

## 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 Springbrook, the existing housing stock has been reviewed and recommendations made to meet the housing needs to the year 2025.

The Town of Springbrook 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 Springbrook exhibited a 5.5 percent increase in total housing units. From 1990 to 2000, the town saw 33 new housing units, a 12.4 percent increase, putting total housing units according to the U.S Census Bureau at 300 in 2000. See Table 2.1 for Town of Springbrook Housing Characteristics.

<b>Table 2.1 Town of Springbrook Housing Units</b>	<b>1980</b>	<b>1990</b>	<b>2000</b>
Total Housing Units	253	267	300
Total Occupied Housing Units (Households)	163	159	227
Single Family Units (Owner Occupied Units)	130	124	191
Renter Occupied Housing Units	33	35	36
Seasonal Units	-	74	63
Other	-	34	10
Average Household Size	2.71	2.53	2.36

Source: U.S. Census Bureau

#### **Owner & Renter-Occupied Housing Units**

The majority of occupied housing units in the Town of Springbrook are owner occupied. In 2000, 130 (84.1%) of all occupied housing units were identified as owner occupied. Renter occupied units comprised only 15.6 percent of all occupied housing units in the Town of Springbrook in 2000.

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 Springbrook had an average of 2.36 persons per household, representing a decline from the 1980 level of 2.71. Projections indicate that by 2020, the town will have an average of 2.02 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, fewer children being born to Town of Springbrook residents, and a steady divorce rate. Additionally, many households are composed of retired couples or are single person households.

**Seasonal Units**

The town has traditionally been a tourism and recreation destination, therefore has maintained a number of homes identified as seasonal or recreational. 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 Springbrook. One is the conversion of seasonal homes into permanent residences, especially by individuals at retirement age; and second 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 Springbrook, it is difficult to definitively describe where and at what rate these conversions are taking place. In the next 20 years, the town is expected to see new housing units built for seasonal use.

**Projected Housing**

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 Springbrook will assist local town government in planning for future growth.

According to the Census Bureau, the Town of Springbrook has experienced an increase in total housing units since 1980. During the 20-year period from 1980 to 2000, 47 housing units were constructed. Based upon past trends, the Town of Springbrook expects total housing units will continue to increase over the 20-year planning horizon.

**Housing Characteristics**

Table 2.2 compares some housing characteristics of the Town of Springbrook with the surrounding Towns of Brooklyn, Bass Lake, Crystal, Gull Lake, and Washburn County. In 2000, the town had a vacancy of 24.3 percent. According to the 2000 Census, seasonal, recreational, or occasional use accounted for 21.0 percent of that vacancy, leaving a “true” vacancy of 3.3 percent. These seasonal, recreational, or occasional uses likely are around lakeshore and river areas in the town. The town’s median housing value for all specified owner-occupied units in 2000 (\$75,000) was lower than all surrounding towns and Washburn County.

**Table 2.2: Housing Characteristics**

	Town of Springbrook	Town of Brooklyn	Town of Bass Lake	Town of Crystal	Town of Gull Lake	Washburn County
Total Housing Units	300	214	293	160	131	10,814
% Vacant	24.3%	48.5%	30.7%	36.4%	55.2%	38.9%
*Median Housing Value	\$75,000	\$87,500	\$94,300	81,000	86,300	\$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 in Springbrook. Over 36 percent of the homes in the Town of

Springbrook 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 horizon. Table 2.3 lists the number of units, and the corresponding percent of the town’s total housing stock by year built.

**Table 2.3: Town of Springbrook  
Age of Housing Stock**

<b>Year Structure Built</b>	<b>Number of Units</b>	<b>% of Total Housing Stock</b>
1999 to March 2000	14	5.1%
1995 to 1998	34	12.5%
1990 to 1994	33	12.1%
1980 to 1989	23	8.5%
1970 to 1979	47	17.3%
1960 to 1969	22	8.1%
1940 to 1959	43	15.8%
1939 or earlier	56	20.6%
<b>Total</b>	<b>272</b>	<b>100%</b>

Source: U.S. Census 2000 SF-3

**Units in Structure**

The 2000 Census (SF-3) reports that of the 272 total housing units 232 are 1-unit detached, 4 are 1-unit attached, and 34 are mobile homes.

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.

**Heating Fuel**

Of the 227 occupied housing units, 95 (41.9%) are identified as using bottled, tank, or LP gas as their primary source of heat. Table 2.4 illustrates other means of heating fuel that are used in the Town of Springbrook.

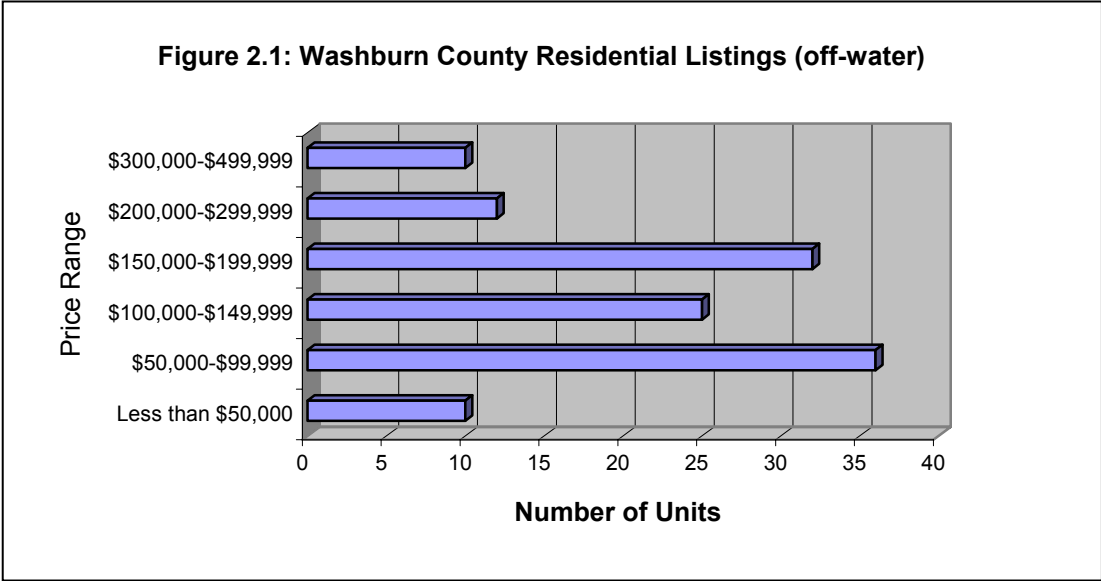
**Table 2.4: Home Heating Fuel**

Heating Fuel	Number
Utility Gas	44
Bottled, tank or LP gas	95
Electricity	7
Fuel oil, kerosene, etc	23
Coal or coke	-
Wood	32
Solar energy	-
Other fuel	-
No fuel used	-

Source: U.S. Census 2000

**Housing Market**

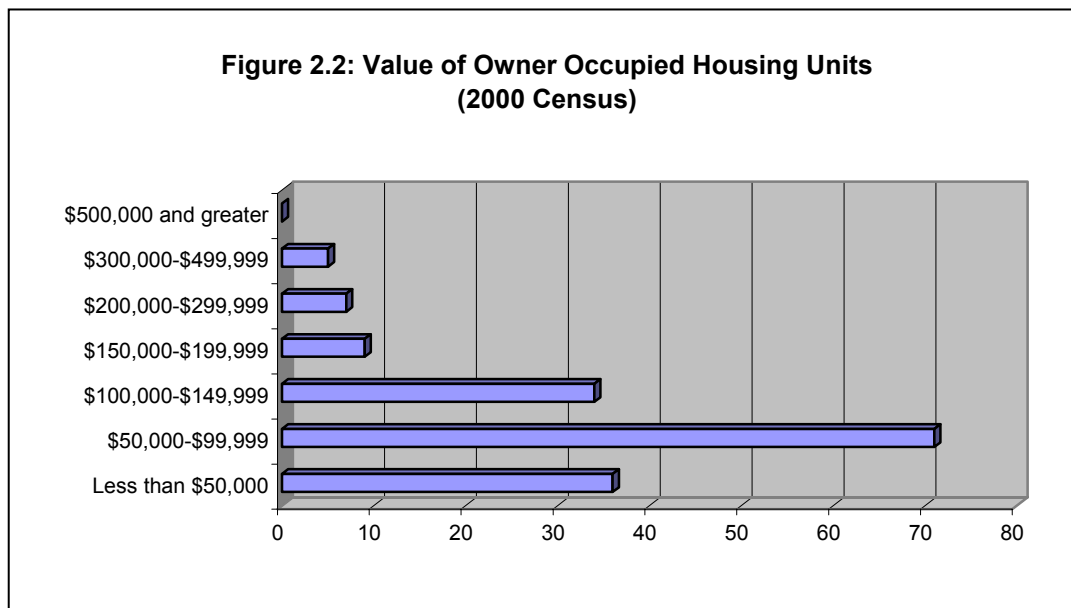
The MLS (Multiple Listing Service) database was used to determine the number of off-water residential listings and prices within Washburn County as of January 7, 2003. This database does not include residential properties for sale through private individuals. There were six residential properties in the Town of Springbrook 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. Figure 2.1 depicts the number of listings in the MLS system and price ranges of residential, off-water properties in Washburn County.



**Value of Existing Housing**

The 2000 Census Bureau identifies the value of all owner occupied housing units in the Town of Springbrook. Of the 162 owner occupied housing units in the Town of Springbrook, 71 (43.8%) are valued between \$50,000 and \$99,999, while 36 (22.2%) owner occupied homes are valued

under \$50,000. See Figure 2.2 for a detailed breakdown of existing housing values in the Town of Springbrook.



US Census 2000, SF-3 Data

### Affordability Analysis

For low-income households, housing affordability is a great concern. According to the US Department of Housing and Urban Development (HUD), it is suggested that households spend 30 percent or less of their income on housing related expenses. HUD defines low-income levels based upon median household income and the number of family members.

Table 2.5 depicts housing affordability based on income categories. Low and moderate-income (LMI) households in the Town of Springbrook have an income cutoff limit of \$29,125 per year. This represents those households earning 80 percent of the median (\$36,406) value for all households in the town. Extremely low income households; those earning less than 30 percent of the median per year (\$10,922) are the group of most concern with regards to housing affordability.

Percent of Median Income	2000 Annual Household Income <sup>1</sup>		Affordable Monthly Housing Costs		Estimated Affordable Home Price <sup>2</sup>		# Listings (countywide) Homes
	Low	High	Low	High	Low	High	
Extremely Low Income (0 % to 30 %)	\$0	\$10,922	\$0	\$273	\$0	\$10,932	0
Very Low Income (30% to 50%)	\$10,922	\$18,203	\$273	\$455	\$10,932	\$21,935	0
Low Income (50% to 80%)	\$18,203	\$29,125	\$455	\$728	\$21,935	\$71,134	25
Low-Moderate (80% 100%)	\$29,125	\$36,406	\$728	\$910	\$71,134	\$103,931	47

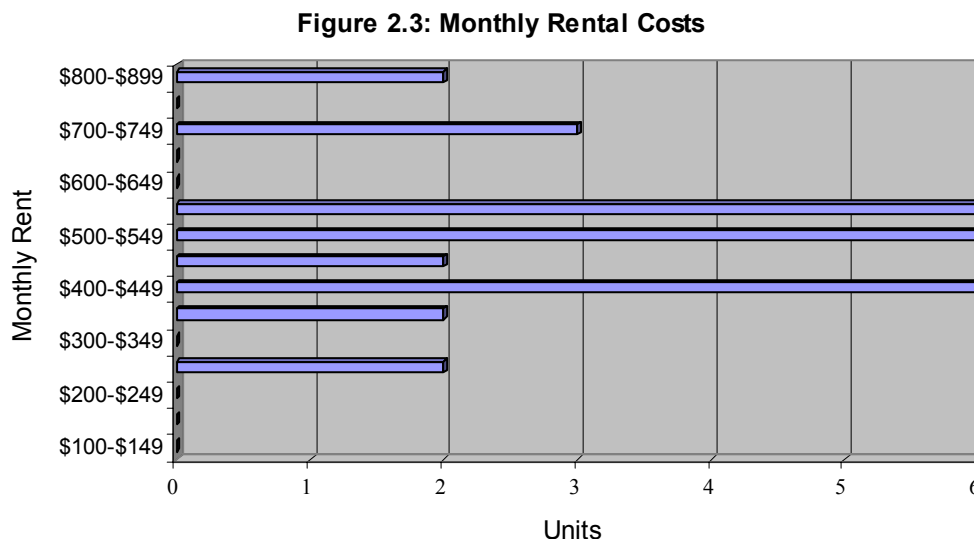
Source: U.S. Census, HUD, NWRPC

<sup>1</sup> Unadjusted figures

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

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 (25 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 Springbrook. Most of the towns’ rental units were assessing monthly rents of \$400 to \$649 a month. Those households at the high end of the extremely low-income category may be able to afford monthly rents up to \$273 per month. Very low - income households may be able to afford monthly rental costs up to \$455 per month.



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 (51.3% Springbrook) of Washburn County property owners were not satisfied with the current property taxation.

The Town of Springbrook’s effective full value tax rate in 2003 was .01363, or \$13.63 per \$1000 of valuation. This equates to \$1,363 (less credits) annually in net property taxes on a \$100,000 home. On the same home this tax rate would add an additional \$113.58 to the monthly mortgage payment on the same home.

## 2.3 HOUSING PROGRAMS

The Wisconsin Comprehensive Planning legislation requires that the Town of Springbrook 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.

**Washburn County Housing Rehabilitation Program (RLF)** - Washburn County maintains a revolving loan fund to assist income eligible families, low- to moderate-income, make necessary repairs to their homes. The program provides owner-occupied and rental unit rehabilitation including repairs such as the replacement of windows, roof, siding, furnace, electrical, septic, and wells. Owner-occupied funds made available to eligible recipients is based on a deferred payment plan with a zero percent interest rate and is payable at the time when the home is no longer the mortgage holders primary residence. Renter-occupied funds are based on a low interest rate and monthly repayment plan. Homebuyer funds are available to assist with down payment and closing costs and are based on a deferred payment plan with a zero percent interest rate, payable at the time when the home is no longer the mortgage holders primary residence.

**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 & ACTIONS

A set of recommended goals, objectives, and actions steps has been developed to assist the Town of Springbrook in the area of housing. Implementation of the identified actions will assist in achieving the overall goal.

### HOUSING

<b>Goal:</b> A range of housing opportunities to meet the varied needs of existing and future residents, while maintaining a predominantly rural atmosphere.	
<b>OBJECTIVES</b>	<b>Actions</b>
1. Promote and enforce minimum lot size requirements.	Research the population statistics and inventory the housing needs to determine what is needed.
2. Enforce minimum building setbacks from roads.	Research and develop an ordinance if needed to ensure minimum setbacks.
	Investigate enforcement methods.
3. Encourage the use of secondary roads to eliminate individual entrances from homes to major highways.	Communicate with appropriate government levels to investigate possibilities for this objective.
	Communicate with developers to see that this goal can be realized in any development proposals.
4. Have controls over the future expansion of homes and developments in the town.	New development will be examined for compatibility and shall be approved by the town board.