

HOUSING

2.1 INTRODUCTION

Most rural towns contain a high percentage of single-family homes, often with few other housing types available. As new people move in and the population ages, other types of housing may have to be given some thought in order to provide the variety needed to meet the needs of residents. In developing a 20-year comprehensive plan for the Town of Madge, the existing housing stock has been reviewed and recommendations made to meet the housing needs to the year 2025.

2.2 66.1001 REQUIREMENTS

This element includes a compilation of background information, goals, objectives, actions and/or policies, and recommended programs of the Town of Madge to provide an adequate housing supply that meets existing and forecasted housing demands in the town.

2.3 HOUSING CHARACTERISTICS

For the decade from 1980 to 1990, the Town of Madge exhibited a 29.8 percent increase in total housing units (87 units). Between 1990 and 2000, the town saw only an 8.2 percent increase in total housing units (31 units).

Table 2.1: Housing Characteristics

	1980	1990	2000	2005	2010	2015	2020	2025
Total Housing Units	292	379	410	450	487	521	550	577
Total Occupied Housing Units (Households)	107	150	202	221	240	256	271	284
Owner-Occupied Units	91	125	180	197	214	229	242	253
Renter-Occupied Housing Units	16	25	22	24	26	28	30	31
Seasonal Units	164	210	196	215	233	249	263	276
Average Household Size	2.96	2.38	2.24	2.19	2.14	2.09	2.04	1.99

Source: U.S. Census Bureau & NWRPC Projections

Projected Housing Needs

Future growth or decline in housing units can impact local units of government significantly. Each housing unit requires public services from fire protection to addressing and tax assessment. Projecting future housing units in the Town of Madge will assist local town government in planning for future growth.

According to the U.S. Census Bureau, the Town of Madge has experienced an increase in total housing units since 1980. During the 20-year period from 1980 to 2000, 118 housing units were added to the community. Based upon past trends, total housing units in Madge are projected to continue to increase to the year 2025 (Table 2.1). In 2000, the Town of Madge had 410 units, with projections indicating that by 2010, the town will have 487 units and 577 units by 2025. The projected growth indicates an average of 6.68 additional total housing units per year through 2025.

Projected housing units were derived using known housing trends and making future assumptions based on past trends. Based on data regarding persons per household, it was assumed that a continued decline in the overall persons per household to the year 2025 would continue. An assumption was also made that the ratio between seasonal units and occupied units would remain the same as that represented in 2000 out to the year 2025. The following formulas were utilized in projecting future housing units.

- TOTAL HOUSING UNITS: Sum of all housing units including occupied, vacant, and seasonal.
- TOTAL OCCUPIED HOUSING UNITS: Projected year population divided by projected year persons per household.
- OWNER-OCCUPIED UNITS: Projected year total occupied housing units minus projected year renter occupied units.
- RENTER-OCCUPIED UNITS: Previous year renter units divided by previous year occupied units times projected year occupied units.
- VACANT YEAR UNITS: Projected year occupied units times previous year vacant year round units divided by previous year occupied units.
- SEASONAL UNITS: Previous year seasonal units divided by previous year round units times projected year round units.

Owner- and Renter-Occupied Housing Units

The majority of occupied housing units in the Town of Madge are owner occupied, 180 out of 202, representing 89.1 percent of all occupied housing units.

Renter-occupied units comprise only 10.9 percent of all occupied housing units in the Town of Madge. Based on projections, owner- and renter-occupied units will continue to rise during the 20-year planning period.

Seasonal Homes

While the town has traditionally not been a tourism or recreation destination, it has maintained a large number of homes identified as seasonal. This category includes all types of recreational uses, from summer homes to hunting cabins.

Trends that have been identified as taking place throughout northern Wisconsin in the past 10 to 15 years also may impact the Town of Madge. One is the conversion of seasonal homes into permanent residences, especially by individuals at retirement age. As no specific data exists on these trends for the Town of Madge, it is difficult to definitively describe where and at what rate

these conversions are taking place. By the year 2025, the town is expected to see 80 new housing units built or converted for seasonal use.

Decline in Inhabitants per Occupied Housing Unit

A trend common to many northern Wisconsin townships and rural areas in general is the gradual decline of inhabitants per occupied household. Table 2.1 indicates that in 2000 the Town of Madge had an average of 2.24 persons per household. Projections indicate that by 2025, the town will have an average of 1.99 persons per household. The central trends causing this decline include the out migration of inhabitants over the age of 18 for work or school, overall smaller family sizes, fewer families with children moving into the town, and fewer children being born to Town of Madge residents. Additionally, many households are composed of retired couples or are single person households.

Structural Characteristics

Table 2.2 compares housing characteristics for the Town of Madge with the surrounding Towns of Beaver Brook, Birchwood, Crystal, Long Lake as well as Washburn County. In 2000, the town had an overall vacancy rate of 50.7 percent. Seasonal, recreational, and occasional use accounted for 47.8 percent of that vacancy, leaving a “true” year-round vacancy rate of 2.9 percent. These seasonal, recreational, or occasional uses likely are around lakeshore areas in the town. The town’s median housing value in 2000 (\$120,500) was higher than the Towns of Beaver Brook and Crystal, and Washburn County but lower than the Towns of Birchwood and Long Lake.

Table 2.2: Comparison of Housing Characteristics

	Town of Madge	Town of Beaver Brook	Town of Birchwood	Town of Crystal	Town of Long Lake	Washburn County
Total Housing Units	410	280	528	184	590	10,814
^Percent Vacant	50.7%	9.6%	63.8%	36.4%	51.9%	38.9%
*Median Housing Value	\$120,500	\$81,900	\$144,000	\$98,800	\$127,000	\$85,700

Source: U.S. Census Bureau
 * Specified owner-occupied units
 ^ Includes seasonal units

Housing Stock

Understanding the relative age of the housing stock is a good indicator of the quality and condition of the available housing stock. Over 50 percent of the homes in the Town of Madge were built since 1970 (30+ years ago), which might indicate that the need for repair and maintenance of most homes in the town is less likely over the 20-year planning period. Table 2.3 identifies the percent of the town’s total housing stock by year built based on sample data collected by the U.S. Census Bureau.

Table 2.3: Age of Housing Stock

Year Structure Built	% of Total Housing Stock
1999 to March 2000	2.0%
1995 to 1998	7.2%
1990 to 1994	14.1%
1980 to 1989	17.8%
1970 to 1979	22.5%
1960 to 1969	6.9%
1940 to 1959	13.6%
1939 or earlier	15.9%
Total	100%

Source: U.S. Census Bureau

Units in Structure

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

1-Unit, Attached--This is a 1-unit structure that has one or more walls extending from ground to roof separating it from adjoining structures. In row houses (sometimes called townhouses), double houses, or houses attached to nonresidential structures, each house is a separate, attached structure if the dividing or common wall goes from ground to roof.

Based on sample data from the US Census Bureau, the 2000 Census reports that of the total housing units 88.4% are 1-unit detached, 1.5% are 1-unit attached, while 10.1% are mobile homes.

Heating Fuel

Of the occupied housing units, 140 (68.3%) are identified as using bottled, tank, or LP gas as their primary source of heat. Table 2.4 below illustrates other means of heating fuel in the Town of Madge. Table 2.3 is based on sample data and does not reflect 100 percent of the housing stock.

Table 2.4: Home Heating Fuel

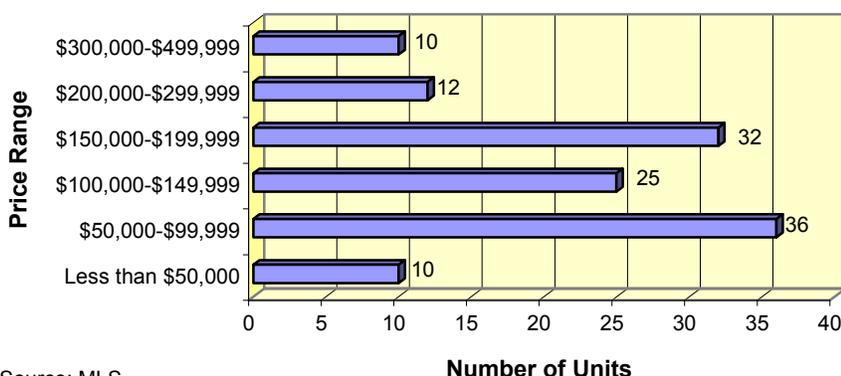
Heating Fuel	Number
Utility Gas	-
Bottled, tank or LP gas	140
Electricity	24
Fuel oil, kerosene, etc	2
Coal or coke	-
Wood	33
Solar energy	-
Other fuel	6
No fuel used	-

Source: U.S. Census Bureau

Housing Market

The MLS (Multiple Listing Service) database was used to determine the number of off-water residential listings and prices within Washburn County as of January 7, 2003. This database does not include residential properties for sale through private individuals. There were three residential properties in the Town of Madge listed in the MLS system on January 7, 2003. Within Washburn County, 125 off-water listings were found, ranging in price from \$29,900 to \$499,000. The average sale price of residential listings was \$129,346. The figure below depicts the number of listings in the MLS system and price ranges of residential, off-water properties in Washburn County.

Figure 2.1: Washburn County Residential Listings (off-water)

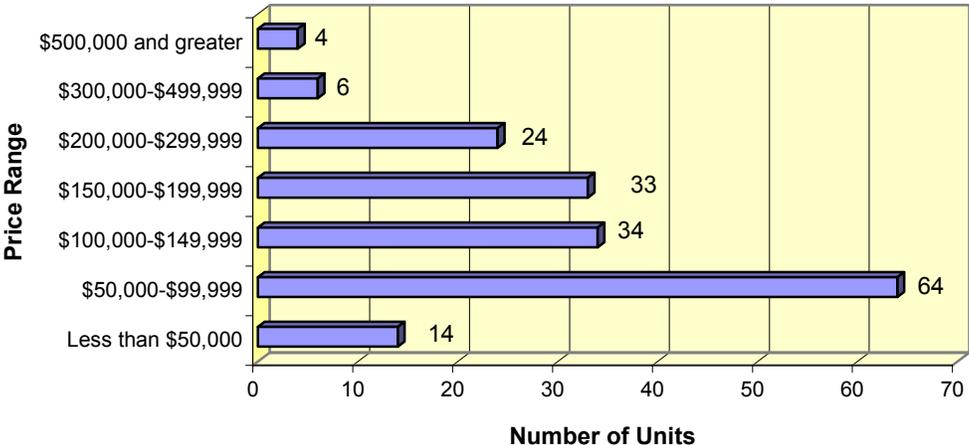


Source: MLS

Value of Existing Housing

The 2000 Census Bureau identifies the value of all owner-occupied housing units in the Town of Madge. Of the 180 owner-occupied housing units in the Town of Madge, 64 (35.8%) are valued between \$50,000 and \$99,999, while 14 (7.8%) percent of owner-occupied homes are valued under \$50,000. Figure 2.2 gives a detailed breakdown of existing housing values in the Town of Madge.

Figure 2.2: Value of Owner-Occupied Housing Units



Source: U.S. Census Bureau

Affordability Analysis

According to the US Department of Housing and Urban Development (HUD), affordable housing is that which is available for rental or purchase to low- and moderate-income families at 30 percent or less of their annual income. HUD defines low income as 80 percent of median household income and below, while very low income is defined as 50 percent of median and below.

Table 2.5 depicts housing affordability based on HUD income categories using the median household income for the town rather than family size income levels. Median is the figure found in the exact middle of a range of numbers after the numbers have been sorted from lowest to highest. Low- and moderate-income (LMI) households in the Town of Madge have an income cutoff limit of \$29,334 per year based on 80 percent of the median (\$36,667) value for all households. Extremely low income households; those earning less than 30 percent of the median per year (\$11,011) are the group of most concern with regards to housing affordability.

Table 2.5: Housing Affordability

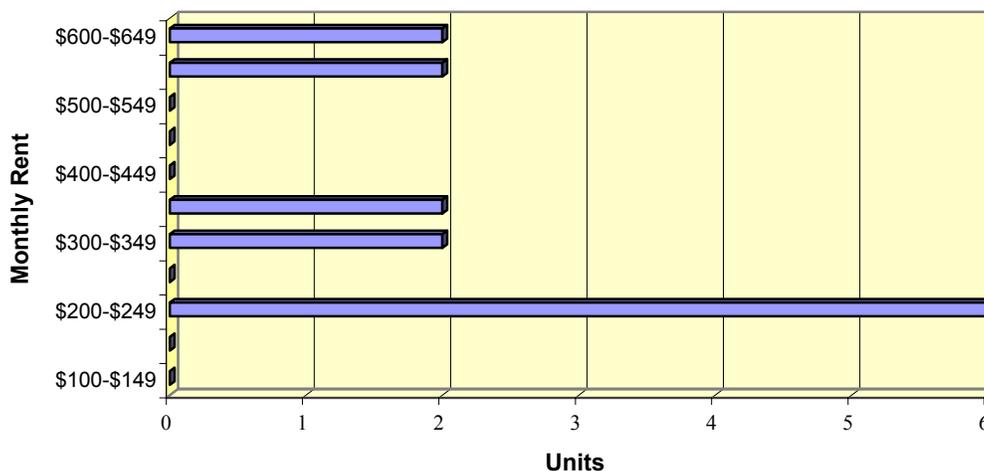
Percent of Median Income	2000 Annual Household Income ¹		Affordable Monthly Housing Costs		Estimated Affordable Home Price ²		# Listings (countywide)
	Low	High	Low	High	Low	High	Homes
Extremely Low Income (0 % to 30 %)	\$0	\$11,000	\$0	\$275	\$0	\$11,011	0
Very Low Income (30% to 50%)	\$11,000	\$18,334	\$275	\$458	\$11,011	\$22,526	0
Low Income (50% to 80%)	\$18,334	\$29,334	\$458	\$733	\$22,526	\$72,075	26
Low-Median (80% to 100%)	\$29,334	\$36,667	\$733	\$917	\$72,075	\$105,107	49

*-1 unit in the Town of Madge
Source: U.S. Census and NWRPC

According to the analysis, 0 homes are currently on the market (MLS listings) at prices considered to be affordable to extremely low- and very low-income households. Housing opportunities for low-income households were available (26 homes) countywide.

The affordable monthly housing costs in Table 2.5 would also apply to rental units. Figure 2.3 depicts the monthly rental costs for units within the Town of Madge. Most of the towns' rental units were assessing monthly rents of \$200 to \$249 a month. Those households at the high end of the extremely low-income category may be able to afford monthly rents up to \$275 per month. Very low- income households may be able to afford monthly rental costs up to \$458 per month.

Figure 2.3: Town of Madge Rental Costs



Source: U.S. Census Bureau

Property Taxes

Property taxes can have a significant impact on housing affordability. Home ownership can be put out of reach of low-income families who otherwise may be able to afford a \$400 per month mortgage payment but cannot afford the additional \$100 per month in property taxes. Property taxation is based on assessed valuation of land and property. Demand for rural land and waterfront property in Washburn County has caused substantial increases in land value. The

¹ Unadjusted figures

² Based on 20-year mortgage financed at 6%, with 10% down payment.

increased land valuation coupled with rising government and school costs has caused significant increases in taxes assessed to Washburn County property owners. According to the comprehensive planning survey, nearly 60 percent (67.1% Madge) of Washburn County property owners were not satisfied with the current property taxation.

The Town of Madge's effective full value tax rate in 2002 and collectable in 2003 was .01494, or \$14.94 per \$1000 of valuation. This equates to \$1,494 (less credits) annually in net property taxes on a \$100,000 home. If saving per month to pay property taxes, on a \$100,000 home, taxes would add an additional \$124.50 to monthly expenses.

2.4 HOUSING PROGRAMS

The Wisconsin Comprehensive Planning legislation requires that the Town of Madge compile a list of programs to provide an adequate housing supply that meets existing and forecasted housing demand in the local governmental unit.

Washburn County Housing Authority- The Washburn County Housing Authority contracts with Impact Seven, Inc. to manage housing projects in the Village of Birchwood, City of Shell Lake, and the City of Spooner. The authority is comprised of a five-citizen committee that oversees and gives direction to Impact Seven, Inc. on budget, finance, and administrative duties.

WHEDA (Wisconsin Housing and Economic Development Authority)- The Wisconsin Housing and Economic Development Authority serves Wisconsin residents and communities by working with others to provide creative financing resources and information to stimulate and preserve affordable housing, small business, and agribusiness.

USDA-Rural Development- Rural Development administers federal funds to help secure loan options to assist low-moderate income families with home purchase and rehabilitation. Rural Development generally funds individuals who cannot obtain conventional financing.

CDBG (Community Development Block Grant) Housing Rehabilitation- CDBG funds are available through HUD (Housing and Urban Development) as a pass through to the State of Wisconsin, made available through the Department of Commerce, Bureau of Housing. These funds are available to public or private entities to help offset rehabilitation costs to homeowners, renters, and landlords. These funds are in the form of zero percent interest / deferred payment loans.

HCRI (Housing Cost Reduction Initiative)-This organization provides state funds for housing down payment and closing costs to low-moderate income families.

HOME (part of the Home Investment Partnership Program) funds are available to assist new homeowners with money to rehabilitate homes that were recently purchased. These funds can be used as equity to encourage banks or lending institutions to be the primary lender on a home purchase.

Indianhead Community Action Agency- This agency provides weatherization (insulation, windows, doors, energy efficient furnaces etc.) or anything that helps homeowners with even the most modest or extensive home repairs.

2.5 HOUSING GOALS, OBJECTIVES, ACTIONS, AND POLICIES

A set of recommended goals, objectives, and actions has been developed to assist the Town of Madge in the area of housing. Implementation of the identified actions will assist in achieving the overall goal that an adequate range of housing opportunities are developed to meet the varied needs of existing and future community residents, while maintaining a predominantly rural atmosphere.

GOAL: A range of housing opportunities to meet the varied needs of existing and future community residents, while maintaining a predominantly rural atmosphere.

Objective 1: Direct affordable housing to communities and municipalities where services are available.

a. *Support county programs that support these services.*

Objective 2: Establish high quality construction and maintenance standards for housing.

a. *Work with county on developing a countywide building inspection program.*

b. *Request that the county take responsibility for development of countywide building inspection program and enforcement of those inspections following the uniform dwelling code inspection statute.*

Objective 3: Direct siting of homes in areas that will not result in environmental damage or impair rural character or agricultural operations.

a. *Restrict housing out of areas where housing should not be built due to physical properties of landscape.*

b. *Allow cluster developments of detached single-family homes that maintain the rural character of the town.*

c. *Provide existing and new development with information on the benefits of limited environmental degradation.*

d. *Distribute town maps (i.e. constraint maps) that show areas where development may be difficult due to natural conditions.*

e. *Develop guidelines for multi-family housing consistent with the objectives of this plan.*

Objective 4: Determine minimum size building sites.

a. *Advance minimum size sites/lots to county as specified throughout the comprehensive plan.*

b. *Develop a land division ordinance.*

- Objective 5: Minimize uninhabitable buildings in the town.
- a. Remove from premise all uninhabited mobile homes when mobile home is replaced with new residential dwelling.*
 - b. Investigate zoning ordinance on regulations for two separate structures being used as dwelling units on one parcel.*
 - c. Investigate removal of dilapidated buildings relating to public health and safety issues.*