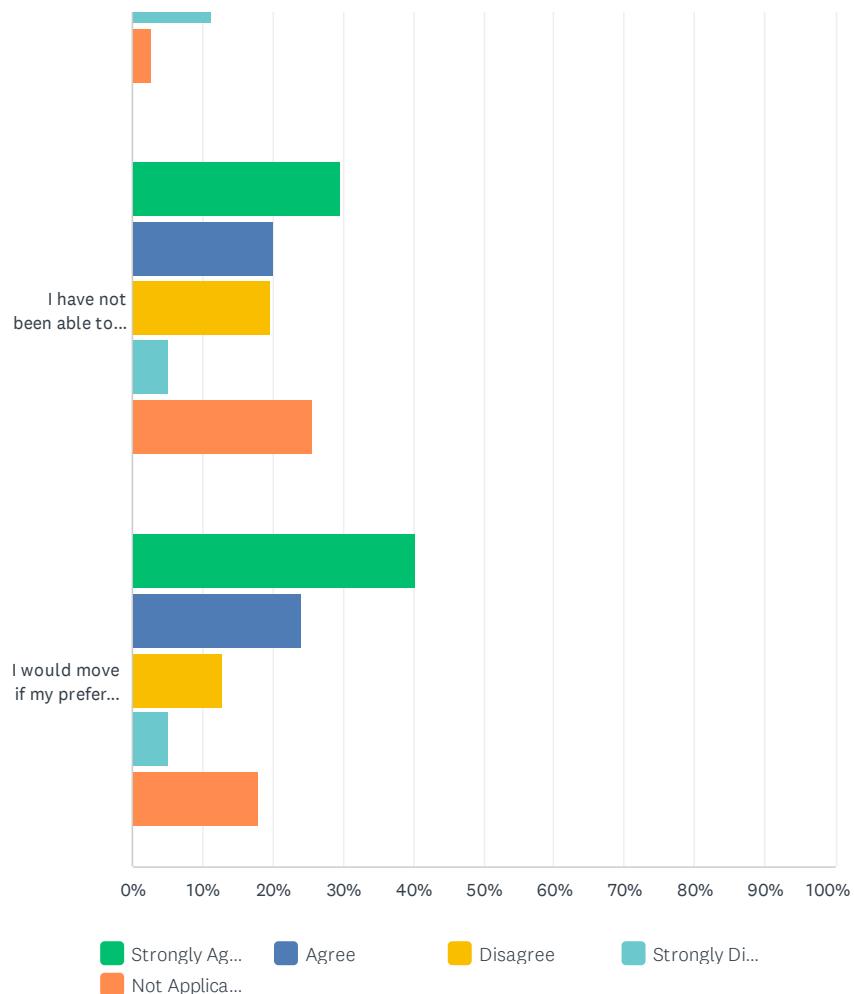
	VERY IMPORTANT	IMPORTANT	NOT IMPORTANT	TOTAL
Live within walking or biking distance to work, downtown, school, parks, clinic, etc.	31.02% 116	33.96% 127	35.03% 131	374
Live within a more traditional neighborhood with smaller lots, sidewalks, front porches, etc.	23.53% 88	46.52% 174	29.95% 112	374
Live in the country or less developed area, not a traditional neighborhood.	20.97% 78	32.80% 122	46.24% 172	372
Live on a larger lot or property.	18.48% 68	33.70% 124	47.83% 176	368
A home with low property maintenance.	36.83% 137	51.61% 192	11.56% 43	372
A home that is not a fixer-upper.	45.82% 170	39.08% 145	15.09% 56	371
Access to financial assistance for housing costs, such as rental subsidies or low-interest loans.	42.86% 159	32.08% 119	25.07% 93	371

**Q13 Please indicate your level of agreement with the following:**

Answered: 376    Skipped: 27



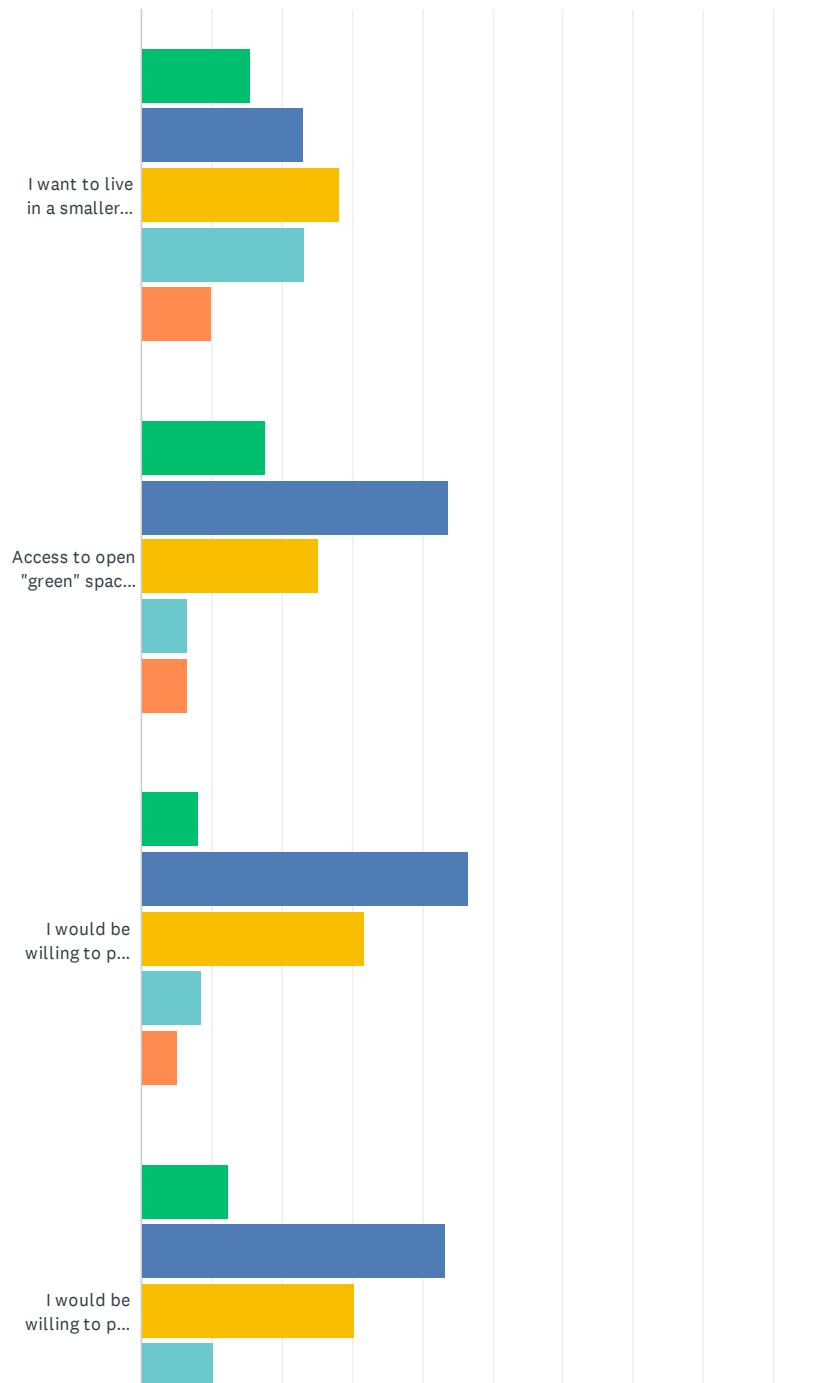
Housing Survey - Dunn County, City of Menomonie, Village of Boyceville



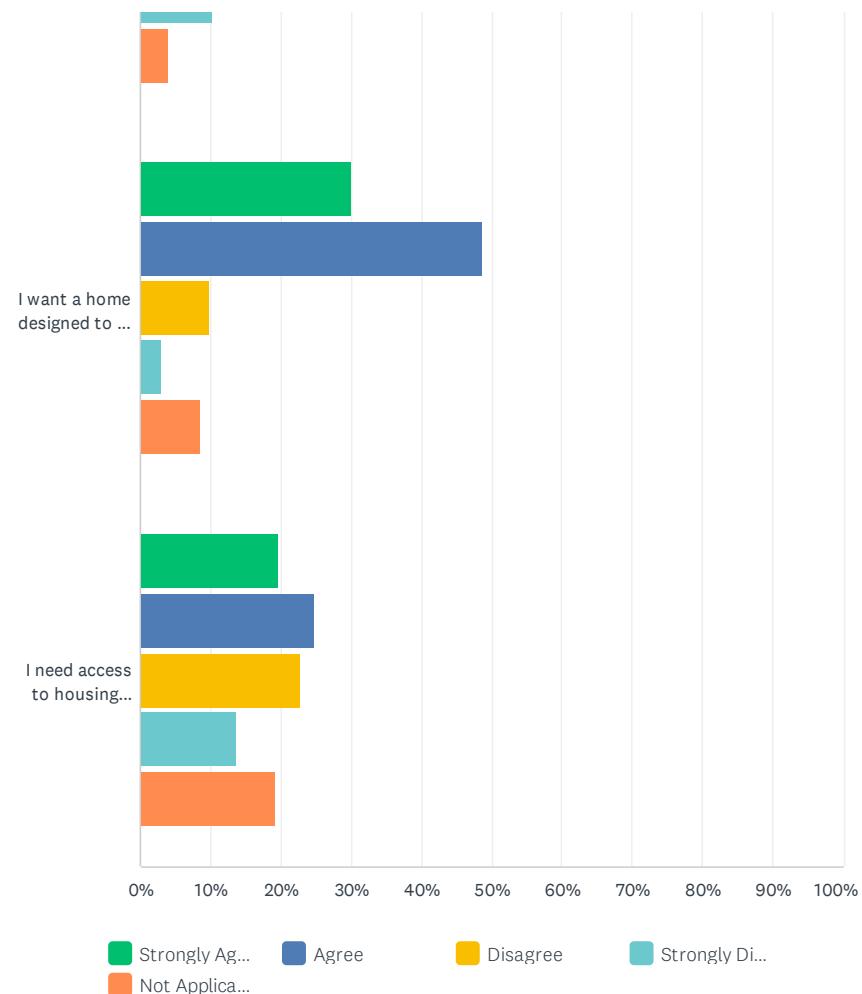
	STRONGLY AGREE	AGREE	DISAGREE	STRONGLY DISAGREE	NOT APPLICABLE	TOTAL
My current housing is affordable.	22.52% 84	50.13% 187	15.01% 56	7.77% 29	4.56% 17	373
I am satisfied with the location of my current housing.	38.93% 146	46.40% 174	7.47% 28	4.53% 17	2.67% 10	375
I am satisfied with the size of my current housing.	31.82% 119	44.12% 165	14.97% 56	6.42% 24	2.67% 10	374
I am satisfied with the condition of my current housing; no major repairs are needed.	22.93% 86	48.27% 181	14.93% 56	11.20% 42	2.67% 10	375
I have not been able to find my preferred housing at an affordable price.	29.68% 111	20.05% 75	19.52% 73	5.08% 19	25.67% 96	374
I would move if my preferred housing was available at an affordable price.	40.27% 151	24.00% 90	12.80% 48	5.07% 19	17.87% 67	375

**Q14 Please indicate your level of agreement with the following:**

Answered: 376    Skipped: 27



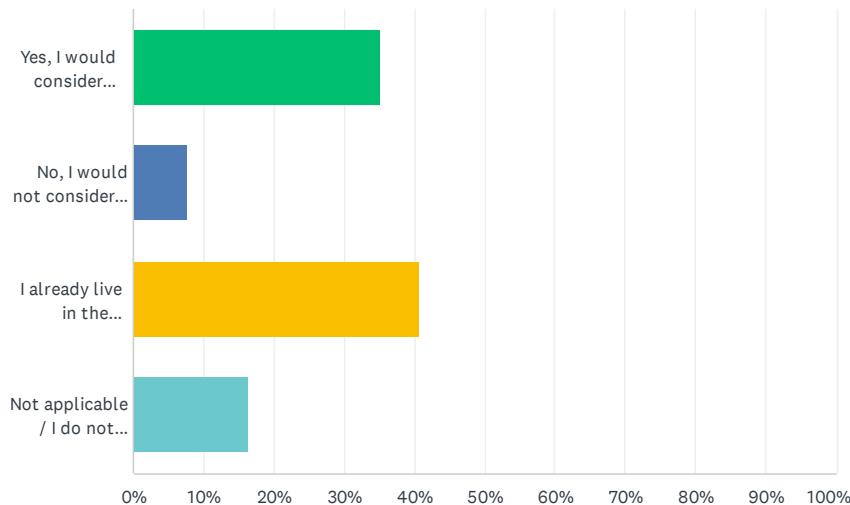
## Housing Survey - Dunn County, City of Menomonie, Village of Boyceville



	STRONGLY AGREE	AGREE	DISAGREE	STRONGLY DISAGREE	NOT APPLICABLE	TOTAL
I want to live in a smaller home or apartment in the next five years.	15.55% 58	23.06% 86	28.15% 105	23.32% 87	9.92% 37	373
Access to open "green" space is more important to me than lot/property size.	17.69% 66	43.70% 163	25.20% 94	6.70% 25	6.70% 25	373
I would be willing to pay more in housing costs to live in a house that looks nice	8.06% 30	46.51% 173	31.72% 118	8.60% 32	5.11% 19	372
I would be willing to pay more in housing costs to live in a neighborhood with parks and open space.	12.30% 46	43.32% 162	30.21% 113	10.16% 38	4.01% 15	374
I want a home designed to be accessible and to allow my household to "age in place".	30.13% 113	48.53% 182	9.87% 37	2.93% 11	8.53% 32	375
I need access to housing financial assistance, such as rental subsidies or low-interest loans.	19.68% 74	24.73% 93	22.87% 86	13.56% 51	19.15% 72	376

**Q15 If the housing I need or desire was available in the community in which I work, I would consider moving to that community**

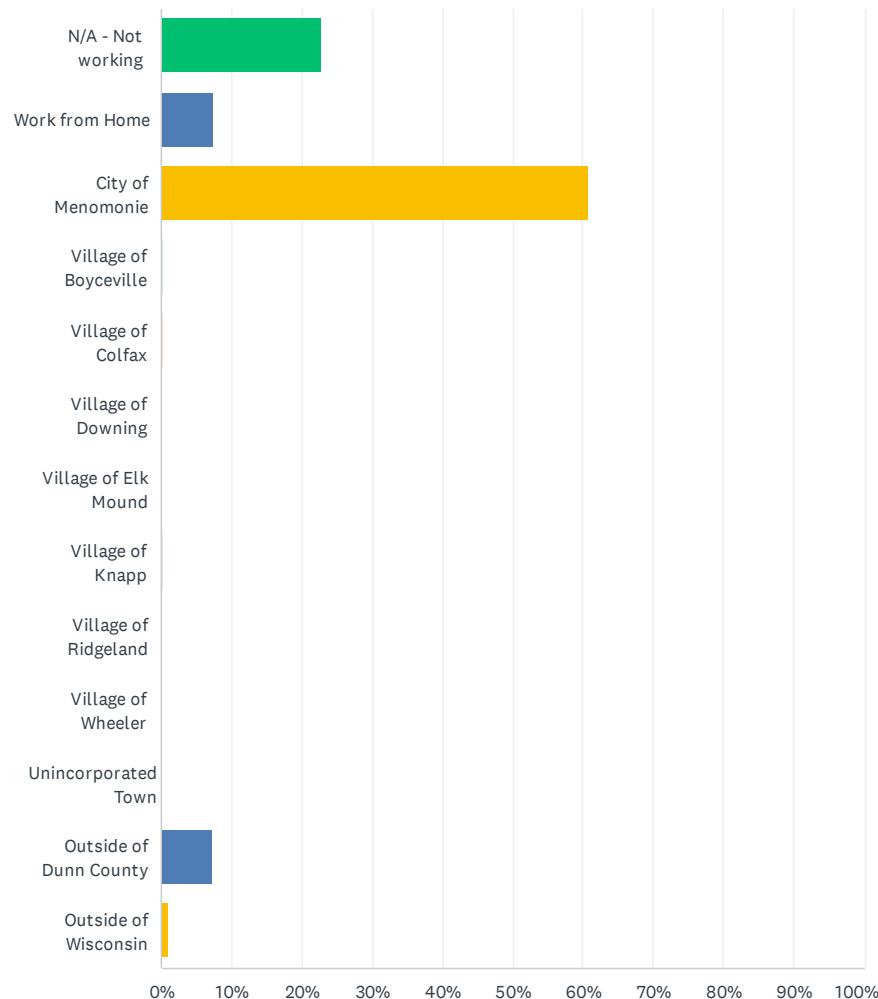
Answered: 376 Skipped: 27



ANSWER CHOICES	RESPONSES
Yes, I would consider moving.	35.11% 132
No, I would not consider moving.	7.71% 29
I already live in the community in which I work.	40.69% 153
Not applicable / I do not work.	16.49% 62
<b>TOTAL</b>	<b>376</b>

### Q16 What is the location of your primary job?

Answered: 374    Skipped: 29

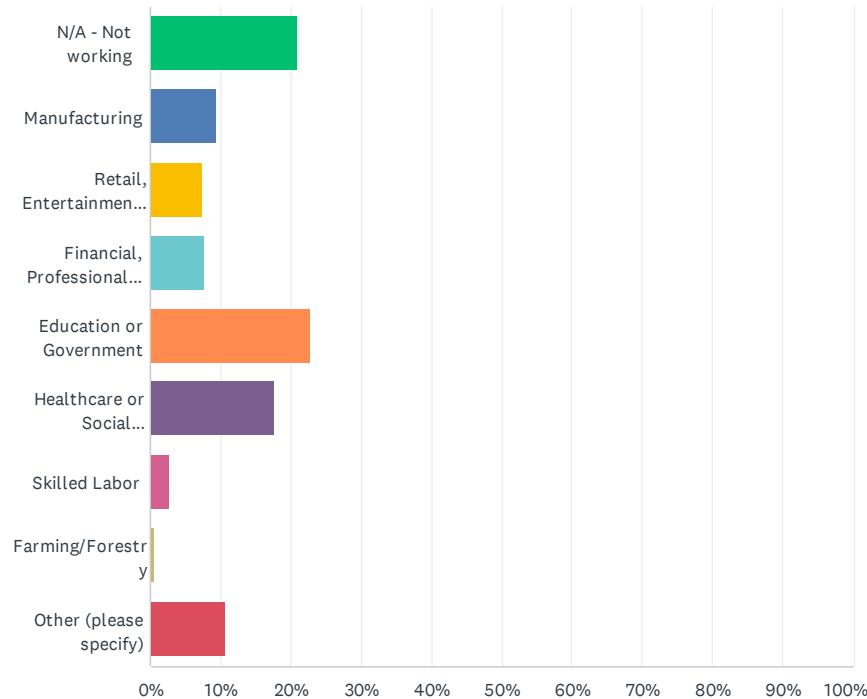


Housing Survey - Dunn County, City of Menomonie, Village of Boyceville

ANSWER CHOICES	RESPONSES
N/A - Not working	22.73% 85
Work from Home	7.49% 28
City of Menomonie	60.70% 227
Village of Boyceville	0.27% 1
Village of Colfax	0.27% 1
Village of Downing	0.00% 0
Village of Elk Mound	0.00% 0
Village of Knapp	0.27% 1
Village of Ridgeland	0.00% 0
Village of Wheeler	0.00% 0
Unincorporated Town	0.00% 0
Outside of Dunn County	7.22% 27
Outside of Wisconsin	1.07% 4
<b>TOTAL</b>	<b>374</b>

## Q17 Which best describes your current primary job?

Answered: 373 Skipped: 30



ANSWER CHOICES	RESPONSES
N/A - Not working	20.91%
Manufacturing	9.38%
Retail, Entertainment, or Business Service	7.51%
Financial, Professional Office/Management	7.77%
Education or Government	22.79%
Healthcare or Social Assistance	17.69%
Skilled Labor	2.68%
Farming/Forestry	0.54%
Other (please specify)	10.72%
<b>TOTAL</b>	<b>373</b>

#	OTHER (PLEASE SPECIFY)	DATE
1	purchasing agent	9/18/2022 4:33 PM

### Housing Survey - Dunn County, City of Menomonie, Village of Boyceville

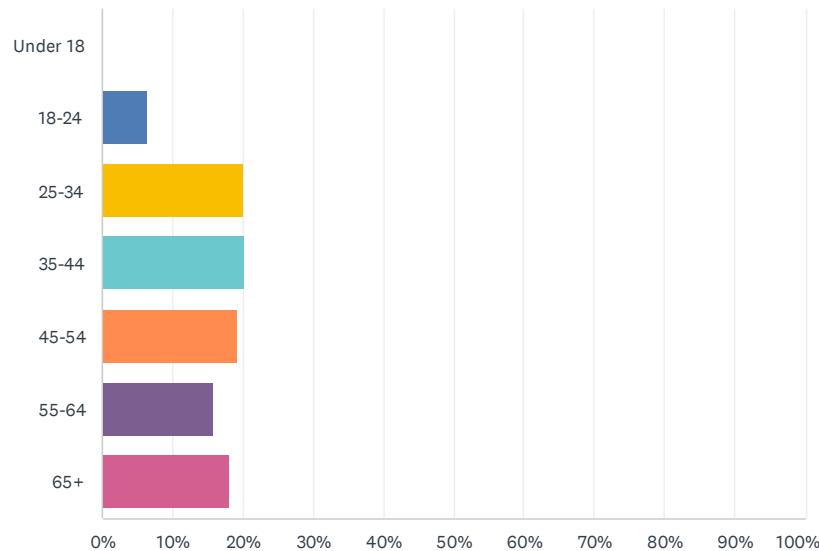
2	Retired, and intend to stay here until I die. In the home I now live in comfortably. We have rented out a room (as a favor) to several college student b/c they were foreign students and could not afford/find anything in the marketplace. Also, have rented out another home/property at below market price to accommodate a mother with two children as a personal favor. Thanks.	9/17/2022 4:01 PM
3	Retired	9/16/2022 8:36 PM
4	Independent contractor/Carpenter/Remodel	9/16/2022 10:59 AM
5	Food/Restaurant	9/16/2022 9:02 AM
6	Group Home	9/16/2022 8:56 AM
7	My primary job is giving money to the Mayor of Menomonie for his bullshit.	9/7/2022 4:03 PM
8	Retired	9/6/2022 12:32 PM
9	Transportation	9/4/2022 3:19 PM
10	School	9/2/2022 8:35 PM
11	Bus driver	9/2/2022 7:59 AM
12	Transportation	9/1/2022 7:23 PM
13	Disability	9/1/2022 7:09 PM
14	Contract driver	9/1/2022 6:06 PM
15	Retired	8/25/2022 9:30 AM
16	Other	8/16/2022 6:12 PM
17	retired	8/16/2022 8:51 AM
18	Food Service	8/12/2022 12:21 PM
19	Retired	8/10/2022 8:02 PM
20	Unit Clerk	8/10/2022 2:21 PM
21	Nonprofit administration	8/6/2022 2:37 PM
22	Retired, but own 2 duplexes that are rental properties.	8/6/2022 12:48 PM
23	Counseling	8/6/2022 6:08 AM
24	Retired	8/5/2022 5:32 PM
25	disabled	8/5/2022 11:49 AM
26	Custodial/Janitorial	8/5/2022 12:09 AM
27	Delivery services	8/4/2022 9:39 PM
28	Childcare	8/4/2022 9:30 PM
29	I just sit back and collect the rental \$\$\$'s and flip the shit properties that have poor cash flow to some wannabe rental investors and let them have the sucker properties.	8/4/2022 6:01 PM
30	Medical leave atm unemployed until released to work	8/4/2022 5:29 PM
31	none-yo-business	8/4/2022 4:09 PM
32	Mental Health Administrative Support	8/4/2022 2:55 PM
33	non profit	8/4/2022 1:49 PM
34	Transportation	8/4/2022 1:40 PM
35	non-profit	8/4/2022 1:07 PM
36	Retired small business owner	8/4/2022 12:56 PM
37	Retired	8/4/2022 12:46 PM

Housing Survey - Dunn County, City of Menomonie, Village of Boyceville

38	Religious	8/4/2022 11:47 AM
39	Retired	8/4/2022 11:43 AM
40	Retired from UW-Stout	8/4/2022 11:08 AM

## Q18 What is your age?

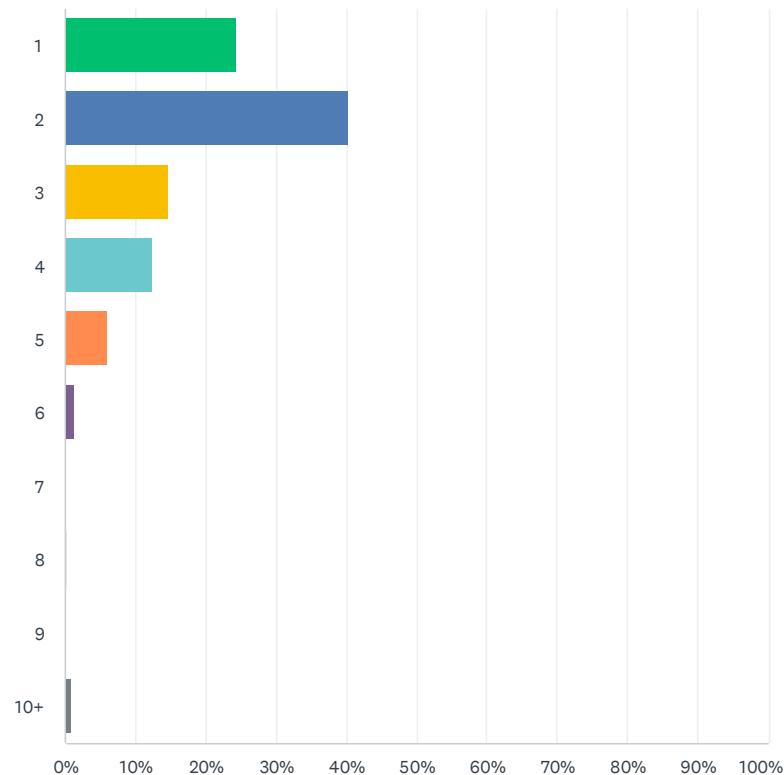
Answered: 374    Skipped: 29



ANSWER CHOICES	RESPONSES
Under 18	0.00%
18-24	6.42%
25-34	20.05%
35-44	20.32%
45-54	19.25%
55-64	15.78%
65+	18.18%
<b>TOTAL</b>	<b>374</b>

**Q19 Number of people in your household, including yourself:**

Answered: 374    Skipped: 29

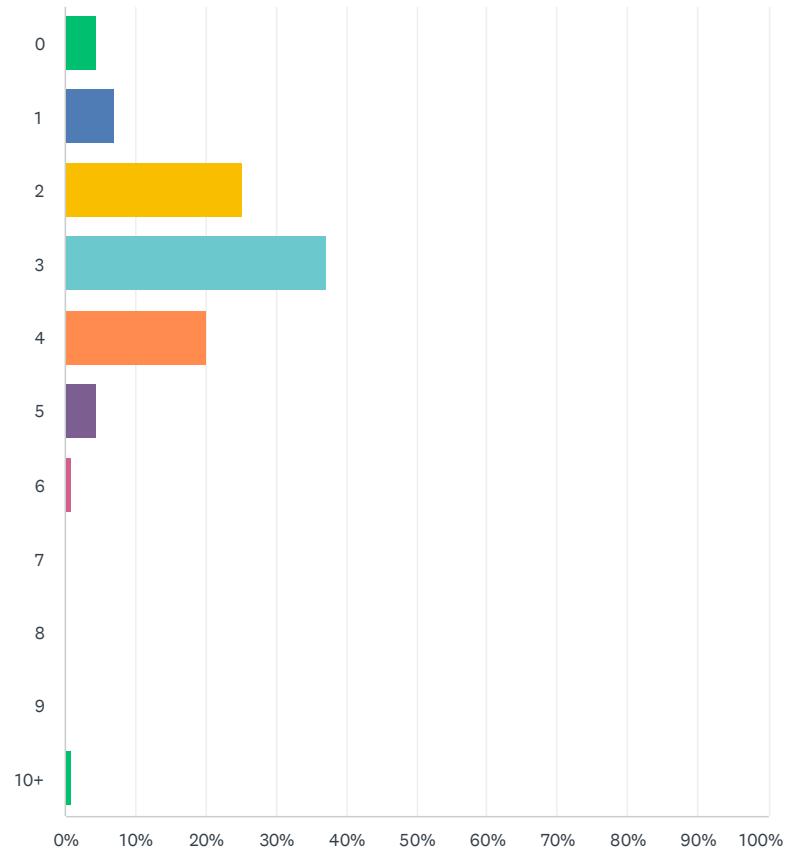


Housing Survey - Dunn County, City of Menomonie, Village of Boyceville

ANSWER CHOICES	RESPONSES	
1	24.33%	91
2	40.37%	151
3	14.71%	55
4	12.30%	46
5	5.88%	22
6	1.34%	5
7	0.00%	0
8	0.27%	1
9	0.00%	0
10+	0.80%	3
TOTAL		374

**Q20 Number of bedrooms in your home or apartment:**

Answered: 374    Skipped: 29

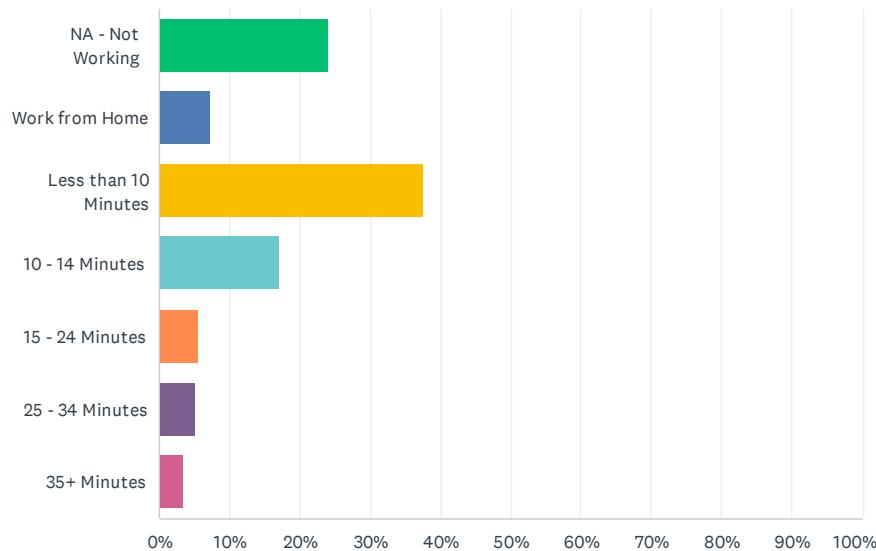


Housing Survey - Dunn County, City of Menomonie, Village of Boyceville

ANSWER CHOICES	RESPONSES	
0	4.55%	17
1	6.95%	26
2	25.13%	94
3	37.17%	139
4	20.05%	75
5	4.55%	17
6	0.80%	3
7	0.00%	0
8	0.00%	0
9	0.00%	0
10+	0.80%	3
TOTAL		374

**Q21 The travel time, one way, from my home to work is:**

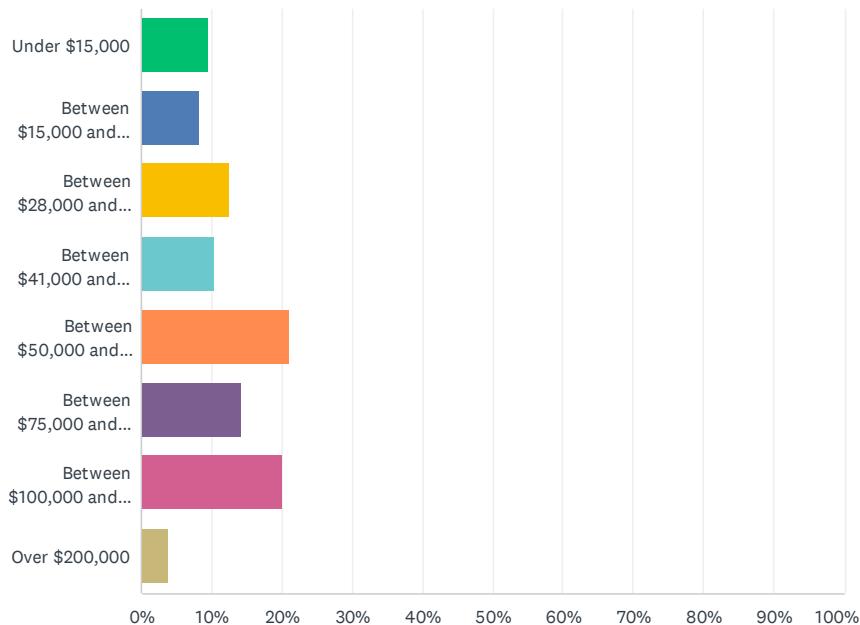
Answered: 375 Skipped: 28



ANSWER CHOICES	RESPONSES
NA - Not Working	24.00% 90
Work from Home	7.20% 27
Less than 10 Minutes	37.60% 141
10 - 14 Minutes	17.07% 64
15 - 24 Minutes	5.60% 21
25 - 34 Minutes	5.07% 19
35+ Minutes	3.47% 13
<b>TOTAL</b>	<b>375</b>

## Q22 What is your estimated total annual household income?

Answered: 365    Skipped: 38



ANSWER CHOICES	RESPONSES
Under \$15,000	9.59%    35
Between \$15,000 and \$28,000	8.22%    30
Between \$28,000 and \$41,000	12.60%    46
Between \$41,000 and \$50,000	10.41%    38
Between \$50,000 and \$75,000	21.10%    77
Between \$75,000 and \$100,000	14.25%    52
Between \$100,000 and \$200,000	20.00%    73
Over \$200,000	3.84%    14
<b>TOTAL</b>	<b>365</b>

# APPENDIX B. MENOMONIE HOUSING SNAPSHOT



# CITY OF MENOMONIE

## HOUSING SNAPSHOT

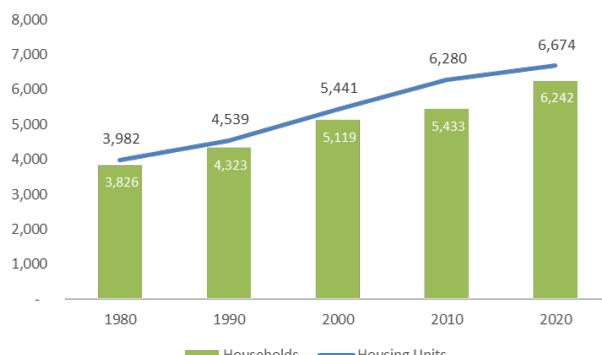


### City of Menomonie Housing Characteristics, 2000 to 2020

	2000	2010	2016-2020 ACS Estimates	2020 Redistricting Data
Population	14,937	16,264	16,479	16,843
Average Age	23.2	23.4	23.8	N/A
# of Households	5,119	5,743	5,929	6,242
Average Household Size	2.35	2.26	2.37	2.20
% of One Person	33.3%	34.5%	40.9%	N/A
% of Households with Own Children	22.6%	20.3%	16.9%	N/A
Owner Vacancy Rate	2.10%	0.0%	2.1%	N/A
Renter Vacancy Rate	5.00%	17.4%	3.2%	N/A
Seasonal Units	34	33	10	N/A
Vacant Housing Units	322	491	376	432
Median # of Rooms	5.0	5	5	N/A
Units 50 Years or Older	2,547	2,123	1,527	N/A
% of Units 50 Years or Older	47.3%	33.8%	24.2%	N/A
Single Family Units	2,794	2,973	2,955	N/A
2+ Units	2,384	2,995	3,008	N/A
Mobile Homes	302	312	342	N/A

Sources: 2000 & 2010 U.S. Decennial Census, 2016-2020 ACS Five Year Estimates, 2020 Redistricting data

### Housing Units & Household Growth, 1980-2020



Sources: U.S. Census Decennial & 2020 Redistricting

### Housing Affordability at a Glance

#### Housing (non-rental) Affordability Gauge:



City of Menomonie's housing affordability ratio in 2020 was **3.5**, indicating that the median house is unaffordable for the median household income, based on 2016-2020 ACS.

#### Cost-Burdened Households:

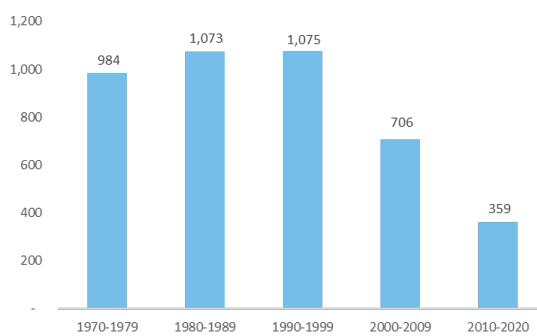
A household is considered to be **"cost burdened"** if it pays **30 percent or more** of its income on housing costs. The 2016-2020 ACS estimate shows **37 percent** of City of Menomonie households were cost burdened. **37.9 percent** were cost-burdened in 2010.

#### Households in Poverty and ALICE Households:

In 2018, **12 percent** of Dunn County households were living in poverty. Additionally, **21 percent** were classified as ALICE households, which are households that earn more than the Federal Poverty Level, but less than the basic cost of living for the county. Combined, the number of ALICE and poverty-level households equals the total population struggling to afford basic needs. The percentage of households in these two categories **decreased 9 percentage points** between 2016 and 2018.

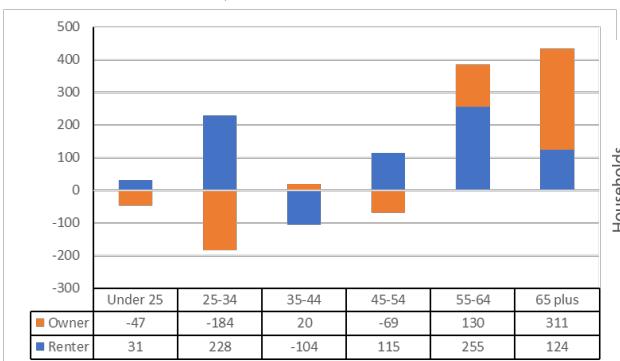
Sources: 2010 & 2020 ACS Five Year Estimates, & ALICE Point-in-Time Data

### Number of Housing Units Built by Decade, 1970-2020



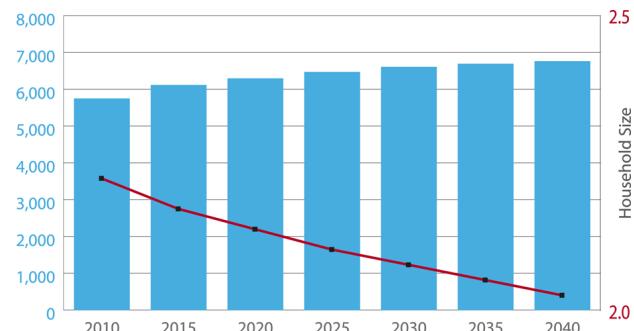
Sources: 2016 - 2020 ACS Five Year Estimates

## Household Growth by Age Group & Tenure, 2000 to 2020



Sources: 2000 U.S. Census & 2020 ACS Five Year Estimates

## Households & Household Size 2010 - 2040



Sources: WI Department of Administration



### Renter Households 2020 Estimate

3,527

59.5% of all households

Median gross rent, 2000: \$465  
Median gross rent, 2020 estimate: \$802

Median renter income, 2000: \$21,977  
Median renter income, 2020 estimate: \$30,046

FY 2023 fair market rent for a 2-bedroom apt. in Dunn Co is \$921. According to rentdata.org, the median rent price for a 2-bedroom unit is \$987 in today's market.



### Owner Households 2020 Estimate

2,402

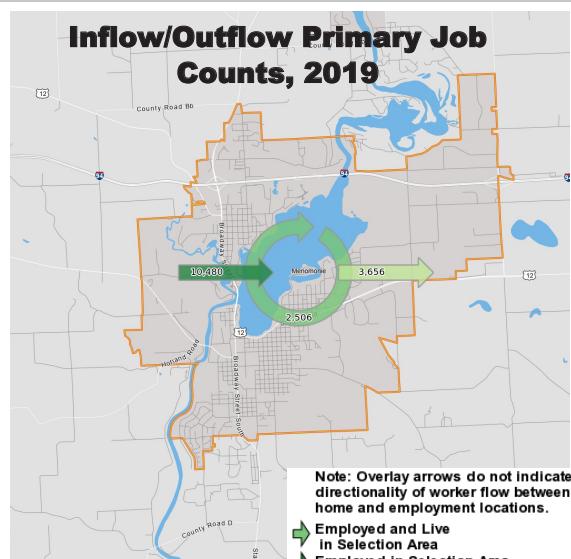
40.5% of all households

Median home value, 2000: \$94,200  
Median home value, 2020 estimate: \$152,200

Median owner income, 2000: \$48,929  
Median owner income, 2020 estimate: \$75,492

The 2022 median sale price in Dunn Co was \$260,000; more than double the median home price in 2010 of \$126,500.

Sources: 2000 U.S. Census & 2016-2020 ACS Five Year Estimates, HUD, & WI Realtors Association



Source: 2019 Longitudinal Employer-Household Dynamics

## Dunn County Housing Sales

2022 # of Home Sales: 573

2010 # of Home Sales: 377

2007 # of Home Sales: 234

2022 Median Sale Price: \$260,000

2010 Median Sale Price: \$126,500

2007 Median Sale Price \$144,820

- There were 573 homes sold in 2022, a 21% decrease from homes sales in 2020.

Sources: Wisconsin Realtors Association



# KEY FINDINGS

## Rental Housing (per 2016-2020 ACS):

- 16% of all renter-occupied units are single-family detached homes.
- 43% of renter-occupied units have 2 bedrooms, while 22% have 1 bedroom.
- The median renter-occupied structure was built in 1983.

- 68% of single-person households rented.

- Median household income for renters in the City was \$30,046 compared with \$43,789 for all City households.

City of Menomonie Rental Supply, 2020 Estimates	
Population in Rental Units	7,667
Rental Units, excludes seasonal	3,933
Renter-Occupied Units	3,714
Vacant Units for Rent, excludes seasonal	126

### Rental Demand:

- WCWRPC estimates there were 126 vacant rental units in the City of Menomonie in 2020.
- An additional 71 - 149 units for rent are needed to bring the 2020 vacancy rate to the healthy standard.

Additional Rental Units Needed*	2020 est.	2025	2030	2035	2040	Net
Based on WDOA Projections	71 - 149	96	86	53	44	350 - 428

\*It was estimated that there were 126 vacant rental units in 2020. Assumes continued housing mix of 59% renter and 41% owner.

## Owner / For Sale Housing (per 2016-2020 ACS):

- 83% of owner-occupied units were single-family detached units while 8% were mobile homes.
- 47% of owner-occupied units have 3 bedrooms while 28% have 4+ bedrooms.
- 19% of the City's owner-occupied housing stock is estimated to have been built in 1939 or earlier.
- 73% of married-couple family households were homeowners, while 32% of single-person households owned a home.
- About 22% of homeowners with a mortgage in the City spent more than 30% of their income on housing costs.

City of Menomonie Owner Supply, 2020 Estimates	
Population in Owner Units	6,041
Owner Units, excludes seasonal	2,730
Owner-Occupied Units	2,528
Vacant Units for Sale, excludes seasonal	57

### Owner Demand:

- It is estimated that there were 57 units for sale in the City of Menomonie in 2020.
- 0-11 additional units for sale are needed to bring the 2020 vacancy rate to the healthy standard.
- This estimate does not include seasonal, recreational, or occasional use homes.

Additional Owner Units Needed*	2020 est.	2025	2030	2035	2040	Net
Based on WDOA Projections	0 - 11	91	57	35	29	212 - 223

\*It was estimated that there were 57 vacant for sale units in 2020. Assumes continued housing mix of 59% renter and 41% owner.

# HOUSING GOALS

## GOAL 1- Address the City's existing unmet housing demand, overcrowding, and low vacancy rates.

- Maintain a healthy housing mix of rental to owner units.
- Build more rental units, at various price points.
- Build more owner units, at various price points.

## GOAL 2 - Strive to achieve a balanced housing market with opportunities for all households.

- Maintain existing, and construct new, affordable rental units for the lowest-income households.
- Increase the number of affordable rental units for the City's workforce population.
- Increase the number of quality market rate rentals for executives and families.
- Address the need for additional smaller, starter homes, in the \$150,000—\$250,000 range.
- Address the need for additional move-up homes and executive homes.
- Evaluate vacancy rates of Assisted Living Facilities as well as Group Quarters and build new facilities, as needed.

## GOAL 3 - Encourage quality housing choices that meet local demand.

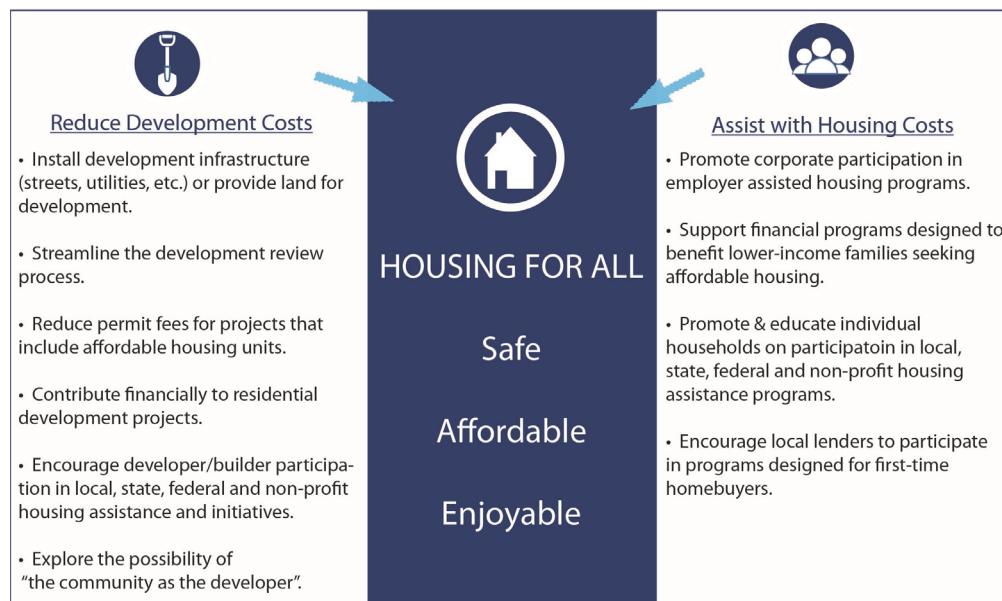
- Provide a diversity of housing styles and sizes that offer a variety of choices for all lifecycles.
- Provide housing choices to encourage seniors to age in place.
- Improve conditions of deteriorating housing stock.

## GOAL 4 - Strive to provide shelter for all, including those not currently in the housing market.

- Identify and support opportunities for transitional and/or supportive housing.

## GOAL 5 - Educate, collaborate, and advocate on housing-related issues.

- Educate and involve residents in continued conversations surrounding housing needs.
- Educate landlords and tenants on rights and responsibilities.



An innovative leader in responsible planning and development for over 40 years  
coordinate. partner. advocate. serve.

West Central Wisconsin  
Regional Planning Commission

April 2023