

SEWRPC Planning Report No. 54  
A REGIONAL HOUSING PLAN FOR SOUTHEASTERN WISCONSIN: 2035

## Chapter XIII

# SUMMARY

### INTRODUCTION

The Southeastern Wisconsin Regional Planning Commission (SEWRPC) has completed a housing plan to help improve housing for current and future residents of the Region. This chapter provides a summary of the planning process, plan contents, and benefits of plan implementation.

### PLANNING PROCESS

Preparation of the regional housing plan was undertaken in response to requests from local governments and concerns that some areas of the Region do not offer enough housing options to meet the housing needs of all residents of the Region. A 29-member Committee appointed by the Regional Planning Commission provided oversight and input throughout the preparation of the plan. The Advisory Committee included representatives from local, county, and State government agencies; housing advocacy organizations; home builders and realtors; and research and policy institutions. Committee members are listed on the inside front cover of this report. In addition, all plan chapters and other materials were reviewed by the Commission's Environmental Justice Task Force (EJTF). The EJTF is an advisory body formed by the Commission to provide further input on regional plans from minority and low-income populations and persons with disabilities. EJTF members are listed in Figure I-1 in Chapter I.

The Commission also provided a wide range of opportunities for members of the public to become engaged in preparation of the plan. Three series of public meetings were held at key points during the planning process. At least one meeting was held in each County, with three in Milwaukee County, during each series of meetings. The first series of meetings was held to brief residents on the scope of work for the plan, and to obtain early public comment on the planning process and plan contents. The second series of meetings was held to present housing-related information collected and analyzed as part of the plan, and to obtain public input to help shape plan recommendations. The third series of meetings was held to present and obtain public input on preliminary plan recommendations, and the findings of a draft socio-economic impact analysis (SEI) of the preliminary recommendations. The Commission contracted with UW-Milwaukee to conduct the SEI to evaluate the potential socio-economic impacts of the plan on minority and low-income populations, and on persons with disabilities. A summary of the SEI is provided in Appendix K.

Public input on preliminary plan recommendations obtained during the third series of public meetings, and the accompanying public comment period, is documented in the *Record of Public Comments, A Regional Housing Plan for Southeastern Wisconsin: 2035, November 13, 2012 through December 21, 2012*. News releases, advertisements, direct mailings, and the SEWRPC website were used to publicize each series of meetings. The record of public comments and summaries of the first two series of public meetings are available on the SEWRPC website (<http://www.sewrpc.org/SEWRPC/Housing.htm>).

Additional outreach was undertaken throughout the planning process through newsletters, the SEWRPC website, and meetings with interested parties. A series of five newsletters were produced during the planning process, including three that coincided with the public meetings and covered the same topics. Additional newsletters were released in October 2010 and following adoption of the plan by the Regional Planning Commission in March 2013. Newsletters were distributed to a wide audience including elected officials, technical and appointed planning and housing officials, minority and low-income organizations, advocacy groups, print and broadcast media, and residents of the Region who indicated an interest in housing issues. Shorter English and Spanish language summary brochures and bulletins were produced with each newsletter. The newsletters, bulletins, and meeting schedules were posted on the SEWRPC website. Draft plan chapters were also posted on the SEWRPC website as they were prepared throughout the planning process. Additional presentations were made to local government officials, housing advocacy groups, and at various conferences, forums, and events, which are listed on Table XIII-1.

SEWRPC staff also had ongoing contact with groups across the Region representing the interests of minority and low-income populations and persons with disabilities during the planning process. This resulted in an increased opportunity to provide input during plan preparation. Detailed summaries of SEWRPC outreach to groups representing the interests of minority and low-income populations and persons with disabilities during each year of the planning process are available in the Public Involvement and Outreach Division section of SEWRPC Annual Reports from 2009, 2010, 2011, and 2012. The annual reports are available on the SEWRPC website (<http://www.sewrpc.org/SEWRPC/DataResources.htm>).

## **PLAN CONTENT**

Major topics addressed in this plan include the provision of market-based housing, housing discrimination, job/housing balance, accessible housing, subsidized housing, and best housing practices. This report includes at least one chapter dedicated to data compilation and analyses of each of these topics.

Early steps in the planning process, which are documented in Chapter II, included a definition of the housing problem, identification of sub-regional housing analysis areas (sub-areas) to facilitate data collection and analyses, and a definition of affordable housing. Chapter II also contains a vision statement for the future development of housing in the Region, which provided a framework for preparation of the plan:

***“Provide financially sustainable housing for persons of all income levels, age groups, and special needs throughout the entire Southeastern Wisconsin Region.”***

Housing objectives were developed to support the regional housing vision and address the seven components of the Region’s housing problem. Eight housing objectives were developed that, if achieved, would address housing affordability, location, discrimination, and development practices. The objectives and supporting housing principles and standards are documented in Chapter II.

Chapter III, *Plans and Programs Related to Housing in the Region*, includes an inventory of government plans and programs that impact housing in the Region. The inventory information was used to assess the potential of government agencies, often in concert with private entities, to help meet the housing needs of current and future residents. The implementation status of recommendations from the legacy housing plan for the Region, adopted by the Commission in 1975, is also analyzed in Chapter III. Chapter IV, *Existing Housing*, includes information on population and household distribution, existing housing stock, and foreclosure activity. The existing housing stock data includes housing cost, size, and condition information. Chapter V, *New Housing Development*, includes information on the development of new, primarily market-based, housing, including community comprehensive plans and zoning ordinances; the costs associated with developing new housing compared to low and moderate household incomes; and the costs of providing community services to residential development.

**Table XIII-1**

**REGIONAL HOUSING PLAN PRESENTATIONS AND EXHIBITS: 2008-2012**

<b>Date</b>	<b>Location</b>	<b>Group</b>	<b>Type</b>	<b>Topic</b>
5/22/08	City of Waukesha	Waukesha Housing Action Coalition	Presentation	Plan scope of work
6/10/08	City of Milwaukee	Milwaukee Housing Action Coalition	Presentation	Plan scope of work
7/30/09	City of Milwaukee	Greater Milwaukee Association of Realtors	Presentation	Plan background
9/21/09	City of Racine	Racine Housing Action Coalition	Presentation	Plan background
7/21/10	City of La Crosse	A Home for Everyone Conference	Presentation	Plan background and data
9/20/11	City of Milwaukee	Brown Deer/Granville Chamber of Commerce	Exhibit	Plan background and findings
9/23-25/11	City of West Allis (State Fair Park)	Milwaukee County Harvest Fair	Exhibit	Plan background and findings
3/2/12	City of Mequon	Ozaukee County First Friday Forum	Presentation	Plan background and findings
9/10/12	City of Milwaukee	Public Policy Forum Viewpoint Luncheon	Presentation	Plan findings and preliminary recommendations
9/20/12	City of Milwaukee	Brown Deer/Granville Chamber of Commerce	Exhibit	Plan findings and preliminary recommendations
9/28-30/12	City of West Allis (State Fair Park)	Milwaukee County Harvest Fair	Exhibit	Plan findings and preliminary recommendations
11/8/12	City of Milwaukee	Urban Economic Development Association	Exhibit	Plan findings and preliminary recommendations
12/4/12	City of Milwaukee	Milwaukee Journal Sentinel Editorial Board	Presentation	Plan findings and preliminary recommendations
12/10/12	City of Milwaukee	City of Milwaukee Plan Commission	Presentation	Plan findings and preliminary recommendations
12/20/12	City of Waukesha	Waukesha County Business Alliance	Presentation	Plan findings and preliminary recommendations

Source: SEWRPC.

Chapter VI, *Housing Discrimination and Fair Housing Practices*, includes a description of the history of housing discrimination and racial distribution patterns in the Region and the resulting impacts, a summary of reported complaints of housing discrimination between 2000 and 2010, home mortgage and lending patterns by race and ethnic group, Federal requirements to affirmatively further fair housing, and recent legal actions related to fair housing. Chapter VII, *Demographic and Economic Characteristics*, includes much of the data regarding the characteristics of the Region's population, households, and jobs that were used to perform the key plan analyses in other plan chapters.

Chapter VIII, *Job/Housing Balance*, includes some of the key plan analyses and findings. An imbalance between jobs and housing in some portions of the Region was identified as a primary component of the regional housing problem to be addressed through the plan. The chapter includes analyses of the current and projected balance of jobs and housing in the Region by sub-area and identifies sub-areas with an imbalance between lower- and moderate-wage jobs compared to lower- and moderate-cost housing. Chapter IX, *Accessible Housing*, includes information and analyses related to the need for housing accessible to persons with disabilities. This includes a description of Federal and State laws regarding the provision of accessible housing and construction practices that could increase the number of new accessible housing units, an estimate of the supply of accessible housing stock in the Region, and an estimate of the demand for accessible housing.

The plan recommends a variety of methods that do not involve government assistance to achieve the vision of affordable housing for the Region's residents; however, it is recognized that government assistance will be required to meet the housing needs of very low-income residents. Chapter X, *Subsidized and Tax Credit Housing*, includes an inventory of the various types of subsidized housing vouchers and units and low income housing tax credit units in the Region. The chapter also includes information regarding historical decisions relative to the type, amount, and location of subsidized housing and challenges faced in maintaining and increasing government assistance for housing.

Chapter XI, *Best Housing Practices*, includes a review of best housing practices, with two areas of focus. The first area of focus is on programs and methods that have been successful in producing affordable housing. The second is on best practices in housing and neighborhood design. The review includes best housing practices case studies from the Region, State, and Nation.

Chapter XII, *Recommended Housing Plan for the Region*, presents a regional housing plan that looks ahead to the year 2035. The chapter provides a projected housing need for the Region and its sub-areas based on the various analyses from other plan chapters, in particular the analyses of comprehensive plans adopted by communities with current or planned public sanitary sewer service. Plan recommendations intended to achieve plan objectives for providing safe and decent housing for all residents of the Region are included in the chapter, which also identifies units of government or other agencies that would need to take action to carry out plan recommendations.

## **BENEFITS OF PLAN IMPLEMENTATION**

### **Help Provide Decent and Affordable Housing for all Residents of the Region**

Safe and decent housing should be available to all residents of the Region, regardless of income level. Housing fulfills a basic human need for shelter and protection from the elements, and safe and decent housing can provide a sense of mental well-being and security that contributes to a healthy society. The private housing market provides ample options for households with higher incomes. The regional housing plan therefore focuses on housing for lower- and moderate-income households.

The regional housing plan recommends that local governments with sanitary sewer service review their comprehensive plans and zoning ordinances, and change the plans and ordinances if necessary, to address the need for additional affordable housing for lower- and moderate-income households. Plan analyses have determined that the development of additional modest multi-family and single-family housing will help provide affordable housing for low- and moderate-income households with incomes above 50 percent of the median household income for the Region (the Region's median annual household income was \$53,879, according to data

compiled from the 2005-2009 American Community Survey by the U.S. Bureau of the Census). Specifically, the plan recommends that community plans and ordinances allow for the development of multi-family housing at a density of at least 10 housing units (apartments) per acre, and allow two-bedroom apartments to be 800 square feet or smaller, to provide market-rate (nonsubsidized) housing for households with incomes between 50 and 80 percent of the Region median income (\$26,940 to \$43,104). The plan also recommends that communities with sewer service allow the development of new single-family homes on lots of 10,000 square feet or less, with homes sizes less than 1,200 square feet, to accommodate market-rate housing affordable to households with incomes between 80 and 135 percent of the Region median income (\$43,104 to \$72,737).

Housing costs for the modest housing recommended by the plan would meet the guideline established by the U.S. Department of Housing and Urban Development (HUD) that housing costs should not exceed 30 percent of household income. A similar standard is used by banks when considering loans for private mortgages. Currently, 36 percent of households in the Region pay more than 30 percent of their incomes for housing, including about 15 percent of households that spend more than 50 percent of their income on housing. Over 67 percent of the households with high housing costs are low- and moderate-income households.

Increasing the supply of housing that meets affordability guidelines will help ensure that households have adequate funds after paying their housing costs to pay for food, child care, transportation, health care, and other necessities. Households that cannot afford decent housing based on 30 percent of their income must often live in housing that is too small, poorly maintained, and/or has inadequate plumbing, kitchen facilities, or insulation. Providing an adequate supply of decent housing that tends to be affordable to a wide range of households would help reduce the market for dilapidated housing in the Region.

#### **Help Provide Enough Subsidized Housing to Meet the Need**

Households with incomes less than 50 percent of the Region's median income (less than \$26,940 per year) depend on or would benefit from housing assistance to ensure that decent housing is available to them at an affordable cost. Data gathered as part of the plan indicate that up to 187,000 households in the Region have incomes below \$26,940 per year, while only about 46,000 subsidized housing units and vouchers are available for those in need.

Public funding for the development of subsidized housing and for housing vouchers is limited. Due to funding challenges, the plan recommends that the development of new subsidized housing and allocation of vouchers be targeted to areas with the greatest need, which are shown on Map XII-12 in Chapter XII. The identified priority areas are those with the most low-income households and areas with a shortage of lower-cost housing compared to lower-wage jobs and a major employment center (a concentrated area with 3,500 or more jobs identified in the Regional Land Use Plan).

Addressing the Region's need for additional subsidized housing will also require greater public sector coordination, greater private sector participation, and interjurisdictional collaboration. The plan therefore recommends the establishment of a regional Housing Trust Fund for Southeastern Wisconsin (HTF-SW) to assist in the acquisition of land and the development of affordable housing. The proposed HTF-SW could be formed initially through the merger of the existing Housing Trust Fund of the City of Milwaukee, Milwaukee County Special Needs Housing Trust Fund, and Milwaukee County Inclusive Housing Fund, and expanded to communities in other counties, and ultimately all seven counties in the Region.

#### **Help Provide Enough Accessible Housing to Meet the Need**

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

It is estimated there are over 61,000 multi-family housing units in the Region constructed since 1991 that may be accessible to persons with disabilities, due to Federal and State fair housing laws. These laws require all apartments in new multi-family buildings with elevators and ground-level apartments in buildings without

elevators to be accessible to persons in wheelchairs by providing features such as zero-step entrances and wider doorways and halls. In 2010, about 169,000 households in the Region reported a member with a disability, which shows a need for additional accessible housing. Housing affordability is also a concern to persons with disabilities, whose median annual earnings are about half that of a person without a disability.

The plan recommendation that calls for the development of more multi-family housing would help persons with disabilities obtain housing that would be both accessible and more affordable. Development of more multi-family housing in outlying portions of the Region would also increase the availability of accessible housing near job centers in those areas.

### **To Help Increase Diversity in All Communities in the Region**

The Region's minority residents are concentrated in the central portions of the Cities of Milwaukee, Racine, and Kenosha. Minority households in the Region are much more likely than non-minority households to have low incomes. About 41 percent of minority households have incomes below 50 percent of the Region median income, compared to about 20 percent of non-minority households. Concentrated poverty is thought to have a negative impact on private-sector investment, prices for goods and services, employment networks, educational opportunities, crime, health, ability to accumulate wealth, and decent housing.

Lower- and moderate-cost housing is recommended by the plan in communities with public sanitary sewer service throughout the Region. Additional lower- and moderate-cost housing is recommended for those sewered communities found to have an inadequate supply of affordable housing through various plan analyses. This would increase housing opportunities for minority and low-income households near major employment centers outside central cities. It would also provide opportunities for minority and low-income households to live in areas with better schools and safer neighborhoods. The plan also recommends a regional voucher program to make it easier for households with a housing voucher to move to less-impooverished areas, and establishing programs to provide assistance to low-income families in moving to less impoverished areas. Such assistance could include help in finding suitable housing, work, enrolling children in school, and other services.

State, county, and local governments that receive funding under HUD Community Planning and Development (CPD) programs, such as Community Development Block Grant funding, are required to certify to HUD that they will affirmatively further fair housing (AFFH). A recipient of CPD funds must proactively identify and take action to reverse patterns of discrimination and segregation under AFFH requirements. Fair housing advocacy groups have expressed concerns that some communities in the Region have taken limited actions to address impediments to fair housing in their community. The plan recommends that HUD entitlement jurisdictions explicitly require sub-grantees (often smaller counties and local governments) to certify that they will affirmatively further fair housing as a condition of receiving CPD funds to address this concern. The determination of whether a community is complying with AFFH requirements is within the purview of HUD and the U.S. Department of Justice; however, communities that comply fully with the recommendations made in this plan would likely meet AFFH requirements.

### **Help Provide Affordable Workforce Housing Near Job Centers**

Several communities in outlying portions of the Region are located in sub-areas that have an affordable housing need because they currently support, or are planning to support, a higher percentage of jobs in industries with relatively low and/or moderate wages than lower- and moderate cost housing, based on a general analysis conducted as part of this plan.

The plan recommends that sewered communities in sub-areas identified as having an imbalance between job wages and housing costs conduct a more detailed analysis based on specific conditions in their community as part of their comprehensive plan updates. If the community's analysis confirms an existing or projected job/housing imbalance, it should consider changes to its comprehensive plan that would encourage the development of housing appropriate for people holding jobs in the community, thereby supporting the availability of a workforce for local businesses and industries. The plan also recommends the expansion of public transit service to the levels recommended in the year 2035 regional transportation system plan to better connect jobs to areas with existing affordable housing.

### **Promote More Economical Development and the Preservation of Farmland**

Multi-family housing and higher-density single-family housing, as recommended in the housing plan, can provide more affordable housing and at the same time provide for a more compact urban development pattern. Compact development allows housing to be located closer to jobs and services, such as shopping and schools, which minimizes vehicle travel and provides increased opportunities for walking and bicycling. Compact development also minimizes the cost of providing new roads and extending public sewer and water to serve new development, can be served more efficiently and economically by public transit, and minimizes the conversion of farmland to urban uses.

### **PLAN ENDORSEMENT AND MONITORING**

Implementation of the regional housing plan recommendations will be dependent on the actions of Federal, State, County, and local government agencies and non-governmental housing stakeholders. The Commission provided a copy of the plan to each County and local government in the Region and to all concerned local, areawide, State, and Federal agencies following its adoption by the Regional Planning Commission. It is recommended that each of the concerned agencies and units of government endorse the regional housing plan and integrate the recommendations of the plan into their planning, regulatory, and other activities related to housing and land use. It is particularly important that the regional housing plan be integrated into community planning efforts, especially those of communities with sewer service.

An important part of the housing planning effort is monitoring of plan implementation activities to determine progress towards achievement of the plan vision and objectives. An ongoing, regionwide data collection effort will be undertaken by SEWRPC to monitor progress in implementing the plan, based largely on information to be gathered from Federal and State agencies and county and local governments.