

YEAR 2035 REGIONAL HOUSING PLAN FOR SOUTHEASTERN WISCONSIN



NEWSLETTER 3

OCTOBER 2011

INTRODUCTION

The Southeastern Wisconsin Regional Planning Commission (SEWRPC) is preparing a housing plan for the Southeastern Wisconsin Region, which includes Kenosha, Milwaukee, Ozaukee, Racine, Walworth, Washington, and Waukesha Counties, and the cities, towns, and villages within each County. The plan is intended to address the availability, distribution, and density of housing in the Region, with a focus on affordable housing for residents of all income levels, age groups, and special needs. Work on the plan began in 2009. Since that time, plan objectives have been developed and information about existing housing and other factors affecting housing has been collected and analyzed. The next step will be the development of recommendations to address the need for housing in the Region over the next 25 years. A series of public meetings are being held in November and December to share the results of the work completed to date, and to gather public input on housing issues to help shape plan recommendations.

OPPORTUNITIES FOR PUBLIC INPUT

Public meetings will be held throughout the Region in November and early December 2011. Meeting dates and locations are listed in the right-hand column.

Additional information about the plan is available on the SEWRPC website at www.sewrpc.org/SEWRPC/housing.htm. Written comments can also be submitted through the website, or by contacting SEWRPC staff by mail, e-mail, or telephone using the contact information on the last page of this newsletter.

ORGANIZATIONAL STRUCTURE

SEWRPC is the areawide regional planning agency for the seven-county Southeastern Wisconsin Region. The Commission's planning under State law is advisory, and addresses land use and infrastructure, including transportation, water quality, water supply, parks and open space, and floodplain management. The Commission exists to help the seven counties and 146 local units of government consider issues and problems which, for their sound consideration and resolution, require the co-operation of all county and local governments in the Region.

PUBLIC MEETINGS

A series of public informational meetings has been scheduled to present information collected and analyzed as part of the regional housing plan and to obtain public input to help shape plan recommendations. Persons may choose to attend any meeting they find convenient. All meetings will be held from 4:30 to 6:30 p.m. and will be held in an informal, "open house" format with summary materials provided and staff available to individually answer questions, provide information, and receive ideas and comments. An opportunity to provide comments in public hearing format will also be available at the meeting on November 30.

| Date | Location |
|-------------------|---|
| November 16, 2011 | Racine City Hall Annex, Room 130 800 Center Street, Racine |
| November 17, 2011 | Kenosha County Job Center, Commons Area 8600 Sheridan Road, Kenosha |
| November 21, 2011 | Housing Authorities of the City and County of Waukesha 600 E. Arcadian Avenue, Waukesha |
| November 28, 2011 | HeartLove Place 3229 N. Dr. Martin Luther King Jr. Drive, Milwaukee |
| November 30, 2011 | Tommy G. Thompson Youth Center Wisconsin State Fair Park 640 S. 84th Street, Milwaukee |
| December 1, 2011 | IndependenceFirst 540 S. 1st Street, Milwaukee |
| December 5, 2011 | Washington County Public Agency Center, Rooms 1113 A-B 333 E. Washington Street, West Bend |
| December 6, 2011 | Matheson Memorial Library and Community Center, Community Room 101 N. Wisconsin Street, Elkhorn |
| December 7, 2011 | Ozaukee County Administration Center, Auditorium 121 W. Main Street, Port Washington |

Following these meetings, a record of public comments will be assembled and provided to the Regional Housing Plan Advisory Committee and to the Commission. In addition to providing ideas and comments at the public meetings, residents may also forward them through January 6, 2012, via U.S. Mail, fax, e-mail, and the SEWRPC website (contact information is on the last page of this newsletter).

Persons with special needs are asked to contact the Commission offices at (262) 547-6721 or by e-mail at bmckay@sewrpc.org a minimum of 72 hours in advance of the meeting date so that appropriate arrangements can be made. This may involve site access, mobility, materials review or interpretation, questions or comments, or other needs.

The Commission established a 29-member Regional Housing Plan Advisory Committee to guide preparation of the Regional Housing Plan. The committee consists of members appointed by the Regional Planning Commission from groups representing housing advocacy organizations; local, county, and State government agencies; housing production professionals; and research and policy organizations and institutions. The Advisory Committee is intended to promote intergovernmental and interagency coordination, and to serve as a direct liaison between SEWRPC and the government agencies and housing advocacy groups directly responsible for implementing the recommendations of the plan, in addition to providing oversight to the planning process.

SEWRPC also works with the Environmental Justice Task Force (EJTF) to obtain input on the housing plan. The task force is an advisory body of the Commission established to enhance the consideration and integration of issues of concern to persons with disabilities and minority and low-income individuals and groups throughout the regional planning process.

HOUSING VISION AND OBJECTIVES

The plan is guided by the following vision, which was developed by the Advisory Committee:

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

The plan has the following objectives, or long-range goals:

1. Provide decent, safe, sanitary, and financially sustainable housing for all current residents of the Region, and the Region's anticipated future population.
2. Improve links between jobs and affordable housing by providing additional affordable housing near major employment centers; increasing employment opportunities near concentrations of existing affordable housing; and providing improved public transit between job centers and areas with affordable housing.
3. Maintain and expand the stock of subsidized housing in the Region to meet the anticipated need for such housing.
4. Provide accessible housing choices throughout the Region, including near major employment centers.
5. Eliminate housing discrimination in the Region.
6. Reduce economic and racial segregation in the Region.
7. Encourage the use of environmentally responsible residential development practices throughout the Region.
8. Encourage neighborhood design principles that provide housing in a physical environment that is healthy, safe, convenient, and attractive.



Regional Housing Plan Advisory Committee meeting



Environmental Justice Task Force Meeting

INVENTORY AND ANALYSES

A number of inventories and analyses related to existing housing, new housing development, the balance between jobs and housing, housing discrimination, the availability of housing accessible to persons with disabilities and the elderly, and existing subsidized housing stock, were conducted as part of the planning work. These analyses will be used to develop the recommended housing plan for the Region. Major findings of the inventory and analyses work are summarized in this newsletter as they relate to each of the plan objectives, following a summary of pertinent population, economic, and household characteristics.

Population and Economic Characteristics

The Region grew in population from 1,240,618 persons in 1950 to 2,019,970 persons in 2010. About 36 percent of the State's population lives in the Region. Milwaukee County is the Region's most populous county, with a population of 947,735 residents, or about 47 percent of the Region's population. About 48 percent of the Region's housing units are located in Milwaukee County.

It is estimated that the number of jobs in the Region decreased by about 3 percent between 2000 and 2010, from 1,222,800 jobs to 1,184,700 jobs, due to the economic recession. Despite the continuing economic downturn, 2010 employment levels in five counties—Kenosha, Ozaukee, Walworth, Washington, and Waukesha—remained above year 2000 levels, ranging from an increase of 1,400 jobs in Walworth County to an increase of 7,200 jobs in Kenosha County. Racine County employment in 2010 was estimated to have declined by about 5,200 jobs, while Milwaukee County employment was estimated to have declined by about 48,700 jobs, or almost 8 percent.

About 68 percent of the Region's population age 16 years and older was in the labor force, based on information reported in the 2005-2009 American Community Survey (ACS) conducted by the Census Bureau. At that time, the Region's unemployment rate was 7.0 percent. The unemployment rate for White/Non Hispanic residents of the Region was much lower (5.1 percent) than that of Hispanic and African American residents (10.3 and 17.3 percent, respectively). Research has indicated that unemployment rates, particularly for minority residents, would be much higher if discouraged workers were included.

The annual median income in the Region in 2005-2009 was \$53,879. About 12 percent of the Region's households had an annual median income under \$15,000, and an additional 35 percent had incomes between \$15,000 and \$49,999. About 9 percent of families in the Region, or 42,746 families, had a family income level below Federal poverty thresholds. Milwaukee County had the highest percentage of families in poverty of any County in the Region. About 31 percent of families with African American householders in the Region were in poverty, compared to about 4 percent of families with White/Non Hispanic householders.

Housing and Household Characteristics

There were 800,087 households (occupied housing units) in the Region in 2010, with an average of 2.45 persons per household. About 33 percent of households in the Region in 2010 were two-person households and about 29 percent were single-person households. About 28 percent of households were three- or four-person households. About 10 percent of the Region's households had five or more people.

About 64 percent of households in the Region in 2010 were family households. About half (46 percent) of family households included children under the age of 18. The remaining 36 percent of households were non-family households. Most non-family households (about 80 percent) were single-person households, and the remainder (20 percent) consisted of two or more unrelated persons. About 45,400 persons, or 2 percent of the Region's residents, lived in group quarters, such as correctional facilities, nursing homes, college dormitories, group homes, and shelters.

In 2010, 37 percent of the Region's householders rented their homes and 63 percent owned their homes. Minority groups are more likely to rent than persons of White/Non Hispanic origin. About 30 percent of households with White/Non Hispanic householders rent their homes. About 68 percent of households with African American householders and about 58 percent of households with Hispanic householders rent their homes.

Plan Objectives and Related Findings

Objective 1: Provide decent, safe, sanitary, and financially sustainable housing for all current residents of the Region, and the Region's anticipated future population.

Existing Housing

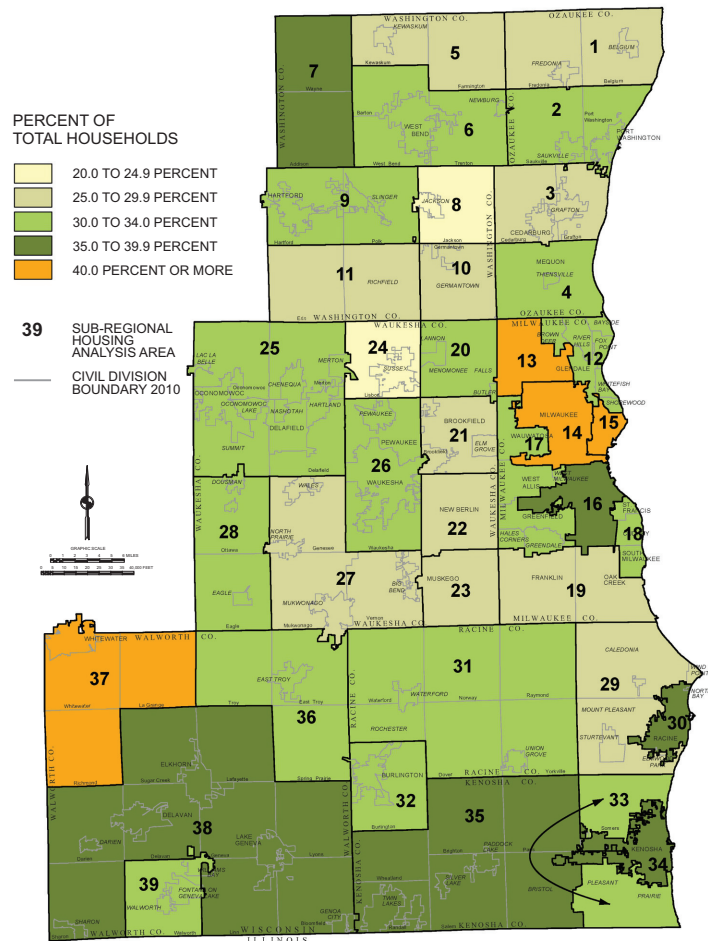
Overall, the Region's housing stock is in good shape. Less than 2 percent of one- and two-family dwellings have been identified by local assessors as being in “unsound” or “poor or very poor” condition. About 25 percent of the Region's housing stock was built between 1940 and 1959 and about 21 percent was built before 1940. The City of Milwaukee has the highest percentage of housing units built prior to 1940. The need for proper maintenance and rehabilitation, and in some cases replacement, of housing units takes on added importance as housing ages.

Housing Cost Burden

In 2005-2009, the median monthly housing cost for homeowners with a mortgage was \$1,578 and the median monthly cost for renters was \$769. A household is considered to have a high housing cost burden if monthly housing costs exceed 30 percent of gross household income. About 36 percent of households in the Region, or 282,576 households, had a high housing cost burden in 2005-2009, compared to about 35 percent of households in the Nation and about 33 percent of households in Wisconsin. About 21 percent of households in the Region spent between 30 and 49.9 percent of their income on housing, and an additional 15 percent spent more than 50 percent of their monthly income on housing. The percentage of households with a high housing cost burden by sub-area is shown on Map 1.

Map 1

HOUSEHOLDS WITH A HIGH HOUSING COST BURDEN IN THE SOUTHEASTERN WISCONSIN REGION BY SUB-REGIONAL HOUSING ANALYSIS AREA: 2005-2009



Source: U.S. Bureau of the Census and SEWRPC.

Households spending more than 30 percent of their income on housing included:

- About 47 percent of renter households, or 127,032 households.
- About 35 percent of homeowner households with a mortgage, or 128,651 households.
- About 19 percent of homeowner households without a mortgage, or 26,893 households.

Foreclosures

The National economic recession and related housing crisis that began in late 2007 has led to a significant increase in foreclosures and abandoned homes. Sub-prime home loans and home-equity loans also contributed to the foreclosure problem. Foreclosures and abandoned homes negatively impact individuals, families, and communities. Abandoned or vacant homes resulting from foreclosures can lead to increases in vandalism and other criminal activity in a neighborhood, lower the property values and marketability of neighboring homes, and become a financial burden to the



Modest single-family home, Waukesha



Multi-family building in Burlington
Source: Kenosha County Extension.

local government. Community problems tend to intensify if foreclosures and abandoned homes become concentrated in a neighborhood. Although the entire Southeastern Wisconsin Region experienced an increase in foreclosure activity over the last half of the 2000s, central city areas of the Region with high concentrations of low-income and minority populations have experienced the greatest concentrations of foreclosures. Many banks have a back-log of mortgages in default that are still being processed, which may increase the number of foreclosures.

Federal legislation has been enacted to correct the problematic financial practices that led to the economic recession and related housing crisis; and to provide financial assistance to State and local governments, non-profit organizations, and individual homeowners to help prevent foreclosures and home abandonment. Home counseling services are a mandatory part of the foreclosure assistance funding programs available to individuals, which may limit future foreclosures. Home counseling services prior to purchasing a new home could also help limit future foreclosures.

The City of Milwaukee has established a number of programs to help address the foreclosure issue, including a foreclosure mediation program and a program to monitor vacant properties. The City has also used Federal funds provided through the Neighborhood Stabilization Program (NSP) to offer financing for the purchase and renovation of foreclosed homes, to demolish blighted structures, and in some cases to redevelop demolished properties.

Establishment of stricter credit requirements by lenders, loss of income due to job cuts and cuts in pay and benefits, and a decrease in property values that may make some homes worth less than outstanding loans has prolonged the foreclosure crisis. More reasonable credit requirements and an increase in the number of jobs will likely be necessary to reduce the rate of foreclosures to the level that existed prior to the housing crisis.

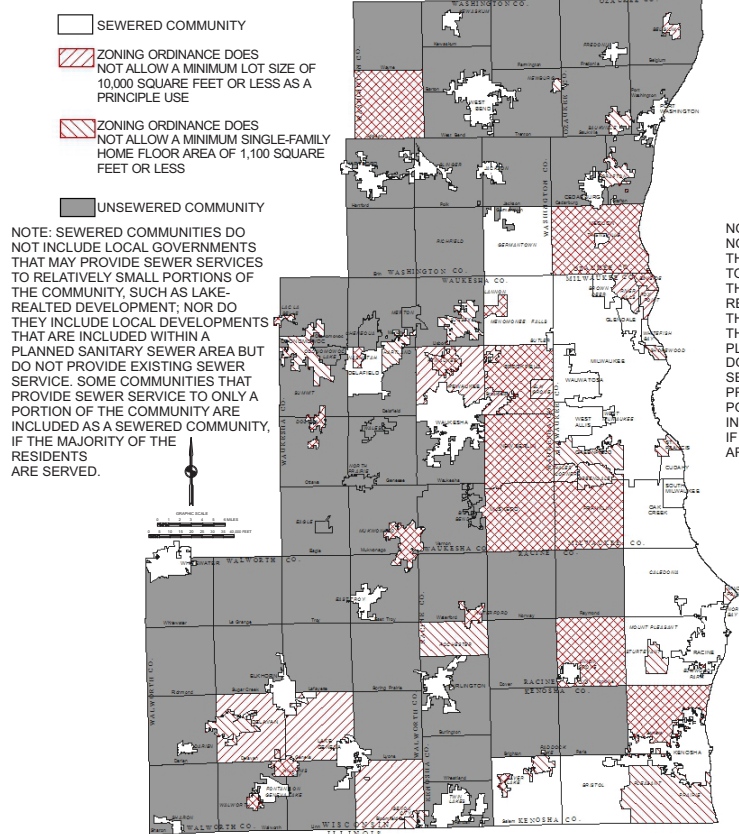
Community Regulations Affecting the Cost of New Housing

Community policies and regulations are important determinants of the type of housing developed or redeveloped in the Region. Zoning and subdivision ordinances were reviewed as part of the planning effort to identify community regulations regarding residential densities, housing structure types, and housing unit sizes. An analysis was also undertaken to determine housing development costs, based on land, building, site improvement, and regulatory costs. Characteristics of affordable housing were determined based on typical development costs for new single- and multi-family housing. These characteristics were compared to zoning ordinance requirements to identify those communities where affordable housing could be accommodated under current regulations. Based on the analyses, it was determined that:

- A community would need to provide areas for the development of a 1,100 square foot single-family home on a 10,000 square foot or smaller lot in order to provide new affordable housing for moderate-income households. Forty of the 88 communities that provide sanitary sewer service include a district in their zoning ordinance that allows the development of homes having these characteristics, as shown on Map 2. The estimated cost of constructing such a home, including land and site improvement costs, would range from \$121,000 to \$155,500. Using the Federal home affordability guideline of paying no more than 30 percent of household income for

Map 2

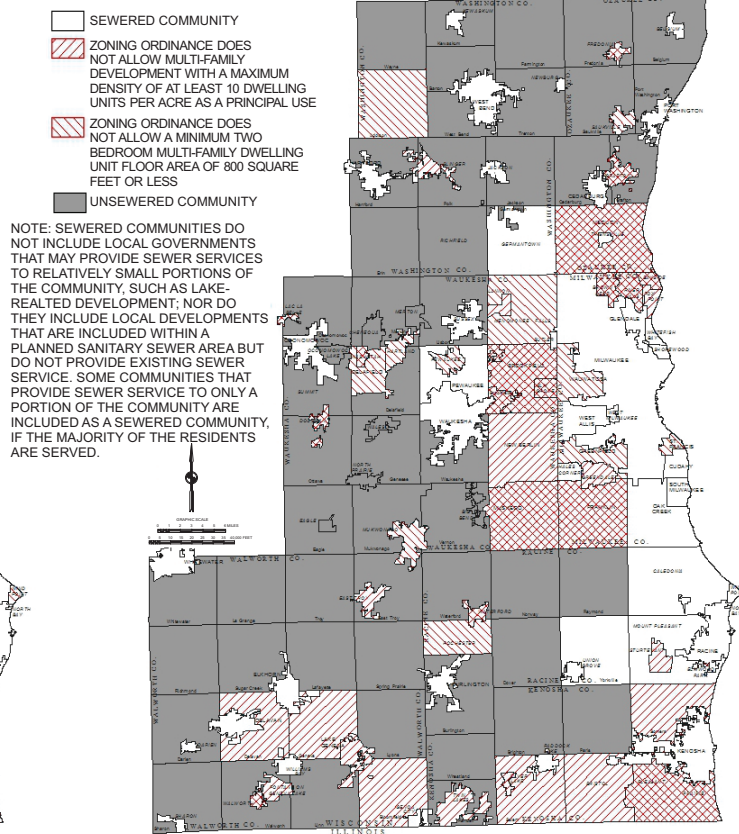
SEWERED COMMUNITIES WHERE RESIDENTIAL ZONING DISTRICT MINIMUM LOT SIZE AND MINIMUM FLOOR AREA REQUIREMENTS MAY RESTRICT AFFORDABLE SINGLE-FAMILY HOUSING: 2010



Source: SEWRPC.

Map 3

SEWERED COMMUNITIES WHERE RESIDENTIAL ZONING DISTRICT MAXIMUM DENSITY AND MINIMUM FLOOR AREA REQUIREMENTS MAY RESTRICT AFFORDABLE MULTI-FAMILY HOUSING: 2010



Source: SEWRPC.

housing, a moderate-income household (households that earned \$44,160 in 2008, or 80 percent of the median annual household income in the Region), could afford a home with a purchase price of about \$123,000, and a household earning the median household income of \$55,200 could afford a home costing \$164,000.

- A community would need to provide areas for the development of multi-family housing at a density of at least 10 dwelling units per acre, and a two bedroom dwelling unit size of 800 square feet or less, in order to provide new affordable housing for low-income households. Forty of the 88 communities that provide sanitary sewer service include a district in their zoning ordinance that allows multi-family development having these characteristics, as shown on Map 3. Using Federal home affordability guidelines, a low-income household (households that earned \$27,600 in 2008, or 50 percent of the Region's median income), could afford a monthly rent of \$690.
- Subsidies would be necessary to develop new affordable housing for households that earn less than \$27,600, which was 50 percent of the median household income in 2008. Subsidies may also be necessary in highly desirable communities, where higher-cost housing tends to be constructed even though a local government may allow modest-sized homes and lots.

Objective 2: Improve links between jobs and affordable housing by providing additional affordable housing near major employment centers; increasing employment opportunities near concentrations of existing affordable housing; and providing improved public transit between job centers and areas with affordable housing.

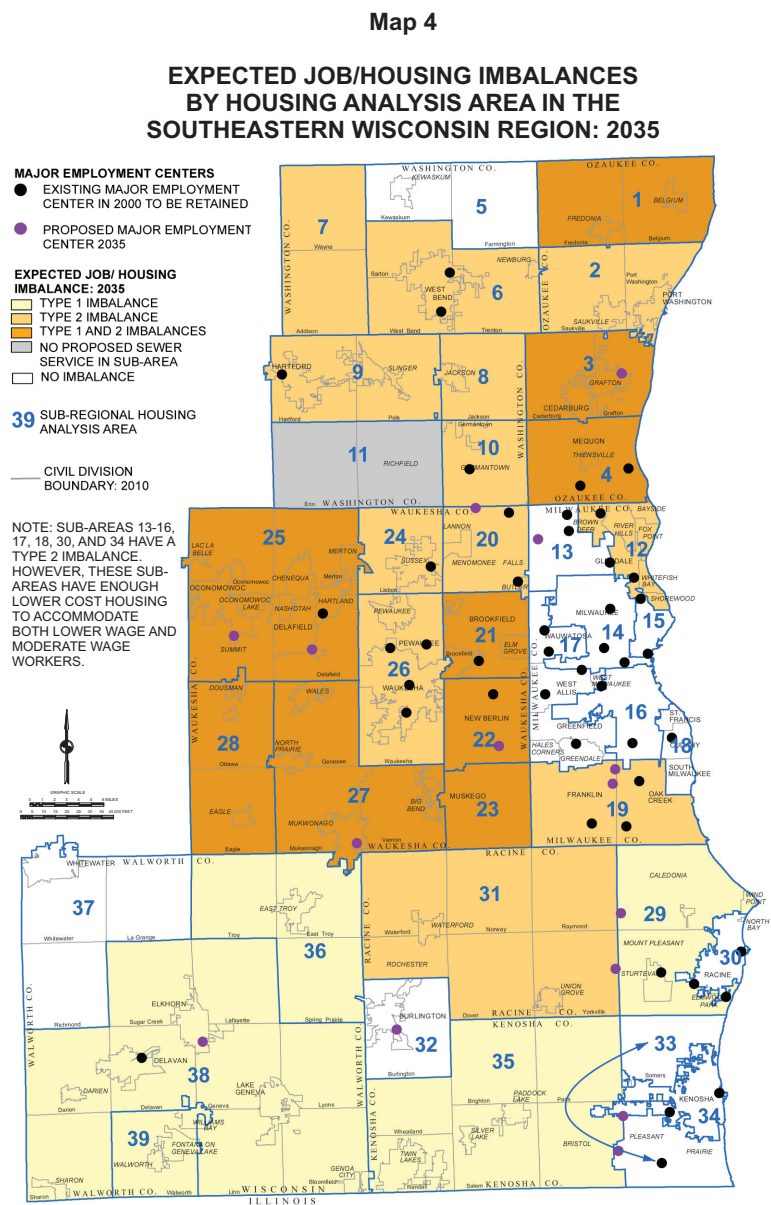
Job/Housing Analysis

The land use plan maps adopted as part of community comprehensive plans were analyzed to determine the potential number and type of jobs and the number and type of housing units that could be accommodated in the Region. The

expected job/housing balance analysis was limited to areas planned by local governments to be provided with sanitary sewer service by 2035, because the primary concern addressed by the analysis is determining if communities with a significant amount of existing and/or planned land uses that accommodate employment have also planned for suitable workforce housing. Local governments in portions of the Region that are not served by sanitary sewer typically do not designate extensive areas for commercial and industrial land uses or medium to high density residential land uses, which would accommodate jobs and affordable housing, respectively.

Planned housing units in each community were placed into lower-, moderate-, and higher-cost categories based on the housing type and density categories in each local plan. Generally, lower-cost housing includes multi-family dwellings and two- and single-family dwellings at existing or planned densities of 6,000 square feet or less per dwelling unit, and moderately-priced housing includes two- and single-family dwellings at densities equating to one dwelling per 6,000 to 20,000 square feet for homes constructed prior to 2000 and to densities equating to one dwelling per 6,000 to 10,000 square feet for planned residential areas. Planned jobs were placed into lower-, moderate, and higher-wage categories based on the type of jobs likely to be accommodated within areas designated for commercial, industrial, and institutional uses by local plans and the wages for those job types in 2010. The percentage of lower-cost housing and lower-wage jobs; moderate-cost housing and moderate-wage jobs; and higher-cost housing and higher-wage jobs that would likely be accommodated based on community land use plans was compared, with the following results:

- A Type 1 housing imbalance refers to sub-areas of the Region that have a higher percentage of lower wage jobs than lower cost housing. Sub-areas with current and expected (year 2035) Type 1 imbalances tend to be in the Region's suburban communities, as shown on Map 4. Additional multi-family housing units may help to correct the potential job/housing imbalances in these sub-areas.
- A Type 2 housing imbalance refers to sub-areas that have a higher percentage of moderate wage jobs than moderate cost housing. A Type 2 imbalance is the most common type of current and expected job/housing imbalance in the Region and also tends to occur in suburban communities, particularly sub-areas in Ozaukee, Washington, and Waukesha Counties (see Map 4) Additional modest sized single-family homes on small to modest size lots may help to correct job/housing imbalances in these sub-areas.
- Although the Cities of Kenosha, Milwaukee, and Racine do not have Type 1 or Type 2 job/housing imbalances, these cities have among the highest percentages of households with a high housing cost burden. These areas also have high unemployment rates and low median earnings compared to other portions of the Region. These data indicate that the communities concerned have adequate housing, but lack jobs. Affordable housing strategies in these areas should include economic and workforce development components to help reduce high housing cost burdens.



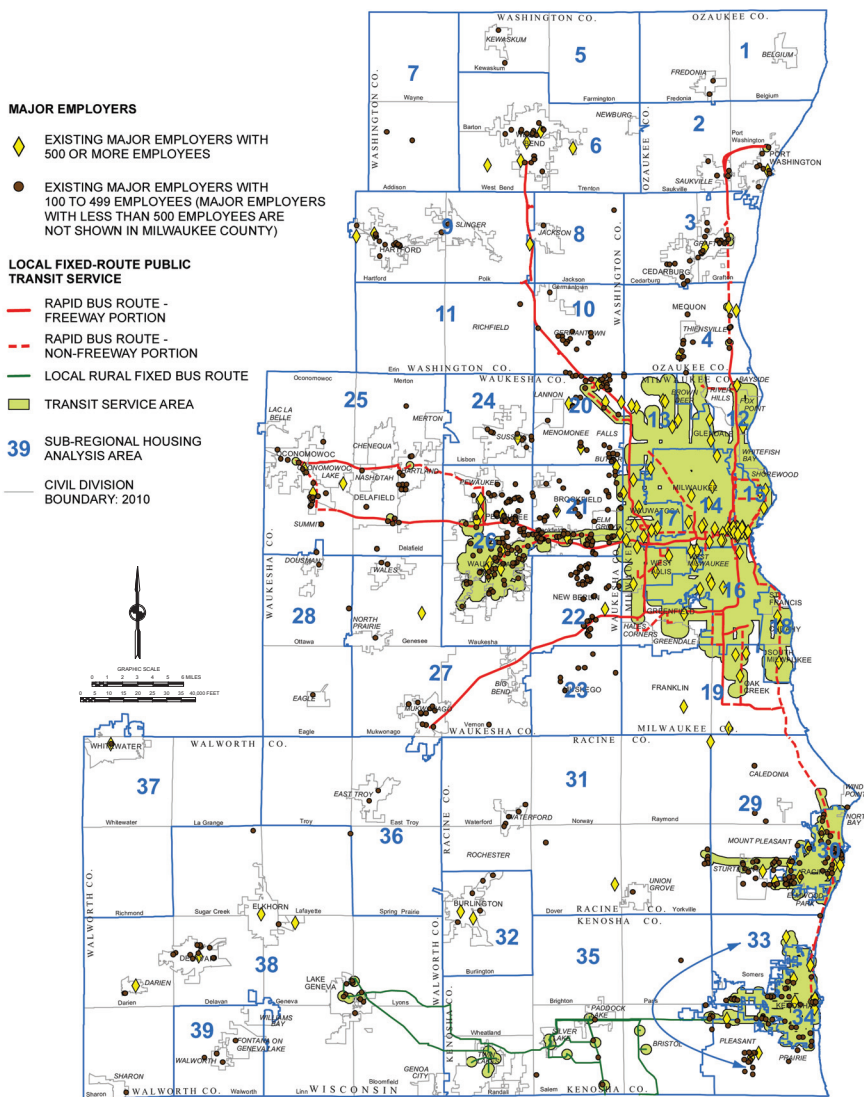
Transit Connections Between Jobs and Affordable Housing

Improved transit service would help provide links between affordable housing and jobs, particularly for households without access to a car. In 2005-2009, 9 percent of households in the Region, 13 percent of households in Milwaukee County, and 17 percent of households in the City of Milwaukee did not have access to a car. Map 5 shows the location of employers with 500 employees or more in Milwaukee County and 100 or more employees in the other six Counties in the Region and areas served by public transit in 2010. About 41 percent of these employers are accessible by local or rapid transit service.

Many major employment centers that are not currently served by public transit would become accessible by public transit under the recommended 2035 regional transportation system plan, as shown on Map 6. The public transit element of the 2035 regional transportation system plan recommends a significant increase in service areas, hours, and frequency, which would substantially increase access to employment opportunities for people without access to a car, including those working second and third shifts and weekend hours.

Map 5

MAJOR EMPLOYERS AND EXISTING PUBLIC TRANSIT SERVICE IN THE SOUTHEASTERN WISCONSIN REGION: 2010



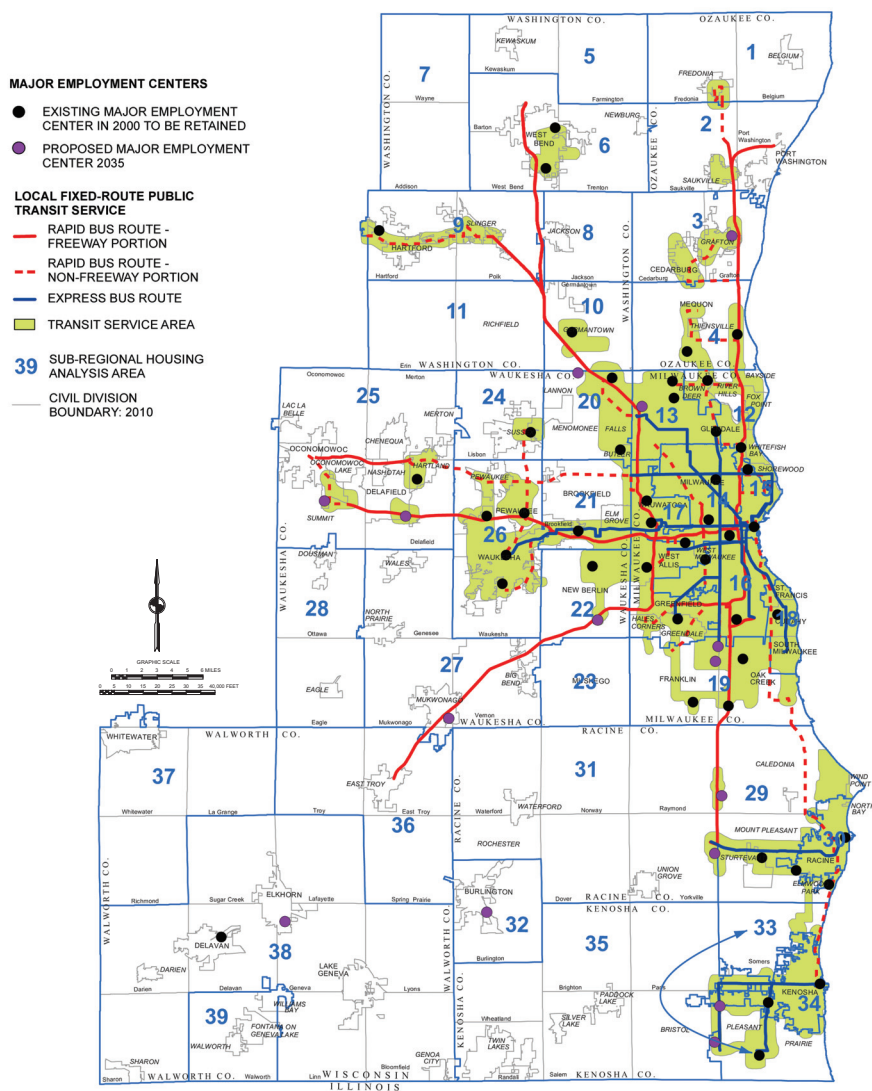
New single-family and renovated multi-family buildings in Parklawn public housing development



Demolition and renovations underway in Westlawn public housing development

Map 6

MAJOR EMPLOYMENT CENTERS AND THE PUBLIC TRANSIT ELEMENT OF THE YEAR 2035 REGIONAL TRANSPORTATION SYSTEM PLAN



Objective 3: Maintain and expand the stock of subsidized housing in the Region to meet the anticipated need for such housing.

Federal Housing Assistance Programs

The first Federal housing assistance programs, which were established in the 1930s in response to housing problems caused by the Great Depression, focused on the development and management of housing units by local public housing authorities (PHAs), with major funding from the Federal government. In 2011, there were 5,072 housing units managed by six PHAs within the Region, with almost 90 percent of those units managed by the Housing Authority of the City of Milwaukee. Major renovations have been made in recent years and are underway to modernize public housing units, many of which were constructed several decades ago.

The Federal Housing and Community Development Act of 1974 reduced emphasis on public housing construction in favor of a “project-based” Section 8 rental assistance program, whereby eligible low-income renters pay 30 percent of their income for rent and the U.S. Department of Housing and Urban Development (HUD) pays the remainder directly to the owner of the apartment building.

Many Section 8 project-based units were constructed in the Region during the late 1970s. At the end of the contract term a property owner can “opt out” of the program. HUD developed new programs to address the “opt out” situation, which include incentives for owners of project-based subsidized housing to accept new 30-year use and affordability agreements, and provide financing to revitalize aging buildings.

The 1974 Act also introduced a new approach to rental housing assistance in the form of the “tenant-based” Section 8 Program, which has come to be known as the Section 8 Housing Choice Voucher Program. The voucher program uses the same subsidy formula as the project-based program, but attaches the subsidy to a household rather than a housing unit.

Advocates of the voucher program assert that it provides more personal choice and can help alleviate the problem of concentrating low-income households in particular buildings and areas; although tenants using the program tend to be in concentrated areas because of the location of buildings whose owners agree to accept vouchers. The voucher program is currently the predominant means of providing Federal rent assistance. In 2011, 13,061 vouchers were allocated to the Region, which are administered by PHAs. The demand for housing vouchers greatly exceeds the supply, based on the thousands of households on waiting lists to receive assistance. Recent Federal initiatives have recognized the need to simplify subsidized housing programs to streamline program administration, reduce costs, and increase the portability of housing vouchers between PHAs in an effort to maintain and expand the number of households receiving government assistance.

The long waiting lists for government assisted housing and data regarding the high percentage of households with a housing cost burden show that market rate housing cannot eliminate the entire housing need in the Region. Government financial assistance is needed to effectively reduce the economic constraints to housing for low-income households.

Although subsidized housing has become more widely distributed across the Region over time, the lowest-income families and subsidized housing units are both disproportionately concentrated in Milwaukee County. The construction of additional lower-cost multi-family housing in suburban counties, particularly in those communities that have or plan to accommodate job centers, would help to better distribute lower-income housing throughout the Region and provide improved access to job opportunities to lower-income families.



Recent Low Income Housing Tax Credit (LIHTC) development in West Bend

Low Income Housing Tax Credit (LIHTC) Housing

The Low Income Housing Tax Credit (LIHTC) program was enacted in 1986 to provide an incentive through Federal tax credits to private developers to construct or rehabilitate affordable rental housing for low- and moderate-income households. The LIHTC program is now the primary source of new subsidized housing units; however, most of the units are intended for households earning 50 or 60 percent of the median income in the county in which the housing is located, and is not affordable to extremely low-income households. There were 13,033 LIHTC housing units in the Region in 2011.

Concerns have been expressed regarding the criteria used to award tax credits for proposed LIHTC developments. Suggestions for revised criteria include awarding allocation points based on a lack of affordable housing in a community and/or the type of jobs in the community, and reducing or eliminating points awarded for community support of a proposed LIHTC development.

Housing Trust Funds

Housing trust funds can be established by local, county, or state governments to support the preservation and production of affordable housing through a dedicated source of public financing. Housing trust funds, which provide gap and other no- or low-interest financing to support a variety of affordable housing developments, represent one important tool that can be used to implement plans for affordable housing. Housing trust funds have been established by the City of Milwaukee and Milwaukee County, both in 2007. As of 2011, the City of Milwaukee Housing Trust Fund has provided \$3 million in grants and loans and leveraged \$62 million in other funds to produce 421 housing units. The Milwaukee County Housing Trust Fund focuses on persons who are served by the Behavioral Health Division of the Milwaukee County Department of Health and Human Services. There has been \$3 million authorized for this purpose, and it has led to the funding of approximately 300 units of supportive housing.

The City of Milwaukee Housing Trust Fund has recommended that the City and Milwaukee County Trust Funds be combined, and eventually expanded to a new Housing Trust Fund of Southeastern Wisconsin (HTF-SW) that would include other municipalities, counties, and possibly the entire seven-county Region. Establishment of a HTF-SW could assist in carrying out the recommendations of the regional housing plan.

Other Funding Sources

Other programs that help to provide housing for low- and moderate-income households include HUD Community Development Block Grant (CDBG) and Home Investment Partnership (HOME) programs; Tax Increment Financing (TIF) districts established by cities and villages under Wisconsin law; and Habitat for Humanity and other private or faith-based organizations.



Housing Redevelopment in the Lincoln Neighborhood, City of Kenosha, financed through HUD's HOME program

Source: Kenosha County Extension.



Habitat for Humanity at work on a new infill single-family home in Milwaukee

Homelessness

Homelessness is a persistent problem throughout the Country, and has worsened in recent years due to the economic recession. The most common reason cited for homelessness in the Region in 2010 was insufficient income, in which the person was either unemployed or had a low income that left them unable to find affordable housing.

There are emergency shelters and transitional housing facilities in the Region that provide temporary housing for individuals and families experiencing homelessness; however, there are concerns that the number of existing facilities is inadequate to meet the need. Additional public and private resources and funding will be needed to help address the need for emergency shelter, particularly during the current economic downturn.

Objective 4: Provide accessible housing choices throughout the Region, including near major employment centers.

Persons with disabilities include those who have difficulty with hearing, vision, cognitive functions, mobility, self-care, or independent living. According to 2010 ACS data, about 169,000 households, or about 21 percent of households in the Region, include at least one person with a disability. Because the incidence of disability increases as people age, this percentage is likely to increase in the next 20 to 30 years as the “baby boom” generation enters the 65 years and older age group.

Federal and State fair housing laws require new multi-family buildings to be accessible to persons with a mobility disability (that is, accessible to persons in wheelchairs). Federal regulations apply to units in buildings with an elevator and four or more units, or to the ground floor units of buildings with four or more units and no elevator, that were constructed or ready for occupancy after March 13, 1991. State regulations apply to multi-family units in buildings with three or more units that were first ready for occupancy on or after October 1, 1993. State



New apartment building in Milwaukee providing support services for formerly homeless persons, people with mental illness, or those struggling with substance abuse

regulations apply only to grade level units in buildings without an elevator. Buildings constructed prior to October 1, 1993, are also subject to State accessibility requirements if they undergo substantial rehabilitation or remodeling after that date.

There are no definitive data on the number of housing units that are accessible to persons with disabilities. A total of 50,165 multi-family housing units were constructed in the Region between 1990 and 2009. It cannot be assumed that all of these units are accessible, but it is likely that many are accessible to persons with mobility disabilities. There were about 11,475 housing units for the elderly and persons with disabilities constructed before 1991 using Federal subsidized housing and LIHTC funds. Up to 61,640 multi-family housing units in the Region may therefore be accessible to persons with mobility disabilities. Community living arrangements (CLA) and nursing homes provide accommodation for approximately 25,000 persons, some of whom are elderly or persons with disabilities. Data are not available on the number of CLA units or single-family homes that have been constructed or retro-fitted to provide accessibility for persons with disabilities.



Multi-family housing for the elderly in East Troy

A comparison of the number of households reporting a member with a disability to the probable amount of accessible housing indicates a need for additional accessible housing, particularly in light of the expected increase in persons with disabilities related to the aging of the baby boom generation. A need also exists for better data on the number of accessible housing units, which could potentially be gathered as part of the American Housing Survey conducted by the Census Bureau.

Federal and State accessibility requirements do not address the housing accessibility needs of persons with sensory disabilities or other disabilities that are not physical in nature, with the exception of recipients of HUD funds. Many of the persons reporting a disability may have a disability other than, or in addition to, a mobility disability, which may require a greater level of accessible design features or other services than required by fair housing laws.

Housing affordability is also a concern for persons with disabilities. The median annual income for persons with disabilities was about half that for persons without disabilities in the Region in 2009, which restricts the housing choices of persons with disabilities.

A HUD study conducted in Chicago in 2005 measured the level of rental housing discrimination faced by persons with disabilities. The study found that the level of discrimination faced by both deaf persons and by persons using wheelchairs was extremely high, and exceeded the levels of housing discrimination experienced by blacks and Hispanics in the Chicago area. The study also found that about 19 percent of landlords refused a request for a reasonable accommodation and 16 percent said they would not permit a reasonable modification to make a housing unit more useable for a person with a disability, which are violations of the Fair Housing Act.

Design concepts such as universal design and visitability are intended to increase the accessibility of housing for persons with disabilities without specialized housing or a significant increase in the cost of housing. These goals may not be realized until some accessible design features, such as wider doorways, zero-step entrances, and accessible electrical outlets and environmental controls, become standard construction practices.

Objective 5: Eliminate housing discrimination in the Region.

Fair Housing Laws

There are a number of Federal laws that protect persons against discrimination in housing and related transactions. The most widely known is the Fair Housing Act, the Federal non-discrimination law that applies to many types of housing and to residential real estate transactions. There is also a State housing law, the Wisconsin Open Housing law, and several

Federal fair lending laws. Title VI of the Civil Rights Act and Section 504 of the Rehabilitation Act prohibit discrimination, including actions that have a discriminatory effect, by recipients of Federal funding. Several local governments have also adopted Fair Housing ordinances.

The results of court cases, testing, and other measures, such as higher-interest mortgage loans to minority residents, demonstrates that fair housing violations continue to occur despite legal protections. Remedies to correct discriminatory practices are specified in fair housing laws and regulations.

Obligation to Affirmatively Further Fair Housing

The Federal Fair Housing Act requires the Department of Housing and Urban Development (HUD) to “affirmatively further fair housing” (AFFH) and engage in “affirmative fair housing marketing.” The spirit of AFFH requirements is to identify and implement measures to reverse acts of housing discrimination, of which racial segregation is the primary effect.

State, county, and local governments that receive funding under HUD Community Planning and Development programs, such as Community Development Block Grant funding, are required to certify to HUD that they will affirmatively further fair housing. An agency or unit of government must proactively identify and take action to reverse patterns of discrimination and segregation. The HUD Fair Housing Planning Guide provides the following examples of actions or omissions in the public sector that may affect fair housing choice: building, occupancy, and health and safety codes that may affect the availability of housing for minorities, families with children, and persons with disabilities; site selection criteria, such as zoning, housing lot sizes, and maximum number of persons per bedroom requirements; provision of public transportation services that can improve access to jobs, training opportunities, housing and community services for minority families, families with children, and persons with disabilities; and promotion of coordination and cooperation among jurisdictions in metropolitan or regional areas in planning and carrying out housing and housing-related activities.

Fair housing advocacy groups have expressed concerns that communities in the Region have taken limited actions to address impediments to fair housing, which contribute to continued segregation and dismal living conditions in poor and minority neighborhoods.

Objective 6: Reduce economic and racial segregation in the Region.

Minority groups live in concentrated, and often separate, areas within the Region. Black residents are concentrated in the near north and northwest areas of the City of Milwaukee and in and around the downtown areas of the Cities of Kenosha and Racine. Hispanic residents are concentrated in the near-south side of the City of Milwaukee, in Milwaukee County communities south and west of the City of Milwaukee, and in and around the downtown areas of the Cities of Kenosha, Racine, Waukesha, Elkhorn, Lake Geneva, and Delavan.

Minority groups, particularly African Americans, have historically been concentrated in Milwaukee County. In 1970, about 60 percent of the Region's population resided in Milwaukee County, including about 58 percent of the Region's White population, about 89 percent of the Region's African American population, and about 88 percent of the Region's total minority population. In 2010, about 47 percent of the Region's population resided in Milwaukee County, including about 36 percent of the Region's White population, about 86 percent of the Region's African American population, and about 74 percent of the Region's total minority population.

Although past Federal and State housing practices have likely contributed to the concentrations of low-cost housing and lower-income and minority populations in the Region's central cities, current laws prohibit housing discrimination on the basis of race, ethnicity, and other personal or family characteristics. Use of the term “segregated” in the housing plan does not imply that such segregation is the result of public or private laws or policies that mandate that racial or ethnic minority groups reside in separate areas, but rather reflects the existing physical separation and concentration of minority residents in certain portions of the Region.

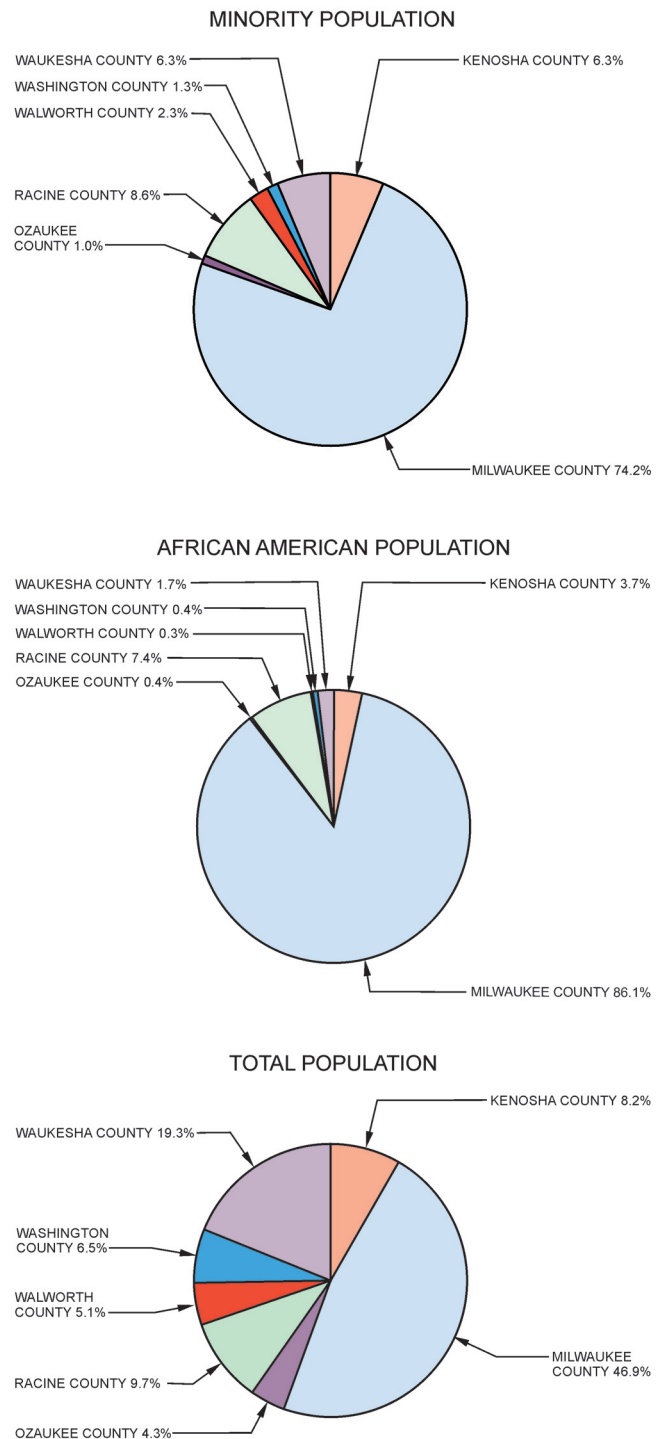
Areas of the Region that are predominately low-income and minority typically suffer from dilapidated housing; overburdened schools with high drop-out rates and low academic achievement; limited commercial establishments, including grocery stores that provide fresh and healthy food; limited access to health care facilities; high crime rates; a lack of good-paying jobs; high unemployment; and welfare dependency. Poor schools exacerbate the problems associated with segregated areas, because low academic achievement limits opportunities for individuals to obtain advanced education and good-paying jobs.

Segregation also has negative impacts on the regional economy. Ensuring equal access to housing that is linked to high performing schools, sustainable employment, transportation infrastructure, and childcare is essential for securing an economically viable and sustainable region in Southeastern Wisconsin. Housing is a critical element that contributes to expanded social and economic opportunity for individuals and families. When it is affordable and linked to these other opportunities, it can serve as a conduit to improved life outcomes and an improved Region. In addition to economic and social opportunities for minority residents, more dispersed housing for minority individuals throughout the Region would increase opportunities for both minority and non-minority residents to interact with people of different races and ethnicities and, ideally, increase understanding and tolerance among a more diverse population.

Other factors that have contributed to racial housing segregation include “white flight,” when white families move out of urban neighborhoods undergoing racial integration or from cities implementing school desegregation. NIMBYism (Not In My Back Yard) may also contribute to racial housing segregation. Neighboring property owners often attend public meetings and hearings to oppose multi-family housing, low-income tax credit housing, and other types of housing that they perceive will have a negative effect on surrounding property values. Studies conducted by the Wisconsin Housing and Economic Development Corporation (WHEDA) have found no such effect. Although race is rarely cited by opponents of multi-family housing, low-income housing advocates have expressed concerns that many decisions to delay or deny multi-family housing developments are based on concerns that minorities will occupy such housing.

Construction of additional multi-family housing and smaller lot and home size requirements for single-family homes in suburban areas would help increase the supply of housing that would be more affordable to low- and moderate-income households, respectively. Local zoning ordinances often preclude the development of housing affordable to lower- and moderate-income households, including minorities, because of large minimum lot and/or home sizes. In communities that do not provide public sanitary sewer services, larger lot sizes are often necessary to ensure adequate space for on-site sewage treatment systems and adequate separation distances between private wells and sewage treatment systems. School district and local government officials in both rural and urban areas are concerned that residential and other development generate enough property tax revenue to support local schools and municipal budgets. In some cases, school district and municipal officials prefer larger and more expensive homes based on a perception that higher-cost housing has a more positive impact on school district and municipal revenues than lower-cost housing. Changes to the State tax system to shift more of the cost for supporting local school districts from property taxes to other sources may be necessary to address this concern.

TOTAL POPULATION OF THE REGION AND PROPORTION OF THE REGION'S MINORITY AND AFRICAN AMERICAN POPULATIONS BY COUNTY: 2010



Source: U.S. Bureau of the Census and SEWRPC.

New market-rate housing development, regardless of the density or size of the unit, is not likely to be affordable to those households with extremely and very low-incomes (below 30 percent and 50 percent of the Region's median annual household income, respectively). In many instances the only way to provide additional housing for extremely and very low-income households is through developments receiving public subsidies or assistance from faith-based or nonprofit organizations.

Objective 7: Encourage the use of environmentally responsible residential development practices throughout the Region.

Objective 8: Encourage neighborhood design principles that provide housing in a physical environment that is healthy, safe, convenient, and attractive.

Practices to address these last two objectives will be included in the “Best Housing Practices” chapter of the plan report, which is under preparation. Historically, the Commission has recommended in its regional plans a centralized settlement pattern within defined urban service areas. New urban development is encouraged to occur largely as infill in, and redevelopment of, existing urban centers and in compact urban growth areas emanating outward from existing urban centers that can efficiently be served by transit and other urban services. The regional land use plan further recommends that urban residential uses be located in well-planned neighborhoods served by centralized public sanitary sewerage, water supply, and stormwater management facilities. Supporting local services such as parks, schools, and shopping areas should be provided within reasonable walking and bicycling distances. Residents should have reasonable access through mass transit and the arterial street and highway system to employment centers, community and major shopping centers, cultural and governmental centers, and secondary schools and higher educational facilities.

NEXT STEPS

A description of “Best Housing Practices” is anticipated to be reviewed by the Housing Plan Advisory Committee in November 2011. Following completion of that chapter and conclusion of the public meetings in December, Commission staff will begin work on the Recommended Housing Plan chapter of the plan. A preliminary plan is expected to be completed in Spring 2012. A socio-economic impact analysis of the preliminary plan will be conducted in mid-2012. A public comment period and a series of public meetings to present and obtain comment on plan recommendations and the findings of the socio-economic impact analysis will be conducted upon completion of the socio-economic impact analysis, most likely in Fall 2012. The Advisory Committee and Regional Planning Commission will consider adoption of the plan following the public review and comment period.



Conversion of former hotel in Grafton to multi-family residential



Infill development providing supportive housing in Milwaukee
Source: City of Milwaukee Department of City Development.

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This newsletter was mailed directly to a list of individuals and organizations that have expressed interest in receiving such information. If you would like to receive future issues directly, or would like to be removed from the mailing list, please contact SEWRPC using the information above.

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