

A Study Group Approach to Housing: The Case of Waunakee

Sharon Lezberg, PhD.
Dane County Extension

Kristin Runge, PhD.
Community Development Institute

Division of Extension
University of Wisconsin-Madison



Agenda

- Context
 - Break Out
 - What is the context in your community?
 - Report back via Chat
- Group Process
 - Flashpoint
 - Establishment of the Committee & Goals
 - Considerations
 - Challenges
- Data Sources
 - Data for capacity building
 - Data for decisions
 - Data for developers
- Discussion





Image by Paul Whitley, via Flickr
<https://www.flickr.com/photos/nbsinyk/5154118365>

Context

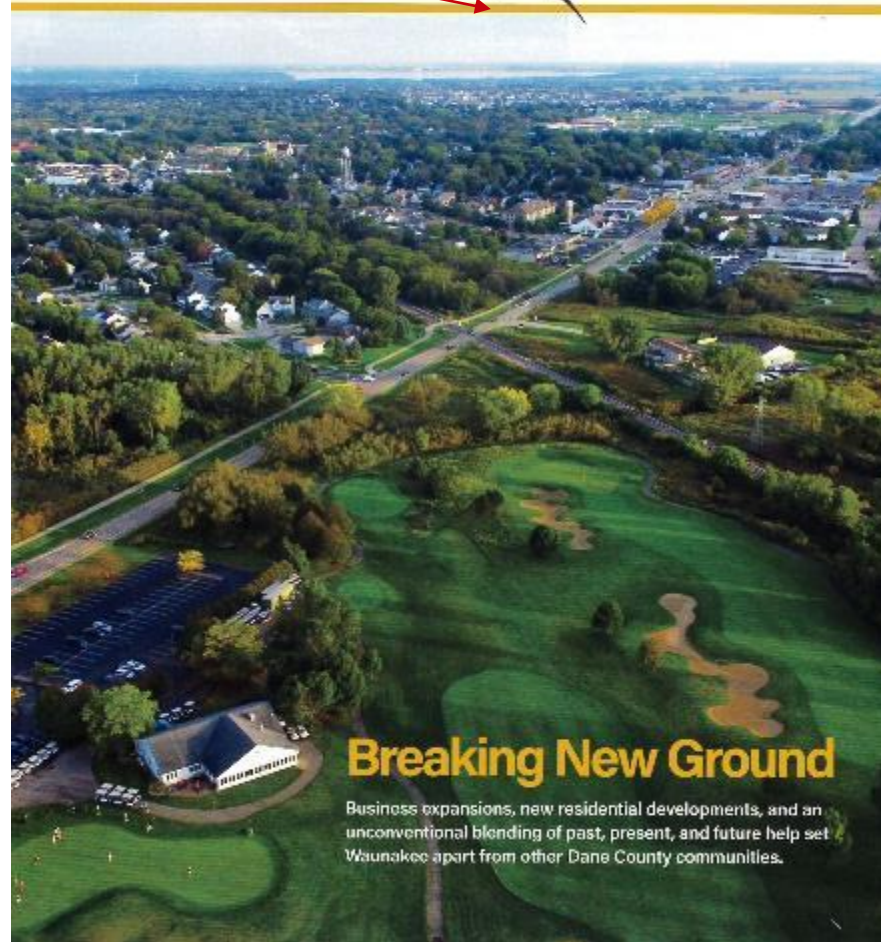
Context

Suburban Community
North of Madison

1990: 5,987 residents

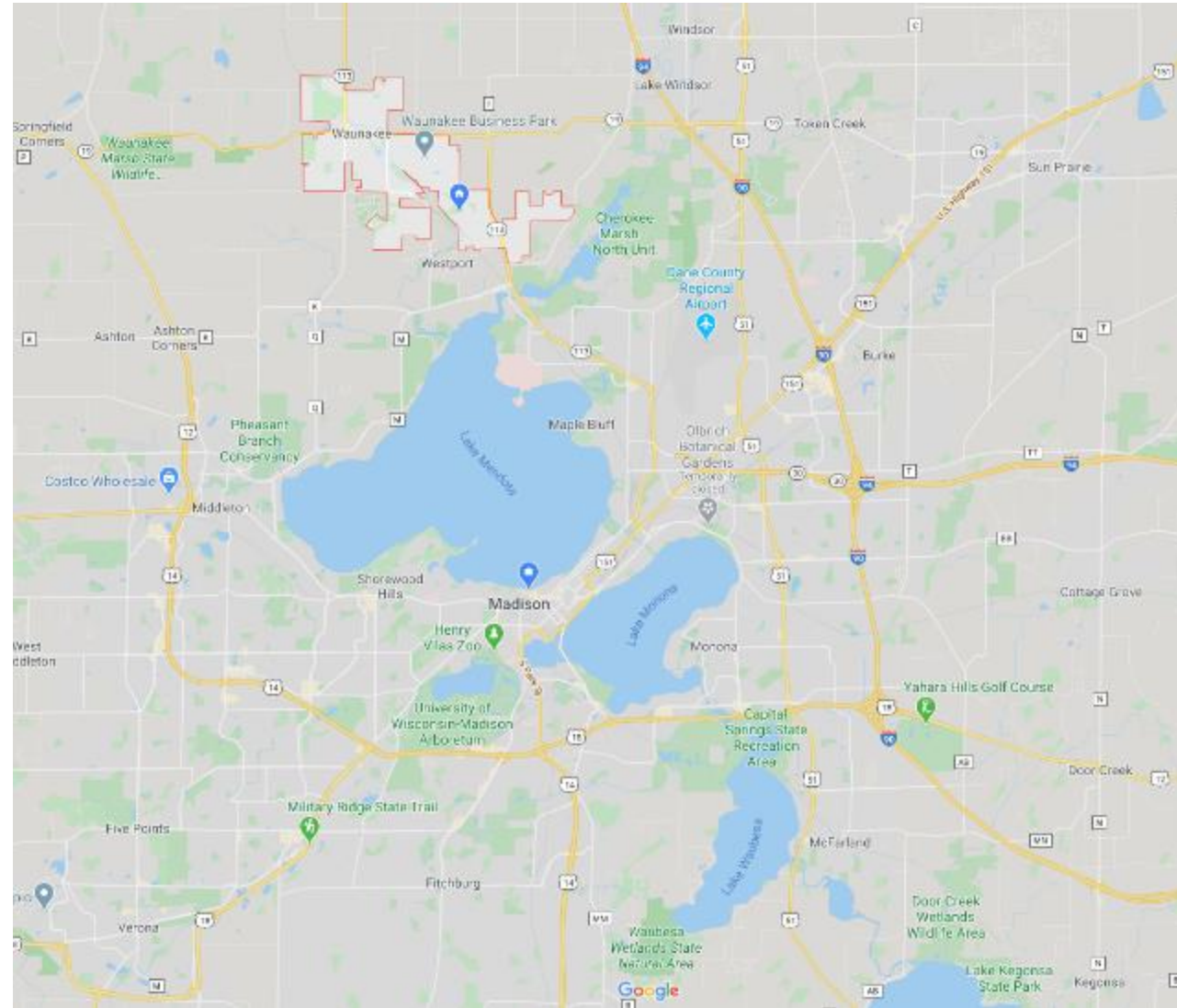
2018: 13,924 residents

State Capitol



Context

Dane County expected to add 20,000 additional households between 2018 and 2040



Context

Dane County expected to add 20,000 additional households between 2018 and 2040

Population Growth 2000 - 2018

	Dane County Population	Waunakee Population	Housing Units in Waunakee
1990	365,545	5,987	---
2000	426,526	9,061	1,859
2010	488,073	11,557	2,970
2018	542,364	13,924	3,591

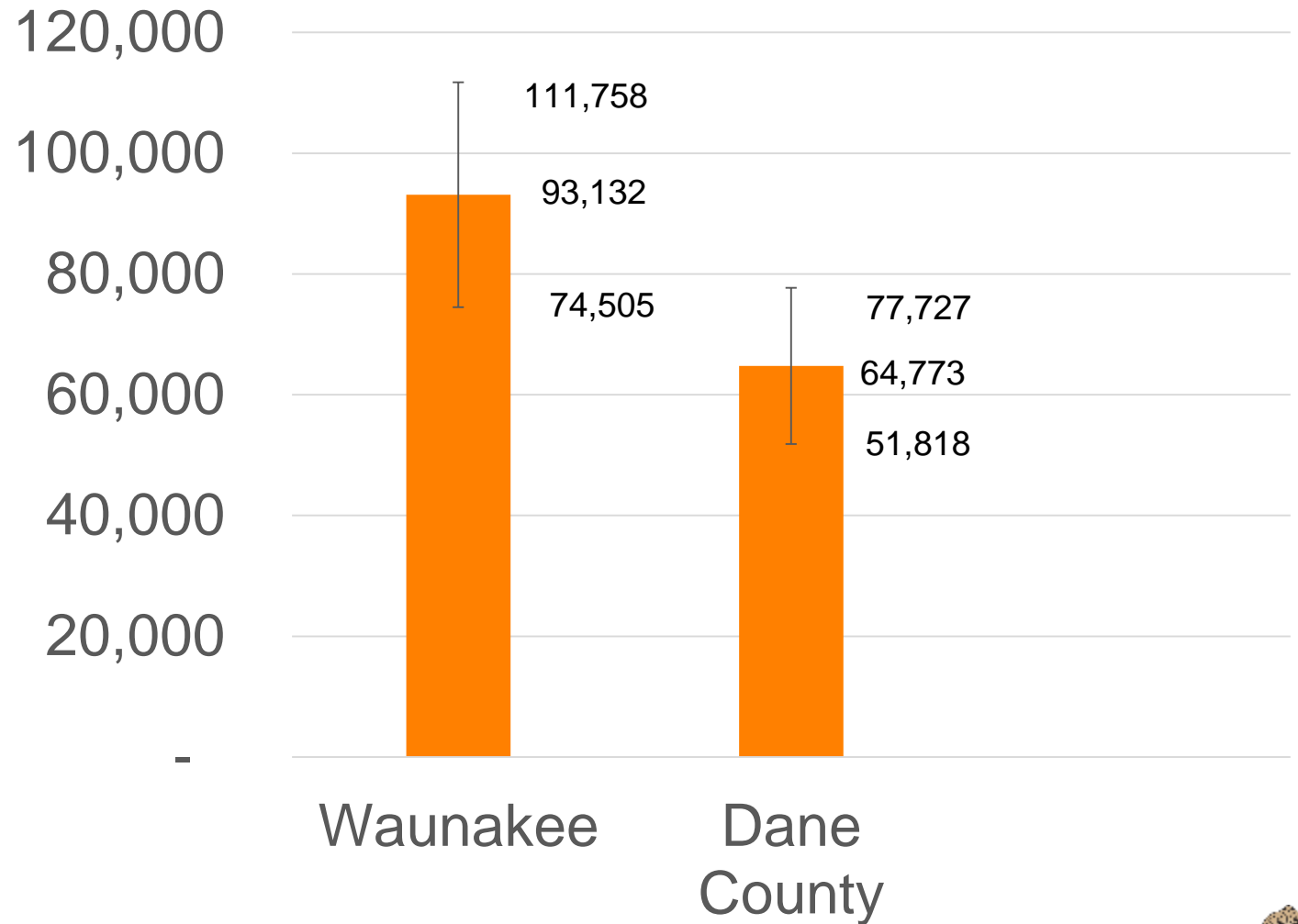
Using 2000, 2010 U.S. Census and 2017 American Community Survey data. One household=2.75 persons per Census guidelines. Housing units in Waunakee provided by Village of Waunakee



Context

Dane County expected to add 20,000 additional households between 2018 and 2040

2017 Median Income

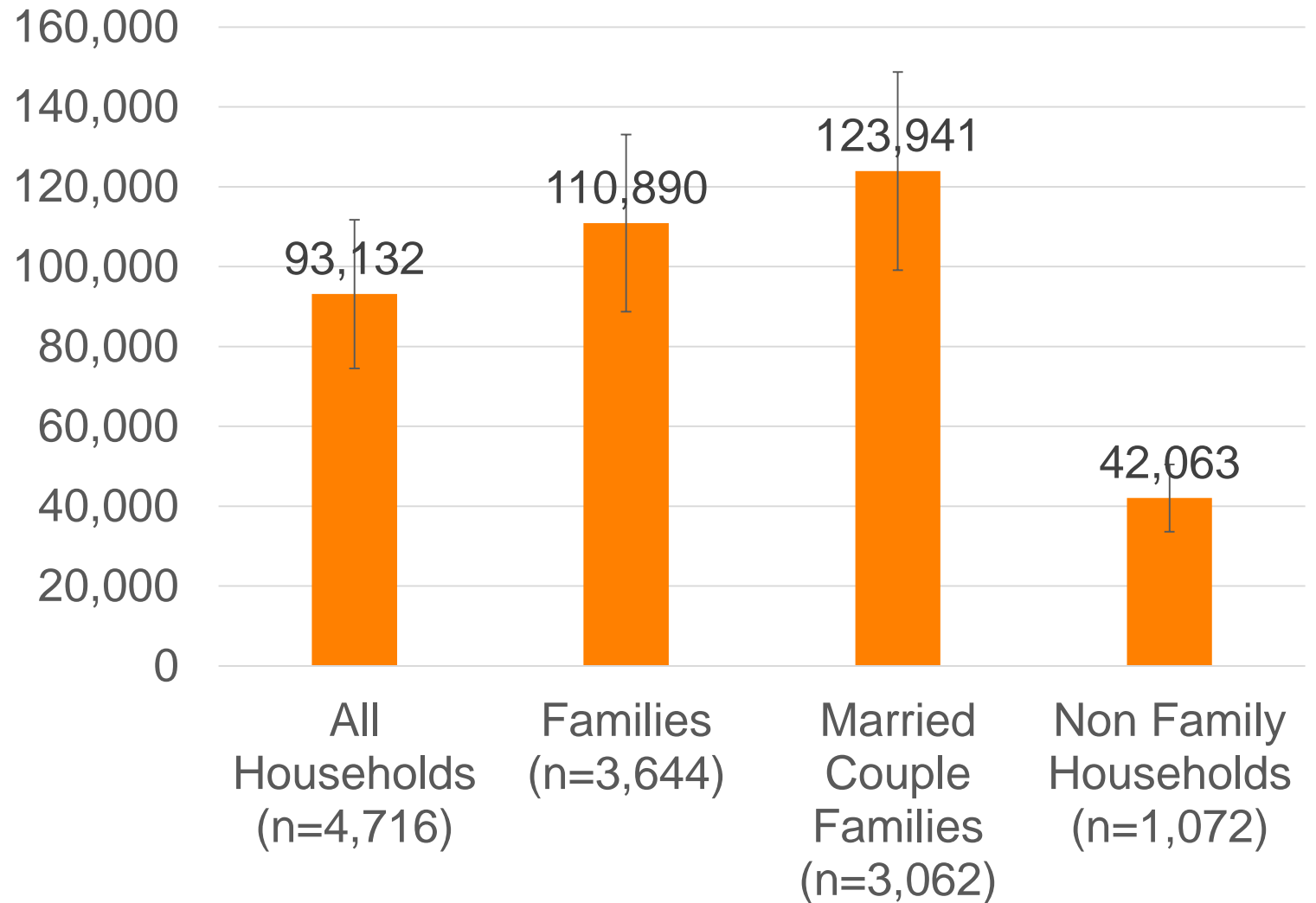


Context

Dane County expected to add 20,000 additional households between 2018 and 2040



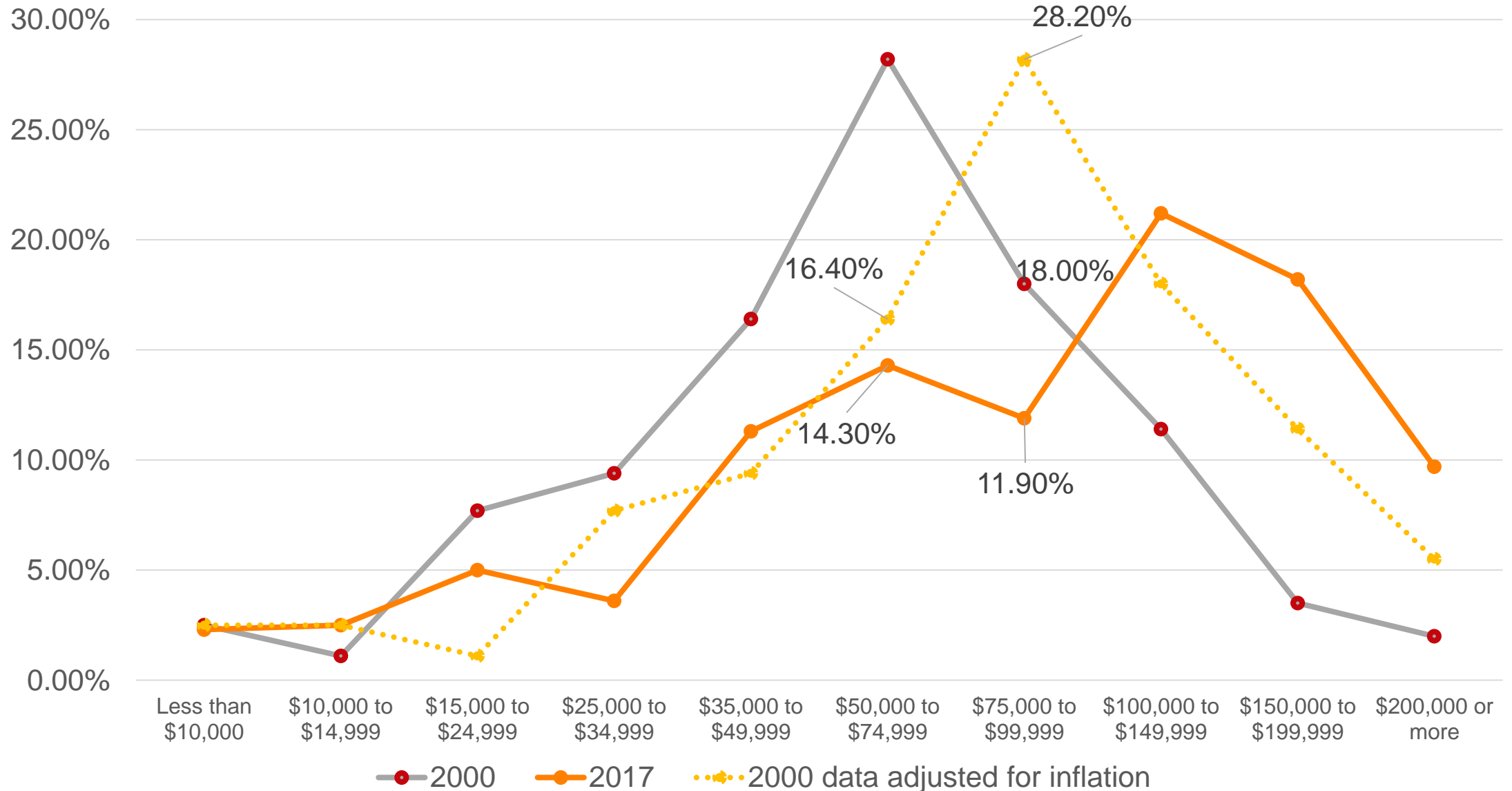
2017 Waunakee Median Income by Household



Income Distribution 2000 vs. 2017



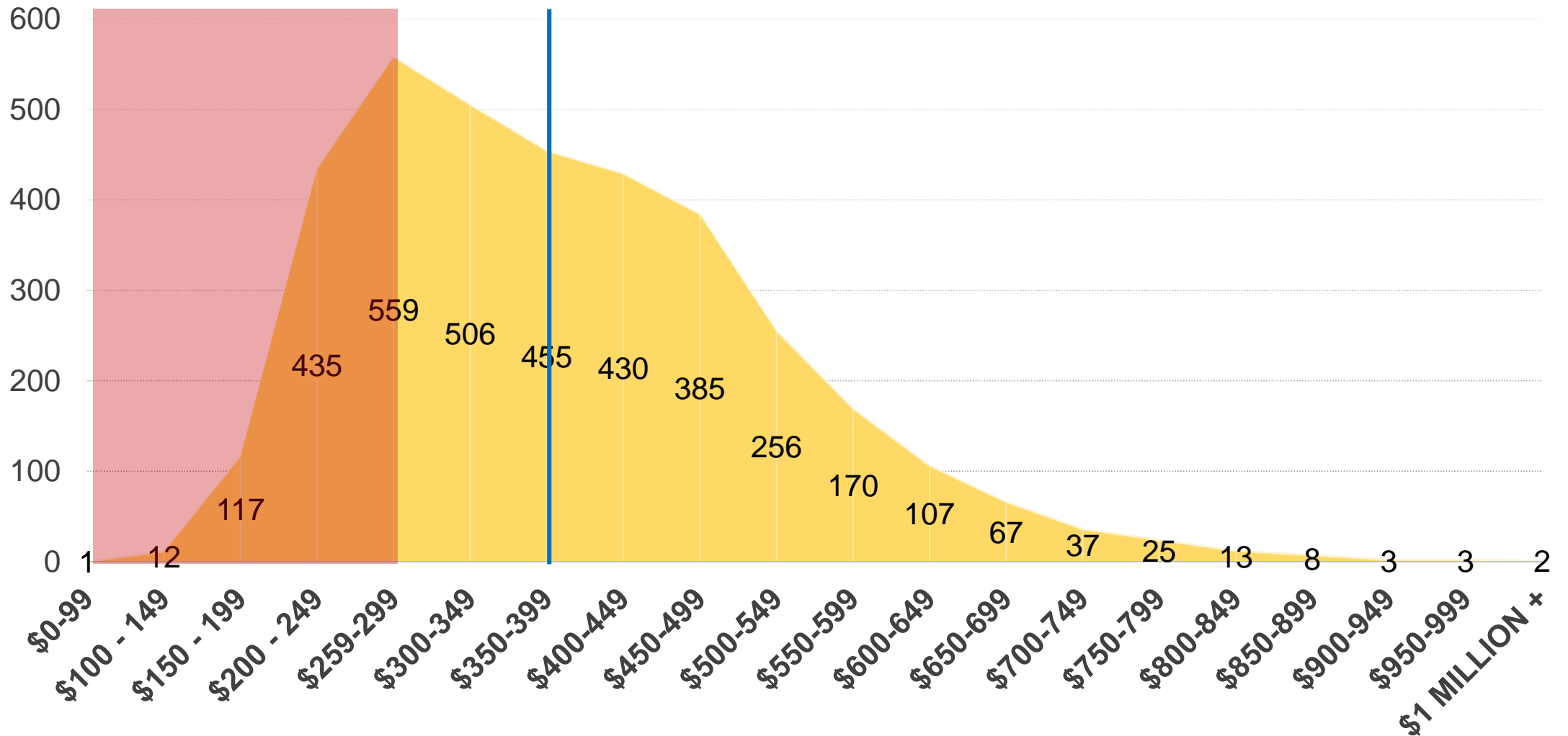
Income Distribution 2000 vs. 2017



Income Distribution 2000 vs. 2017



Village of Waunakee Home Inventory by Fair Market Value



Red shaded area indicates homes that meet affordability requirement for 80-100% of area median income for a family of four per HUD rules; Vertical blue line denotes median single-family home value; Data provided by Waunakee Village Hall, April 2019; Total single family housing units =3,591;

Context

Dane County expected to add 20,000 additional households between 2018 and 2040



Waunakee Resident Concerns

	Agree	Neither Agree nor Disagree	Disagree
I am worried that ...			
... Homes in Waunakee are becoming too expensive	56%	11%	33%
... Others I care about will not be able to afford to live in Waunakee	53%	13%	34%
... Other residents of Dane County will not be able to afford to live in Waunakee	35%	22%	43%
... The cost of homes in our community will make it too expensive for me to remain	34%	11%	55%
N=447			



Break Out

Discuss the context in your community or service area

Report out via chat box



Image by Paul Whitley, via Flickr
<https://www.flickr.com/photos/nbsinyk/5154118365>

Community Task Force (Study Group) Process

The Flashpoint

A proposed luxury apartment complex in a residential block of Main Street Waunakee that would have replaced these buildings



The Flashpoint

Proposed during a time period in which adjacent blocks of Main Street had been redeveloped, and single family homes had been occasionally replaced by mixed use apartment buildings.



Goal: Representative Task Force



Age
Gender
Voting Ward
Renter/Homeowner
Sector of the Economy
Elected Officials/Lay People

Challenge: Race & Ethnicity



Task Force Make Up

Economically, age and gender-balanced residents from different walks of life, with one representative from each voting ward

Housing Task Force Members

Tiffanie Clark
Nila Frye
Mary Heimbecker
Sam Kaufman
Mary Ellen Kearney
Adam Kreitzman

Patrick Maly
Robert McPherson
Michelle Nell
Maria Patt
Hanna Russell
Ellen Schaaf

Ashley Sliter
Jeffrey Tews
Susan Vergeront
Karen von Huene
Tom Wilson
Chris Zellner

Presenters & Contributors

Steve Deller, Ph.D.
Division of Extension
Department of Agricultural & Applied Economics
University of Wisconsin-Madison

Matt Kures, M.S.
EDA University Center for Economic Development
Division of Extension
University of Wisconsin-Madison

Tom Landgraf
Wisconsin School of Business
University of Wisconsin-Madison
Principal, Dimension Development

Dave Marcouiller, Ph.D.
Department of Planning & Landscape Architecture
University of Wisconsin-Madison

Rachel Ramthun, Graduate Research Analyst
Department of Planning & Landscape Architecture
University of Wisconsin-Madison

Kurt Paulsen, Ph.D.
Department of Planning & Landscape Architecture
University of Wisconsin-Madison

Greg Rosenberg, Principal
Rosenberg & Associates
Co-founder, National Community Land Trust Network

Anne Reynolds
Center for Cooperatives
University of Wisconsin-Madison

Dan Veroff, M.S.
Applied Population Laboratory
University of Wisconsin-Madison



Goals: Village

The Village Board has created the Waunakee Housing Task Force to gain a full understanding of the existing housing inventory in Waunakee, identify areas of realistic housing need in which the Waunakee housing marketplace ought provide supply, and craft potential policy modifications.



Goals: Village

The Village Board has created the Waunakee Housing Task Force to gain a full understanding of the existing housing inventory in Waunakee, identify areas of realistic housing need in which the Waunakee housing marketplace ought provide supply, and craft potential policy modifications.

Deliverables:

1. Report
2. Set of Policy Recommendations



Sample Agenda

Waunakee Housing Task Force
Session Seven
Agenda

4/11/2019, 5:30 - 7:30 pm

Location: Community Room C, Village Center

Charge

Task Force
Member Homework

POP

Task Force Charge: *The Village Board has created the Waunakee Housing Task Force to gain a full understanding of the existing housing inventory in Waunakee, identify areas of realistic housing need in which the Waunakee housing marketplace ought provide supply, and craft potential policy modifications*

Please arrive at least 5 minutes early so that we can begin on time!

Pre-work:

Read:

- 1) Notes from the 3/14/2019 meeting
- 2) Summary of participant reflection sheets, 3/14/2019 meeting

Review (optional):

- 1) Multi-family housing restrictions in Madison Suburbs' summary table (provided 3/14)
- 2) Pages 2-4: City of Middleton Workforce Housing Strategy Recommendations report, 9/15/2015. (provided 3/14)
- 3) Video of 3/14 meeting (speaker presentations)

Optional background materials on policy options for affordable housing

- a) Policy's proposed for Waunakee (4/2018). In particular, Number 2 - attached

Purpose (for today's session):

- (1) Identify recommendations on strategies/policies to increase the supply of affordable housing in Waunakee.

Anticipated Outcomes: Draft list of strategies to propose to the plan commission

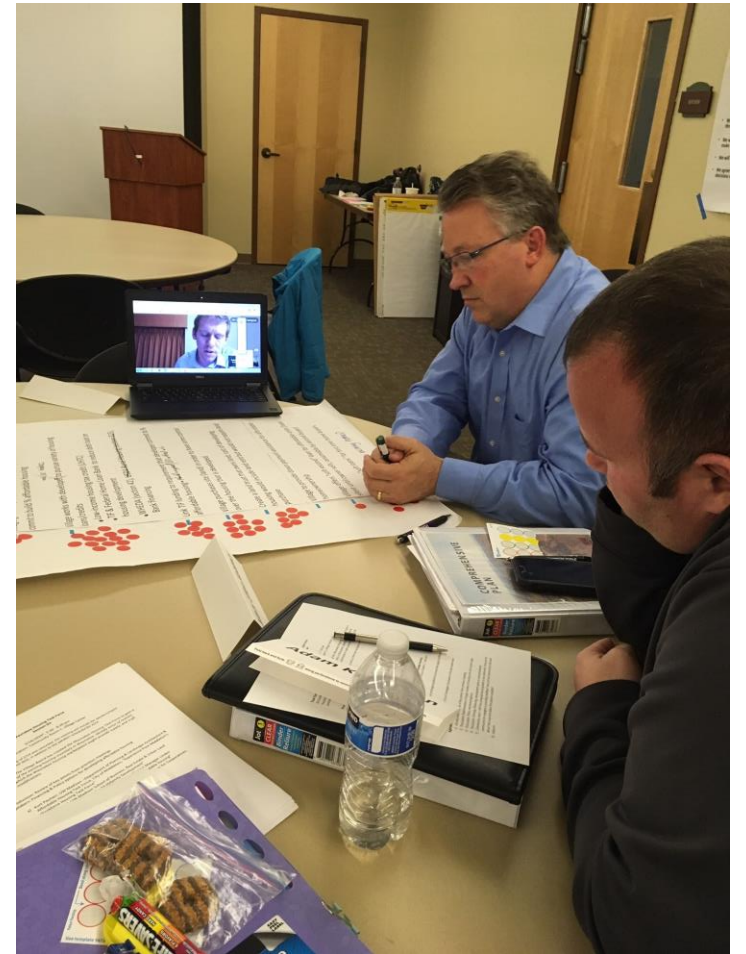
Agenda:

- 1) Introduction: Review of key points from previous meetings
- 2) Discussion: Determination of target number of housing units and income range
- 3) Discussion: Policy recommendations
- 4) Discussion: Strategy (financing, development options) recommendations
- 5) Community input – Will the proposals be acceptable to the community? How can the community be engaged in providing feedback? How can the community be educated about the issue and about the options available?
- 6) Adjourn

Process Considerations: What we've learned

- Group Formation
 - Name badges or placards
 - Communication guidelines
 - Group formation activities
- Decision-making process identified right from the start
- Balance between learning (presentations) and discussions
- Keep coming back to the task/purpose [develop recommendations]
- Group analysis of data – how much data is the right amount?





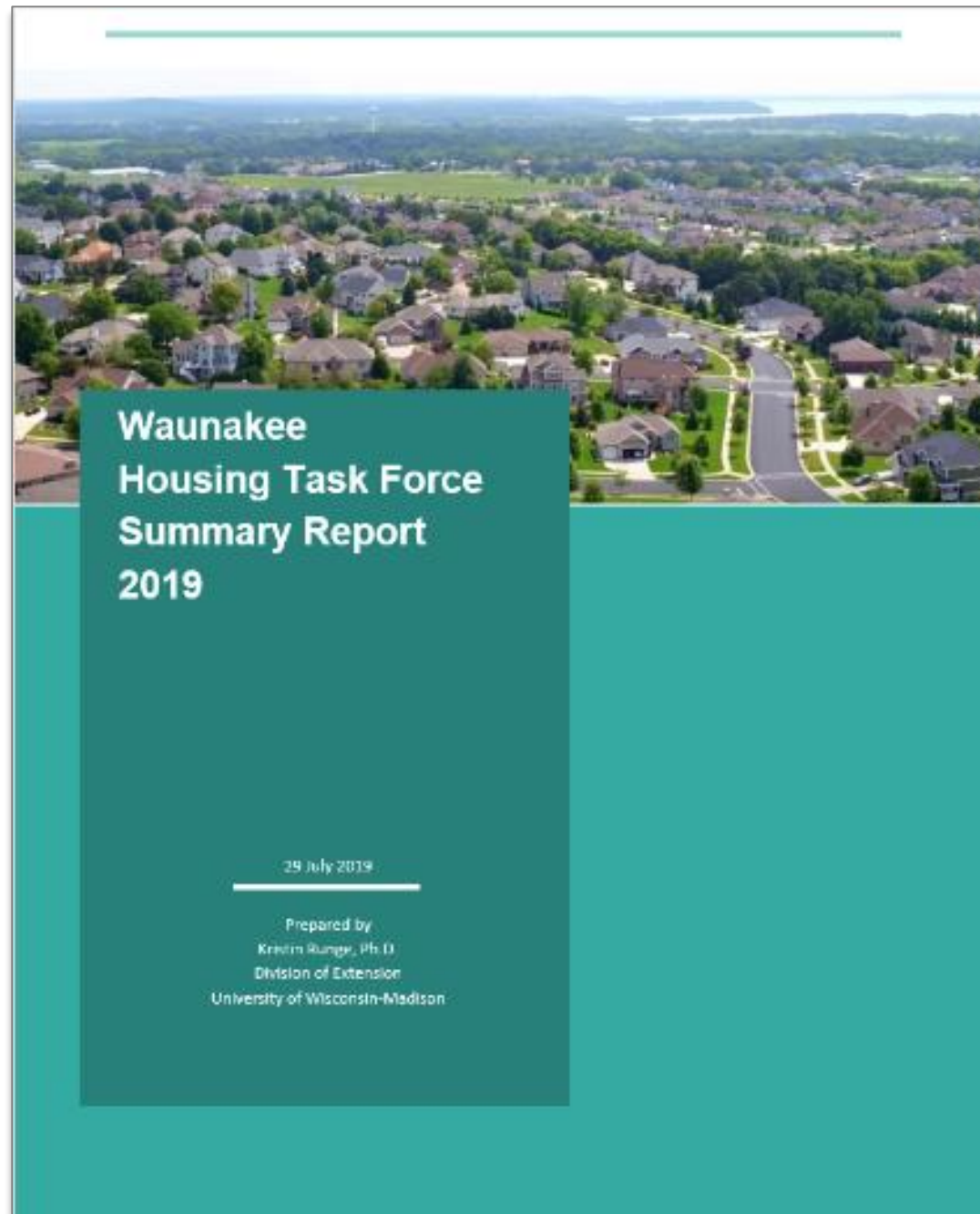
Task Force small group deliberations



Image by Paul Whitley, via Flickr
<https://www.flickr.com/photos/nbsinyk/5154118365>

Data Sources

End Result: Report



Waunakee Housing Task Force Summary Report 2019

29 July 2019

Prepared by
Kristin Runge, Ph.D.
Division of Extension
University of Wisconsin-Madison

Capacity

- Regional growth
- Resident profile
 - Demographics
 - Income distribution
- Commuter profile
 - Earnings
 - Distance
 - Industry
- Cost burdened household analysis
- Public assistance profile

Decisions

- Housing stock inventory
- Housing starts
- Housing gap
- HUD-estimated affordable ownership levels for county

Developers

- Resident survey
 - Perception of problem
 - Priorities
 - Attitude toward specific segments
- Commuter survey
 - Perception of Waunakee
 - Perception of home prices
 - Price target
 - Willingness to move
 - Reasons they live elsewhere

Data for Capacity & Decisions

Each one, write one philosophy for speakers



Matt Kures Analysis

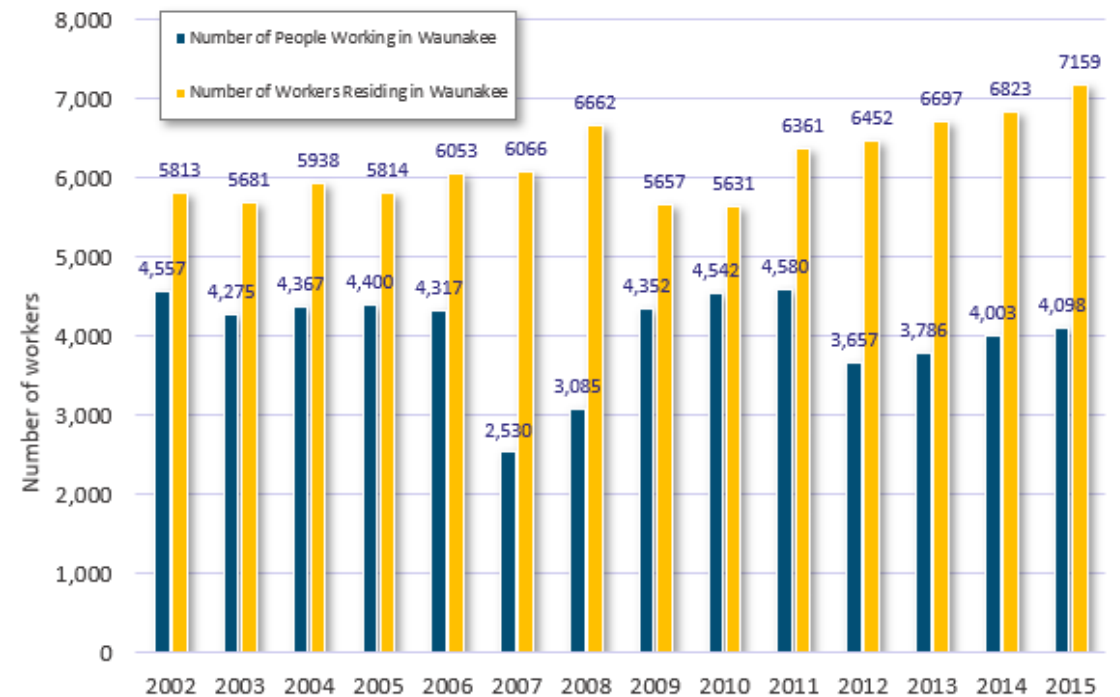
Commuter Profile

A History of More Out-Commuters than In-Commuters

The demand for housing near job centers likely drives much of the regional demand for housing, with Waunakee, DeForest, Cottage Grove and other suburbs of Madison benefitting from the healthy regional job market. Waunakee's geographic location near job centers and transportation routes is, in part, what makes the community an attractive home base for those employed in the region.

As with many small communities near large job centers, Waunakee has more employed residents than jobs (Figure 3). This trend is not likely to change. In 2002, and at the start of the period depicted in Figure 2, Waunakee had 1.27 residents for each job, rising to 2.39 residents per job on the eve of the Great Recession in 2007, and settling around 1.75 residents for each job from 2012 through 2015.

Figure 3. Commuters to and from the Village of Waunakee, 2002 through 2015



Source: U.S. Census OnTheMap LODS data

Data for Capacity & Decisions

Each one, write one philosophy for speakers



Kurt Paulsen Analysis

Cost-burdened Households

One important consideration for housing costs is the burden of current prices on existing community residents. *Cost-burdened households* are those who pay more than 30% of their monthly income on housing. *Extremely cost-burdened households* are those that pay more than 50% of their monthly income on housing. Cost-burdened households cut back on basic needs, such as food, transportation and healthcare in order to cover housing costs. For this segment, the Task Force focused on addressing the existing needs of current Waunakee residents.

Cost-burdened Owner Households

Among current Village households, 70 homeowner households with incomes below 30% of area median, 35 with incomes 30% to 50% of area median, and 85 with incomes 50% to 80% of area median -- 190 households in total -- are extremely cost-burdened¹. Although it is difficult to predict the actions of any one household, it is reasonable that a portion of these home owning households would move to lower cost ownership options if such options were available within the Village.

Cost-burdened Renter Households

Based on the latest data available, 175 renter households in Waunakee report incomes below 30% of area median income. A total of 70 rental units in the Village have rents that would be considered affordable for this segment, making a baseline shortfall of 105 total rental units. However, incomes and rents are not perfectly matched. Among these 175 renter households, 125 are considered extremely² cost-burdened. An additional 20 current Waunakee renter households earning between 30% and 50% of area median income, and 15 renter households earning between 50% and 80% of area median income also report paying more than 50% of their monthly income in housing costs².

In total, about 210 current Waunakee households would likely use income-qualified rental units, if available. If we deduct the existing 70 rental units affordable to those below 30% of area median income, we can estimate that a minimum of 140 income qualified units would be needed to meet the needs of current Village residents.

² Paulsen, Kurt (2019, March). Presentation to the Waunakee Housing Task Force

GLOSSARY

Cost-burdened Household

A cost-burdened household pays more than 30% of their monthly income on housing costs.

Extremely Cost-burdened Household

A extremely cost-burdened household pays more than 50% of their monthly income on housing costs.

Cost-burdened and extremely cost-burdened households typically cut back on necessities -- as food, healthcare, transportation, and education -- in order to cover housing costs.

According to the Dane County Housing Needs Assessment, 400 households in Waunakee -- 210 renter households and 190 owner households -- are cost-burdened or extremely cost-burdened.

Outcomes

Missing Middle
subdivision

LIHTC redevelopment
project

Community
Development Authority



Discussion

How would you do this in your own community?

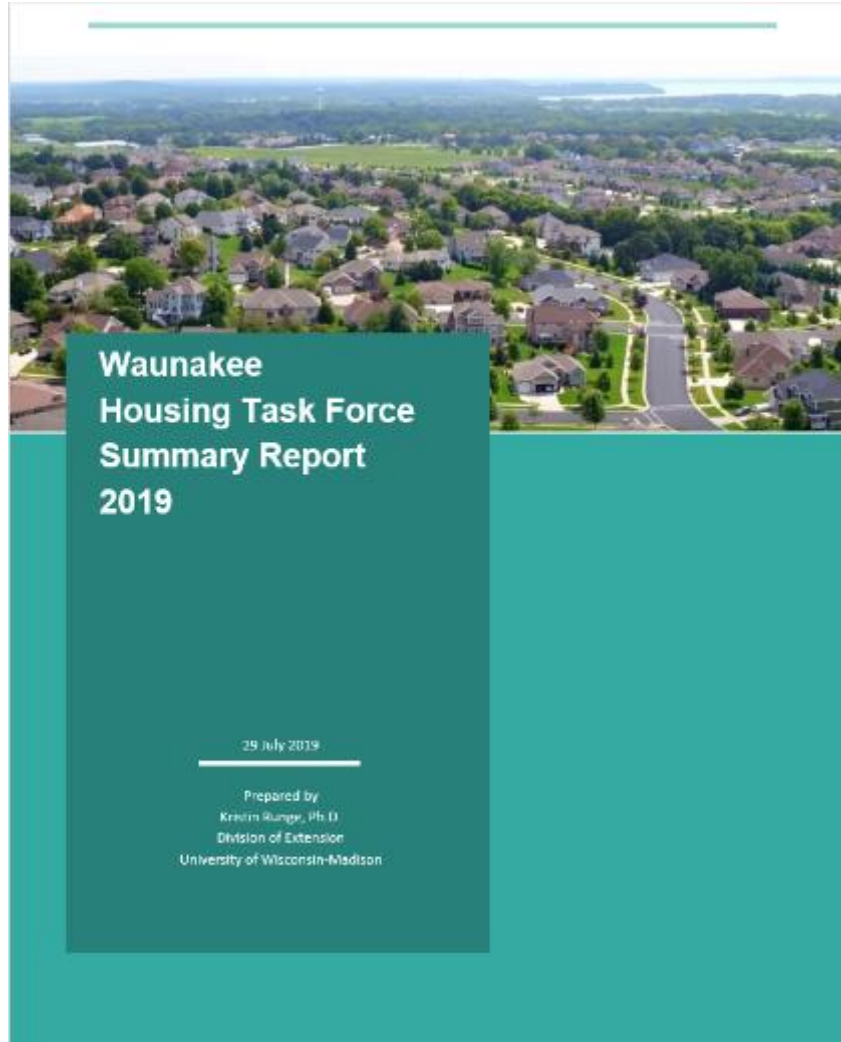
How might it be different than hiring a consulting firm?

What would the challenges be?

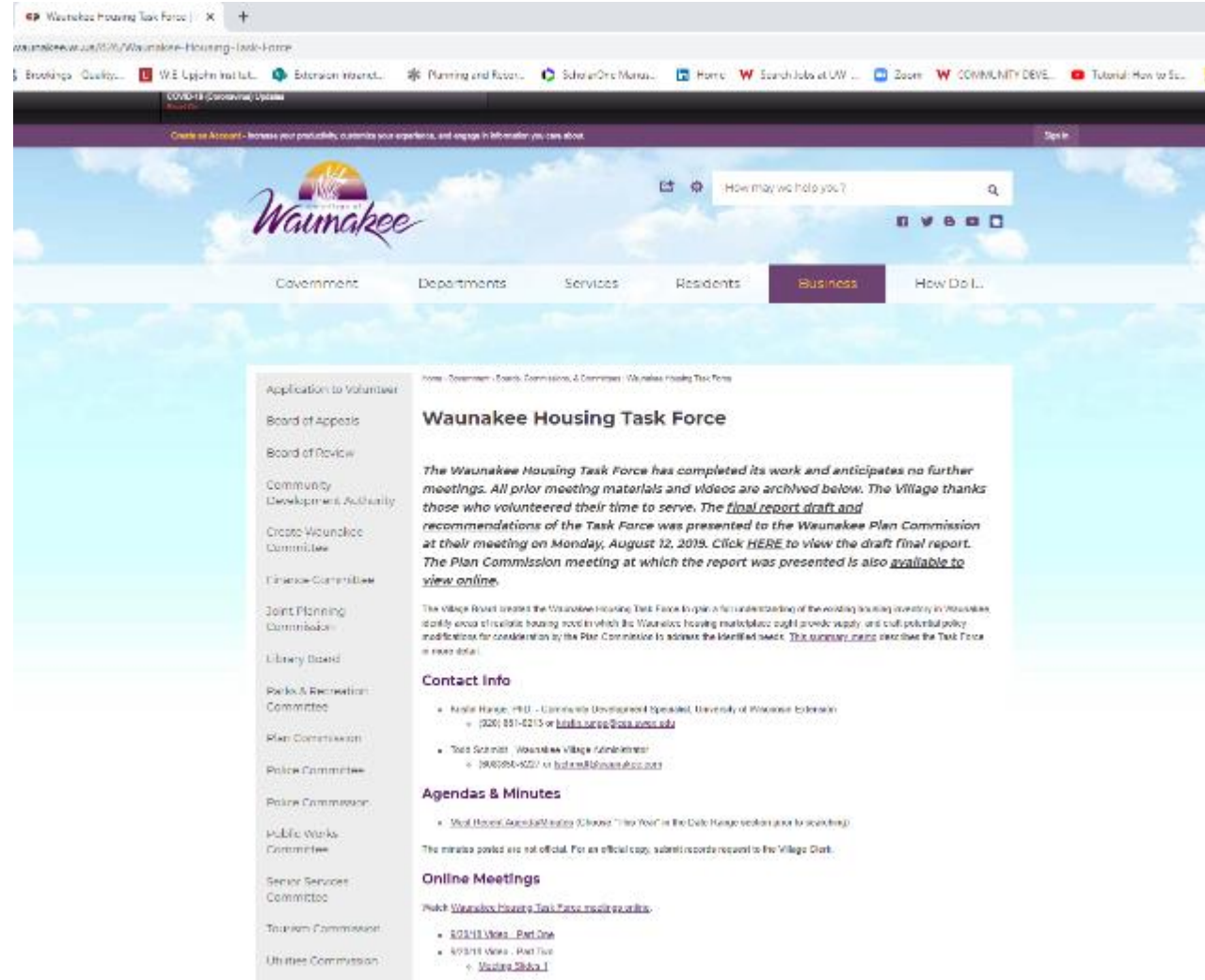
How could this be implemented in remote locations?



Resources



Annotated Report



Task Force Web Page