

# Chapter 3: Housing

## Introduction

In accordance with Chapter 66 of the Wisconsin State Statutes, the housing element of a municipal comprehensive plan shall be a “compilation of objectives, policies, goals, maps, and programs of the local governmental unit to provide adequate housing supply that meets existing and forecasted housing demand in the local governmental unit.”

## Survey Results

Surveys were made available to all voting residents and one of the questions asked was, “How would you rate the supply of housing by category in the Village of Spring Valley?” Below are the results of the survey.

Category	We need a lot more	We need a little more	We don't need any more	No opinion
Single Family Homes	(49)	(183)	(89)	(99)
Mobile Homes	(5)	(37)	<b>(271)</b>	(102)
Higher Priced Homes	(7)	(88)	(216)	(101)
Rental Housing	(38)	(159)	(119)	(103)
Condominiums	(16)	(100)	(184)	<b>(115)</b>
Elderly/Assisted Living	<b>(101)</b>	<b>(191)</b>	(45)	(89)
Twin Homes	(14)	(112)	(182)	(102)
Low – Moderate Income Housing	(69)	(161)	(106)	(89)

The most popular answer for what the Village needs more of was Elderly/Assisted Living. The next two most popular answers were Single Family Homes and Low – Moderate Income Housing.

## The State of Housing in the Village of Spring Valley

The Village of Spring Valley is uniquely situated in an alluring, scenic valley within the coulee-country of western Wisconsin within minutes of the cultural and economic resources of the Twin Cities metropolitan area. In addition, the rural atmosphere of western Wisconsin is strongly embraced and “small town” values characterize the Village. It is a growing community like many in the area, but a manageable growth rate of about 1.25% annually presents an opportunity for logical and efficient growth. The transportation corridor of State Highway 29 and the abundance of developable land provide ample opportunity for the Village to expand its borders and preserve the rural character of the community.

Just the opposite, however, is the abundance of steep slopes and conservation lands on which development would be both unadvisable and detrimental to community character. The presence of these lands will have an impact on the future expansion of the Village. Nearly half of the total housing units in the Village are of the pre-WWII era and some are in ill-repair (see Table 3-1). All the while, new suburban-type housing units are built and remain for sale. Despite the

Village’s annual growth, more than 90% of its employed residents leave the Village each day to commute to work. As fuel costs continue to rise, this is a trend that cannot continue and may result in many residents permanently leaving the Village. The preservation of community character, in this regard, may be in jeopardy.

Table 3-1 - Year Structure Constructed

Year Built	Homes	Percent
Total	488	100.0%
1999 to March 2000	0	0.0%
1995 to 1998	41	8.4%
1990 to 1994	17	3.5%
1980 to 1989	39	8.0%
1970 to 1979	65	13.3%
1960 to 1969	46	9.4%
1940 to 1959	73	15.0%
1939 or earlier	207	42.4%

Source: 2000 U.S. Census

The type of heating fuel used in homes can indicate potential energy expenditures within a Village and reveal trends in heating systems related to new construction. Most homes are heated by Utility gas (*see Table 3-2*).

Table 3-2 - Types of House Heating Fuel

Fuel Type	Number	Percent
Utility Gas	341	73.7%
Bottled, Tank, or LP Gas	22	4.8%
Electricity	73	15.8%
Fuel Oil, Kerosene, Etc.	19	4.1%
Coal or Coke	0	0.0%
Wood	8	1.7%
Solar Energy	0	0.0%
Other Fuel	0	0.0%
No Fuel	0	0.0%
Total	463	100.0%

Source: 2000 U.S. Census Bureau

The Village faces tremendous opportunities for the expansion of its borders as well as to develop a sense of place that is uniquely its own. The abundance of scenic vistas and conservation lands presents perfect opportunities to adopt conservation design and traditional neighborhood design developments. The manageable growth rate permits the time necessary to, effectively and efficiently, plan for the future of the Village to maximize its potential gains and community benefits. The fate of the community’s rural atmosphere will be in the preservation of open space and efficient land uses. However the community’s rural character could be threatened by conventional suburban development.

## **SWOT Exercise**

The SWOT Exercise allows the Village Plan Commission members to identify the major Strengths, Weaknesses, Opportunities, and Threats within each chapter. The Plan Commission can then utilize this information to formulate the Goals, Objectives, and Policies for the Plan.

### **Strengths**

- New Waste Water Treatment Plant
- Available affordable housing
- Community Development Block Grant program
- Slow growth has allowed time to plan
- Village Board is proactive toward housing
- Assisted living & healthcare center
- Aesthetics of the Village
- Active growth
- Local Bank & Credit Union
- Clinic
- Basic community needs exist locally
- Variety of Churches
- Quiet
- Zoning regulations are adequate for growth

### **Weaknesses**

- Limited building area downtown
- Visible housing along main roads look bad
- Long distance to major commercial areas and jobs
- High taxes
- Too quiet
- No food delivery service in Village
- Limited telecommunications services

### **Opportunities**

- Current Zoning
- Rehabilitation of dilapidated homes
- Incomplete subdivisions
- Recreational choices (to attract residents)

### **Threats**

- Flood or natural disaster
- Loss of basic services
- Loss of tax base
- Increased fuel costs
- Active growth of neighboring communities housing stock (better market)
- Increase of taxes

## Housing Needs Assessment

### Population Growth and Projected Housing Needs

The U.S. Census Bureau reported in the 2000 Census that the Village of Spring Valley, Wisconsin would likely experience a relatively slow and steady annual growth. Based on the population projections, a 2.5% projected annual growth rate has been accepted by the Village Plan Commission.

Table 3-3 - Housing Forecasts

Year	2000	2005	2010	2015	2020	2025	2030
Population	1,187	1,286	1,348	1434	1,526	1,624	1,728
Persons Per Household	2.59	2.48	2.38	2.32	2.28	2.27	2.27
Total Households	458	518	566	618	669	715	758
Additional Units Needed	-	60	48	52	51	46	43

Source: WI Dept of Administration: Population and Housing Projections, Cedar Corporation

With its population steadily increasing, the Village will need to provide housing at a similar rate. The 2000 Census also indicates that the total persons per household in the Village will be, on average, 2.59 persons. This suggests that the Village will have to provide nearly ten additional housing units each year to accommodate each year’s growth until 2030 (see Table 3-3). This data can be viewed in a positive light in that the relatively slow growth rate affords the Village an opportunity to plan for and manage growth at the Village’s own discretion.

### Community Socio-Economics

The US Census Bureau reports that 64.9% of the Village Population over the age of 16 was employed in the civilian labor force in 2000. Of those employed 90.3% commuted by motor vehicle an average of 26.8 minutes daily. The Village was below the Pierce County values for both unemployment and poverty rates in 2000. The Village per capita income fell below the county average however, at \$17,844. Also, of the resident families with children under the age of six years, both parents were employed in 82.9% of the aforementioned families.

### Condition of Current Housing Stock

According to the 2000 Census, just over 42% of the total housing units in the Village were constructed before 1940. Many of these units are in good repair; some are not. These pre-WWII era homes are typically found adjacent to the central business district on and within a few blocks of McKay Avenue. The remainder of the housing stock is generally in good condition. A number of multi-family units are available and many remain in “for sale” status. New developments are common along Van Buren Drive, in the vicinity of the local golf course. Single-family attached structures are the norm in new development area. The local housing tenure and occupancy statistics from the US Census Bureau indicates that 23 housing units and 4 rental units were vacant in 2000 (see Tables 3-5 and 3-6). This suggests that 95.2% of housing units and 96.9% of rental units were occupied by residents in 2000, which further suggests that the Village may currently be at or near housing capacity.

Table 3-5 - Housing Units in a Structure

Units	Number	Percent
Total Housing Units	488	100.0%
1 Unit, detached	333	68.2%
1 Unit, attached	11	2.3%
2 Units	19	3.9%
3 or 4 Units	26	5.3%
5 to 9 Units	29	5.9%
10 to 19 Units	31	6.4%
20 or more Units	0	0.0%
Mobile Home	39	8.0%
Boat, RV, Van, etc	0	0.0%

Source: 2000 U.S. Census

### Occupancy Characteristics

All housing units are classified as either owner-occupied or renter-occupied. A housing unit is considered owner-occupied if the owner or co-owner lives in the unit even if it is mortgaged or not fully paid for. All occupied units, which are not owner-occupied, whether they are rented for cash rent or occupied without payment of cash rent, are classified as renter-occupied.

In 2000, the majority of housing in the Village of Spring Valley was owner-occupied (72.8%). This compares to Pierce County (73.1%) and the State of Wisconsin (68.4%). This number and percentage of owner-occupied units for the Village grew since 1990. The percentage of renter-occupied units slightly decreased from 1990 to 2000 (*see Table 3-6*).

Table 3-6 - Occupied Housing Units

	1990	% of Total	2000	% of Total	# Change	% Change
Owner-Occupied Housing Units	275	67.4%	334	72.8%	59	21.5%
Renter-Occupied Housing Units	133	32.6%	125	27.2%	-8	-6.0%
Total	408	100.0%	459	100.0%	51	12.5%
Occupied Housing Units	408	94.7%	459	95.2%	51	11.1%
Vacant Housing Units	23	5.3%	23	4.8%	0	0.0%
Total	431	100.0%	482	100.0%	51	10.6%

Source: 1990 and 2000 U.S. Census

Table 3-7 shows a small amount of the housing units in the Village of Spring Valley are vacant, although the number has not changed between 1990 and 2000. This means that homes are either for sale, for rent, or are used for seasonal, recreational, or occasional use.

Table 3-7 - Total Housing Units

	1990	% of Total	2000	% of Total	# Change	% Change
Occupied Housing Units	408	94.7%	459	95.2%	51	11.1%
Vacant Housing Units	23	5.3%	23	4.8%	0	0.0%
Total	431	100.0%	482	100.0%	51	10.6%

Source: 1990 and 2000 U.S. Census

## Housing Affordability

Affordable housing is defined as a housing structure whereby monthly mortgage costs equals 30% or less of the occupant’s monthly income. The median value of owner-occupied housing units in the Village is roughly \$75,400 with most units (63.5%) valued between \$50,000 and \$99,999 in 2000 (see Tables 3-8 and 3-9). In the same year, the median household yearly income of Village residents is \$38,480, which equals about \$3,200 monthly. The median monthly mortgage cost for residents in 2000 was \$742, which equals about 23% of the median monthly income (see Table 3-9). Thus, on average, the housing stock in the Village could be considered “affordable” (see Tables 3-10 and 3-11). This is not to say, however, that the issue of available low to moderate-income housing should not be addressed.

Table 3-8 - Median Owner-Occupied Housing Value

1990	2000	% Change
\$41,000	\$75,400	83.9%

Source: 1990 and 2000 U.S. Census

The median owner- occupied housing value for the Village of Spring Valley has almost doubled in value between 1990 and 2000. There has been a general demand for housing in western Wisconsin; this has produced larger new homes and has increased the value of existing homes. This trend will likely decrease over the next few years as the housing market dropped dramatically in 2007 and 2008.

Table 3-9 - Owner-Occupied Housing Value

Value	1990	2000	# Change	% Change
Less than \$50,000	148	46	-102	-68.9%
\$50,000 to \$99,999	57	172	115	201.8%
\$100,000 to \$149,999	6	22	16	266.7%
\$150,000 to \$199,999	2	18	16	800.0%
\$200,000 to \$299,999	1	11	10	1000.0%
\$300,000 or more	0	2	2	-

Source: 1990 and 2000 U.S. Census

There has been a significant increase in housing value for homes \$50,000 and greater, while homes valued at \$50,000 or less have dramatically decreased.

Table 3-10 - Median Household Income

Year	1989	1999	% Change
Median Household Income	\$24,167	\$38,482	59.2%

Source: 1990 and 2000 U.S. Census

Table 3-11 - Monthly Housing Costs - % of Household Income

Year 1999	Number	Percent
Less than 15%	96	35.4%
15 to 19%	60	22.1%
20 to 24%	42	15.5%
25 to 29%	28	10.3%
30 to 34%	17	6.3%
35% or more	28	10.3%
Not computed	0	0.0%
Total	271	100.0%

Source: 2000 U.S. Census

Table 3-12 - Gross Rent-Percentage of Household Income

Year 1999	Number	Percent
Less than 15%	25	19.5%
15 to 19%	20	15.6%
20 to 24%	29	22.7%
25 to 29%	14	10.9%
30 to 34%	8	6.3%
35% or more	27	21.1%
Not Computed	5	3.9%
Total	128	100.0%

Source: 2000 U.S. Census

## Supply of Available Land for Residential Development

The Village is fortunate to be situated with a sustaining agricultural region. Likewise, a major transportation route in S.T.H. 29 has been established. Both of these factors will have an integral part in shaping the future expansion of the Village. This is not to be interpreted as license to expand without further consideration. As the residents have indicated, the preservation of the Village’s “small town” and rural character must be accommodated in future expansion.

## Housing Demand

The Village of Spring Valley is considered a “bedroom community.” This is characteristic of a municipality in which a significant portion of the population leaves to engage in daily activities and returns home in the evening. The commuter rate for Village residents, according to 2000 US Census, was 90.3% of workers ages 16 and older. This could have a significant impact on the local housing market with respect to the rising cost of transportation fuels. This, coupled with a nationally-depressed real estate market, must be taken into consideration in determining the success of the local housing market. The Village population does continue to grow, however, and residents’ housing needs must be continually met. Consequently, as the needs of the

population grows and changes, so too must the housing availability in order to meet such needs. This suggests that a greater availability of low to moderate income housing must be included in future developments to better service new residents and young families. Similarly, housing stock with accessibility-based designs should be made readily available for aging and disabled residents.

## **Interpretation of Housing Needs and Trends**

The Village of Spring Valley is a growing community. It can reasonably be assumed that it will become necessary for the Village to expand and enhance its housing market in order to accommodate the various housing needs of its residents. The Village has an advantage in this prospect, however. The relatively slow growth rate offers an opportunity to plan and execute its future housing endeavors effectively and efficiently in keeping with community goals. It may become necessary for the Village to consider the promotion of housing units that will meet the ever-changing needs of a dynamic population within the Village limits. This housing assessment will also have a significant impact on the effectiveness of many of the other elements of this comprehensive plan.

In keeping with the community's rural character, it will also become necessary to consider the efficiency of Village land uses in regard to residential development. The Village is fortunate to have access to agricultural lands directly adjacent to a major transportation corridor. Balancing the housing needs of the community and the maintenance of its character will become critical when growth becomes necessary.

The commuting nature of the community must also be considered when forecasting residential development. The enhancement of the Village's sense of place will be significant in this process.

## **Housing Implementation Opportunities**

### **Conservation Design**

A conservation subdivision is a residential development in which housing units are grouped together using small lot sizes on the part of the development site while the remainder of the site is permanently protected as open space. This clustering of neighborhoods allows for the effective preservation of critical areas and more efficient land usage. A conservation development permits, at least, the same number of units to be built as in conventional development but also allows for higher development density. Each lot in a conservation development directly abuts open space which can be maintained as a municipal park and managed by the village, a land trust, home-owners association, or other organization. The open space may also be used for a community septic system if municipal sewer is not available.

### **Planned Unit Development (PUD)**

A planned unit development is a mixed-use development that is planned and built as a single unit. This process then fixes the location of development and the styles and types of buildings for the entire project. PUD's are designed to be conducive to pedestrian traffic and can be used

to increase the “walk ability” of a municipality. Consequently, the various uses within the PUD are placed in close proximity to each other.

### **Traditional Neighborhood Design**

Traditional neighborhood design is a concept aimed at recreating the small towns and traditional neighborhoods of decades past. The concept is based in the mixed use of residential, commercial, and civic developments in close proximity to each other. These are characterized by narrow country lanes, small front yards, and other themes of the traditional small town. This concept can be used to increase housing variety and allows for mixed-income housing within a neighborhood.

### **Developer Incentives**

The Village may provide incentives, including density bonuses, to the developer to build in a desirable fashion. Providing additional lots and streamlining the permitting process, can aid in the development of conservation and traditional neighborhood design locales.

### **Zoning, Subdivision Regulations, and Covenants**

Inclusionary zoning may be used to increase development of low to moderate income housing units and to enhance housing variety. The use of overlay zones may also serve this purpose but are directed more toward the preservation of open space. Within zones, however, subdivision regulations may be introduced to encourage the use of conservation and traditional neighborhood design developments. These may include the reduction of setback requirements and introducing maximum lot sizes to encourage more efficient land use. Local covenants and exactions to enhance the visual appearance of the Village might also be considered.

### **Transfer/Purchase of Development Rights (TDS/PDR)**

A transfer of development rights is initiated by determining a “sending area” which the municipality deems necessary for preservation. A “receiving area” must also be identified that can accommodate, or is desirable to have, increased development density. The prospecting developer then purchases the development increment (developed land value – current land value) from the sending area and transfers the development rights to the receiving area. The municipality can serve as a broker of development increments or require the developer to negotiate with the land owner directly in this process. This planning tool is often used to protect prime agricultural and other critical areas.

A purchase of development rights occurs in the same context except that funds are reserved on a county or state level to purchase the development rights of the sending area. The land owner of the receiving area is paid by the county or state government for the development rights of the area which is then placed in a conservation easement. Likewise, PDR can be used to protect critical areas and maintain open space.

### **Extra-Territorial Zone (ETZ)**

An extra-territorial zone may be established to control land uses outside of the Village boundary that may become necessary for Village expansion. Wisconsin State Law states that municipalities with a population less than 10,000 may establish an ETZ at 1.5 miles from the

current boundary and circumnavigating the municipality. Those municipalities with a greater than 10,000 population may do likewise up to 3.0 miles from the established boundary.

### **Cooperative Boundary Agreement**

A cooperative boundary agreement is a contract agreed upon between the Village and surrounding Towns, regarding the expansion of the Village boundaries. This approach is intended to be more equitable between parties than an ETZ and promotes good neighborship. Possible terms of agreement could include property tax sharing and phasing of future infrastructure.

### **Capital Improvement Program**

A capital improvement program is a municipal budgeting process aimed at defining the amounts and timing of funds for major community expenditures. This is often used to determine when and where infrastructure will be placed; and effectively gives the municipality control over future development.

### **Ghost Platting**

A “ghost plat” identifies and maps areas for future expansion and assigns future zoning districts and the placement of infrastructure. Specific lot lines and building sites are not determined at this time to ensure flexibility of development and future uses. This tool assists the municipality in timing its growth and expansion and phasing its infrastructure construction.

### **Sustainable Community Resolutions in Regard to Housing**

Sustainable community development is a development concept that recognizes the interrelationship between a communities’ economic, ecologic, and social condition. The process of developing a sustainable community is dependent upon the establishment of a unique sense of place within the community, energy and resource independence, and a regionally-scaled local economy. In turn, an inclusive social condition that recognizes and embraces the importance of preserving the native ecology must be adopted for this process to be successful. The interrelationship between economic, ecologic, and social dimensions also applies to sustainable housing development. This implies a necessity for increased development of lot to moderate income housing units to provide for the needs of an inclusive and dynamic population. It also recognizes the importance of energy efficiency in homes to reduce ecologic impacts. This can be accomplished through the construction of highly insulated and solar oriented units with efficient heating and cooling technologies, and by the retrofit of existing housing units to meet desired energy-efficiency standards. Incremental financing and bonds may be used to accomplish this task with minimal cost to the home-owner and maximum benefit to the community.

### **Housing Assistance Programs and Agencies**

The ability to afford or maintain housing can be challenging for some residents. There are several county, state, and federal programs and agencies that assist first time homebuyers, disabled, elderly residents, and low-medium income citizens to meet their rental/home ownership needs.

**HUD**

The U.S. Department of Housing and Urban Development provides subsidized housing through low-income public housing and the Section 8 Program. Under the Section 8 Program, rental subsidies are given to low-income households, including households renting private apartments. HUD is also responsible for providing funds to communities through various grant programs.

**Rural Development –United States Department of Agriculture**

The Rural Development Program provides housing opportunities for individuals living in predominantly rural areas (population <10,000). The Rural Development Program provides support for rental housing, mortgage loans for homebuyers, and support for cooperative housing development.

**Wisconsin Housing and Economic Development Authority (WHEDA)**

This agency finances housing development through the sale of bonds. WHEDA provides mortgage financing to first-time homebuyers, and financing for multi-family housing.

**West CAP**

West CAP is a non-profit corporation that works in partnership with local communities to plan and develop good quality, affordable housing for low and moderate-income families and individuals.

**Movin' Out**

Movin' Out is a housing organization that provides assistance, housing counseling, information, and gap financing for rehabilitation and purchase to Wisconsin households with a member with a permanent disability.

**Habitat for Humanity**

Habitat for Humanity is a nonprofit organization that builds homes for low-income families.

**Community Development Block Grants (CDBG)**

The CDBG program provides grants to local governments for housing rehabilitation programs for low- and moderate-income households.

**Low Income Energy Assistance Program (LIEAP)**

The LIEAP program provides payments to utility companies or individuals to help pay for home heating costs in the winter.

**Housing Cost Reduction Initiative (HCRI)**

This state program provides funding to local public and non-profit agencies to reduce housing costs for low- and moderate-income households.

## **Goals, Objectives, Policies, Programs, & Actions**

### **Goal 1: Maintain “small town” community character and rural atmosphere.**

#### **Objectives**

1. Maintain planned growth in the community.
2. Use land use maps to guide residential growth.
3. Rehabilitate blighted housing.

#### **Policies**

1. Develop and enforce local covenants and building codes requiring the maintenance of buildings at a level acceptable to the Village.
2. Implement overlay zoning to maintain native vegetation for aesthetic and erosion control purposes.
3. Provide incentives, including density bonuses, to promote the adoption of conservation design in future residential neighborhoods.
4. Consider zoning and subdivision regulations that require the use of conservation design.
5. Develop and utilize traditional neighborhood design zoning districts.
6. Restrict usage of lands currently enrolled in the Conservation Reserve Program to conservation design residential development.
7. Consider adopting sustainable community resolutions.

### **Goal 2: Preserve open space.**

#### **Objectives**

1. Protect natural resources in environmentally sensitive areas.
2. Avoid fragmentation of natural resources.
3. Provide recreational areas for residents.

#### **Policies**

1. Utilize conservation design in future developments.
2. Consider the use of transfer of development rights.
3. Establish subdivision and zoning ordinances to restrict development on slopes, in wetland areas, and prime agricultural area.

### **Goal 3: To maintain and enhance the real estate market in the Village and surrounding areas.**

#### **Objectives**

1. Maintain a quality K-12 educational system.
2. Increase advertisement for real estate market in the Village.
3. Encourage a variety in housing options.

### **Policies**

1. Develop and utilize planned unit development zoning district.
2. Restrict new development projects and focus on infill development until housing market stabilizes.
3. Consider using inclusionary zoning and mixed-use development.
4. Identify and encourage new development locales near existing infrastructure.
5. Evaluate existing building codes and develop a building inspection plan to update current housing stock as deemed necessary.

### **Goal 4: Address the housing needs of varying age and socio-economic groups.**

#### **Objectives**

1. Maintain a quality K-12 educational system.
2. Continue the expansion elderly care housing options.
3. Encourage the development of an assisted-living retirement. Consider using inclusionary zoning and mixed-use development.
4. Provide needed medical facilities.

#### **Policies**

1. Continue the expansion and development of a local nursing home facility.
2. Encourage the development of an assisted-living retirement community.
3. Establish and enforce inclusionary zoning.
4. Encourage the medical and other professionals to remain and/or establish within the Village.
5. Develop and utilize planned unit development zoning districts.
6. Mandate development of mixed housing stock within neighborhoods through inclusionary zoning.
7. Consider adopting sustainable community resolutions.

### **Goal 5: Control land-uses at Village boundary for future expansion.**

#### **Objectives**

1. Work with neighboring communities.
2. Work with neighboring farmers.
3. Identify most suitable areas for future development.

#### **Policies**

1. Establish an extra-territorial zone.
2. Identify and create “holding zones” for agriculture.
3. Consider cooperative boundary agreements with surrounding towns.
4. Identify growth corridors and use capital improvement program to determine location and time of infrastructure development.
5. “Ghost plat” future development sites.
6. Consider transfer of development rights.