

ELEMENT 2: HOUSING

2.1 INTRODUCTION

Usually, 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 will 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 Frog Creek, the existing housing stock has been reviewed and recommendations made to meet the housing needs to the year 2025.

The Town of Frog Creek encourages and promotes the private sector to address the needs of all income levels, age groups, and persons with special needs in the development of housing within the town. The town itself cannot independently supply the range of housing needs local residents may in fact desire. As a result, the private sector is encouraged to make available the development or redevelopment of land to accommodate housing choices for all income levels and housing types, including low-and moderate-income.

2.2 EXISTING HOUSING STOCK CHARACTERISTICS

From 1980 to 1990, the Town of Frog Creek exhibited a loss of three housing units. From 1990 to 2000, the town saw an additional decrease of 16 housing units, putting total housing units according to the U.S Census Bureau at 86 in 2000.

Town of Frog Creek	1980	1990	2000
Total Housing Units	105	102	86
Total Occupied Housing Units (Households)	42	52	65
Single Family Units (Owner Occupied Units)	34	35	53
Renter Occupied Housing Units	8	17	12
Seasonal Units (Vacant)	-	34	15
Other Vacant Units		16	6
Average Household Size	3.38	2.98	2.46

Source: U.S Census Bureau

Owner and Renter Occupied Housing Units

According to the 2000 Census Bureau, the majority of housing units in the Town of Frog Creek are occupied. Of all occupied housing units were identified as owner-occupied, representing a 12.7 percent increase from 1990. It is anticipated that owner-occupied units will continue to comprise the majority of all occupied units through 2020.

Renter-occupied units comprised 24.6 percent of all occupied housing units in the Town of Frog Creek in 2000. It is anticipated that renter-occupied units in the town will also increase by the year 2020.

Seasonal Homes

While the town has traditionally not been a tourism or recreation destination, it has maintained a small number of homes identified as seasonal or for recreational use. 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 Frog Creek. One is the conversion of seasonal homes into permanent residences, especially by individuals at retirement age; and two is the conversion of permanent homes into seasonal homes as area residents retire and spend winters in a more temperate climate. As no specific data exists on these trends for the Town of Frog Creek, it is difficult to definitively describe where and at what rate these conversions are taking place. In the next 20 years, the town should expect to see new housing units built 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 Frog Creek had an average of 2.46 persons per household, representing a decline from the 1980 level of 3.38. It is expected that future “inhabitants per occupied housing unit” will continue to decline by 2020. 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, fewer children being born to Town of Frog Creek residents, and a steady divorce rate. Additionally, many households are composed of retired couples or are single person households.

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 Frog Creek will assist local town government in planning for future growth.

According to the Census Bureau, the Town of Frog Creek has experienced a decrease in total housing units since 1980. During the 20-year period from 1980 to 2000, 19 housing units were lost. Based upon new trends within the region, total housing units in Frog Creek are expected to increase by the year 2020. In 2000, the Town of Frog Creek had 86 units, with projections indicating that by 2010, the town will have 111 units and 153 units by 2020. The projected growth indicates an average of three new housing units per year through 2020.

Structural Characteristics

Table 2.2 compares housing characteristics for the Town of Frog Creek with the surrounding Towns of Lenroot (Sawyer County), Wascott (Douglas County), Gull Lake, Minong, and Stinnett as well as Washburn County. In 2000, the town had a vacancy of 31.7 percent. According to the 2000 Census, seasonal, recreational, or occasional use accounted for 25.7 percent of that vacancy, leaving a “true” vacancy of 6.0 percent. These seasonal, recreational, or occasional uses likely are around river or hunting areas. The town’s median housing value in 2000 (\$80,000) was lower than all surrounding towns and Washburn County with the exception of the Town of Stinnett.

	Town of Frog Creek	Town of Gull Lake	Town of Minong	Town of Stinnett	Town of Lenroot	Town of Wascott	Washburn County
Total Housing Units	101	131	1,227	140	975	779	10,814
% Vacant	31.7%	49.6%	67.4%	27.9%	52.6%	63.7%	38.9%
*Median Housing Value	\$80,000	\$86,300	\$87,300	\$68,600	\$111,000	\$120,800	\$85,700

Source: U.S. Census 2000
 *All specified owner-occupied 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. About 35 percent of the homes in the Town of Frog Creek were built before 1960 (40+ years ago), which might indicate that the need for repair and maintenance of these homes is likely over the 20-year planning period. Table 2.3 lists the number of units, and the corresponding percent of the town’s total housing stock by year built.

Year Structure Built	Number of Units	% of Total Housing Stock
1999 to March 2000	7	6.9%
1995 to 1998	23	22.8%
1990 to 1994	13	12.9%
1980 to 1989	4	4.0%
1970 to 1979	15	14.9%
1960 to 1969	4	4.0%
1940 to 1959	10	10.0%
1939 or earlier	25	25.0%
Total	101	100%

Source: U.S. Census Summary File 3

Units in Structure

The 2000 Census reports that of the 101 total housing units, 81 (80.2%) are 1-unit detached, 2 (2.0%) are 1-unit attached, while 13 (12.9%) are mobile homes.

Heating Fuel

Of the 69 occupied housing units, 41 (59.4%) 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 that are used in the Town of Frog Creek.

Table 2.4: Home Heating Fuel	
Heating Fuel	Number
Utility Gas	-
Bottled, tank or LP gas	41
Electricity	-
Fuel oil, kerosene, etc	3
Coal or coke	-
Wood	25
Solar energy	-
Other fuel	-
No fuel used	-

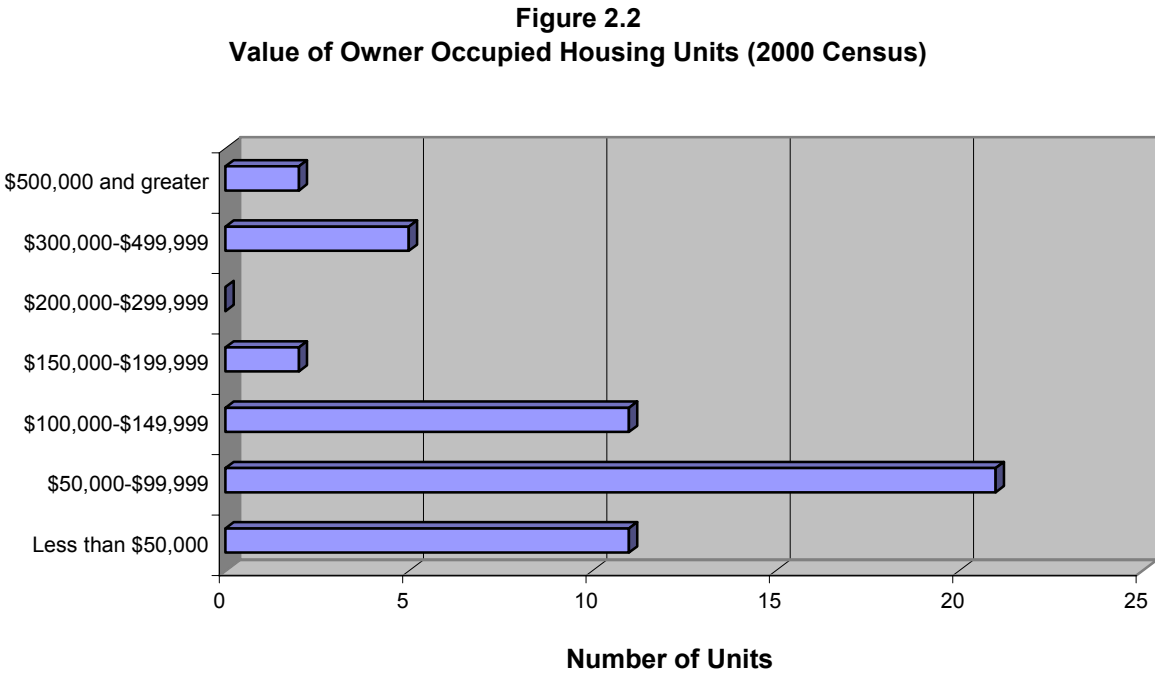
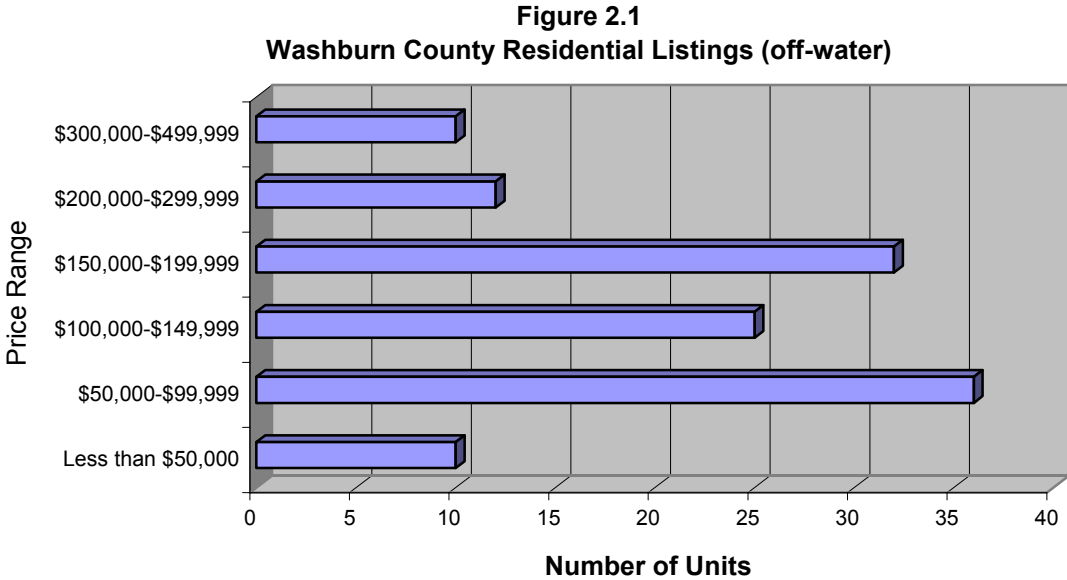
Source: U.S. Census 2000

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 was one residential property in the Town of Frog Creek 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 chart on the following page depicts the number of listings in the MLS system and price ranges of residential, off-water properties in Washburn County. Figure 2.1 depicts these price ranges for Washburn County.

Value of Existing Housing

The 2000 Census Bureau identifies the value of all owner occupied housing units in the Town of Frog Creek. Of the 52 owner occupied housing units in the Town of Frog Creek, 21 (40.4%) are valued between \$50,000 and \$99,999, while 11 (21.2%) are valued under \$50,000. See Figure 2.2 for a detailed breakdown of existing housing values in the Town of Frog Creek.



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 household income and below.

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	
Extremely Low Income (0 % to 30 %)	\$0	\$11,025	\$0	\$276	\$0	\$11,036	0
Very Low Income (30% to 50%)	\$11,025	\$18,375	\$276	\$459	\$11,036	\$22,710	0
Low Income (50% to 80%)	\$18,375	\$29,400	\$459	\$735	\$22,710	\$72,372	26
Low-Median (80% 100%)	\$29,400	\$36,750	\$735	\$919	\$72,372	\$105,480	49 ⁽¹⁾

(1) = 1 unit in the Town of Frog Creek

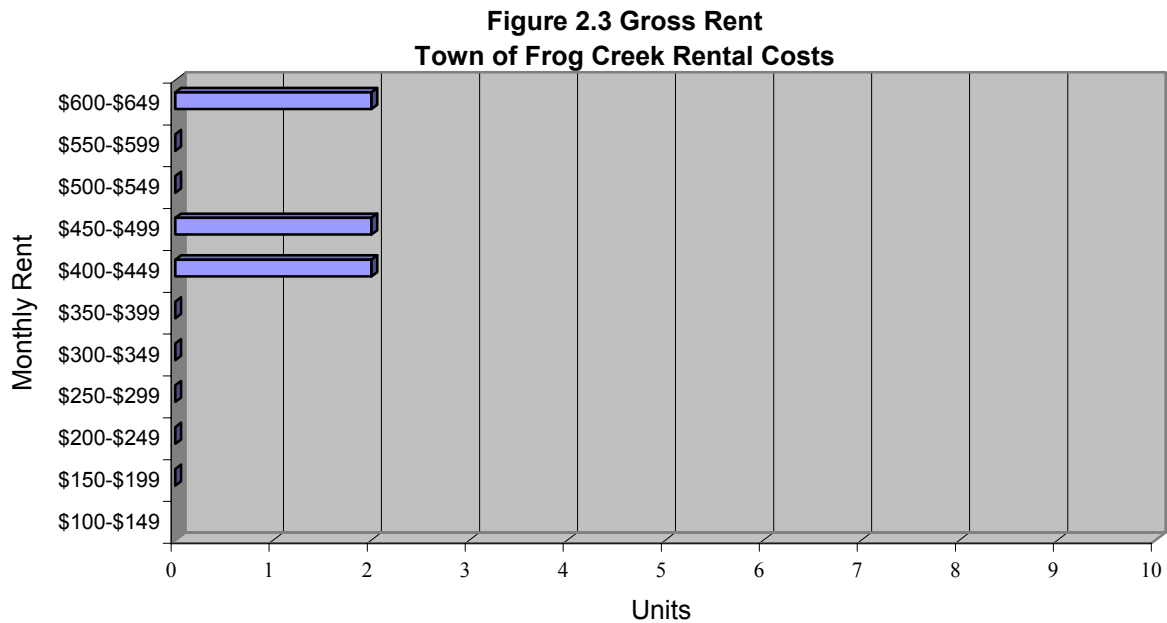
Table 2.5 depicts housing affordability based on HUD income categories. Low and moderate-income (LMI) households in the Town of Frog Creek have an income cutoff limit of \$29,400 per year. This represents those households earning 80 percent of the median (\$36,750) value for all households in the town. Extremely low income households; those earning less than 30 percent of the median per year (\$11,025) are the group of most concern with regards to housing affordability.

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 Frog Creek. All of the town’s rental units were assessing monthly rents of \$400 to \$649 per month. Those households at the high end of the extremely low-income category may be able to afford monthly rents up to \$276 per month. Very low- income households may be able to afford monthly rental costs up to \$459 per month.

¹ Unadjusted figures

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



Source: 2000 US Decennial Census

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 directly correlated with assessed valuation of land and property. Demand for rural land and waterfront property in Washburn County has caused substantial increases in land value. The 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 (61.1% Frog Creek) of Washburn County property owners were not satisfied with current property taxation.

The Town of Frog Creek’s effective full value tax rate in 2001 was .01644, or \$16.44 per \$1000 of valuation. This equates to \$1,644 (less credits) annually in net property taxes on a \$100,000 home. On the same home this tax rate would add an additional \$137 to the monthly mortgage payment.

2.3 HOUSING PROGRAMS

The Wisconsin Comprehensive Planning legislation requires that the Town of Frog Creek 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 who 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). 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 percent interest / deferred payment loans.

Northwest Affordable Housing INC.- Northwest Affordable Housing Inc. is a 501(C)3 non-profit organization that is able to obtain funds that are not available to the general public for the purpose of promoting affordable and accessible housing for low and moderate-income persons.

HCRI (Housing Cost Reconstruction Initiative)-This organization provides federal funds for housing down payment and closing costs to low-moderate income families. HOME funds are available for the rehabilitation of these homes after the 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.

2.4 HOUSING GOALS, OBJECTIVES, AND ACTIONS

A set of recommended goals, objectives, and action-plans has been developed to assist the Town of Frog Creek 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 available to meet the varied needs and desires of existing and future community residents.

GOALS, OBJECTIVES & ACTION STATEMENTS

HOUSING

Goal: Encourage safe, affordable housing and neighborhoods.

1. Support the provision of housing in the town to meet the needs of all incomes and age groups.
 - a. Research data to verify needs of community.
 - b. Investigate grant programs that allow for the funding of housing projects if needed.
2. Encourage high quality construction and maintenance standards.
 - a. Investigate the availability of federal and state housing reconstruction and renovation funding programs.
 - b. Maintain communications with the county to determine necessary levels of compliance required with regards to housing building codes.
 - c. Research the need for a town ordinance to enforce minimal housing standards.
3. Encourage home siting in areas that will not result in undue hardships in servicing.
 - a. Consult future land use map for appropriate siting of new construction.