

## **Chapter IX**

# **HOUSING ELEMENT**

### **INTRODUCTION**

The housing element is one of the nine elements of a comprehensive plan required by Section 66.1001 of the *Wisconsin Statutes*. Section 66.1001 (2) (b) of the *Statutes* requires the housing element to assess the age, structural condition, value, and occupancy characteristics of existing housing stock in the City of Port Washington. In addition, specific policies and programs must be identified that:

- Promote the development of housing for residents of the City of Port Washington and provide a range of housing choices that meet the needs of persons of all income levels and age groups and persons with special needs.
- Promote the availability of land for the development or redevelopment of affordable housing.
- Maintain or rehabilitate existing housing stock.

In addition, the following comprehensive planning goals related to the housing element are set forth in Section 16.965 of the *Statutes* and must be addressed as part of the planning process:<sup>1</sup>

- Promotion of the redevelopment of lands with existing infrastructure and public services and the maintenance and rehabilitation of existing residential, commercial, and industrial structures.
- Encouragement of land uses, densities and regulations that promote efficient development patterns and relatively low municipal, state government, and utility costs.
- Providing an adequate supply of affordable housing for individuals of all income levels throughout the community.
- Providing adequate infrastructure and public services and an adequate supply of developable land to meet existing and future market demand for residential, commercial, and industrial uses.

Part 1 of this chapter provides an inventory of existing housing stock, including age, structural condition, value, and occupancy characteristics. This information, along with housing demand inventory data such as household, income, and demographic information presented in Chapter II, is used to analyze future housing needs for residents of the City of Port Washington.

Part 2 provides a description of government programs which facilitate the provision of housing, including affordable housing, and Part 3 includes information on City of Port Washington policies and ordinances affecting housing and zoning regulations for minimum home sizes, minimum lot sizes, and housing type.

Part 4 of this chapter sets forth housing goals and objectives through the plan design year of 2035. Policies, which are steps or actions recommended to be taken to achieve housing goals and objectives; and programs, which are projects or services intended to achieve housing policies, are also identified in Part 4.

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<sup>1</sup> Chapter I lists all 14 of the comprehensive planning goals included in Section 16.965 of the *Statutes*.

## **Census Data**

Census 2000 Summary File 1 and Census 2000 Summary File 3 were used in the collection of the majority of existing housing stock data presented in this chapter. Summary File 1 data was used when possible. Data from Summary File 1 is generally more accurate because it is based on 100 percent of the responses to the 2000 Census. In most cases, data from Summary File 3 were used because the data were not available from Summary File 1. Summary File 3 is generally less accurate because the data is based on a sampling of one in six households; however, Summary File 3 covers a greater range of topics. Because the sample sizes are different, the data reported by the Census may differ for each data source. Unfortunately, the Census does not make adjustments to reconcile the discrepancies. In addition, some of the data to follow in this chapter are based on total housing units and some are based on occupied units only, depending on how the Census data were reported. This distinction is footnoted on all applicable tables.

## **PART 1: INVENTORY**

### **Housing supply**

The characteristics of the existing housing stock in the planning area have been inventoried to help determine the number and type of housing units that will best suit the needs of City of Port Washington residents through 2035. The existing housing stock inventory includes:

- Total housing units
- Vacancy rate
- Value of owner-occupied housing units
- Monthly cost of housing units by tenure
- Number of bedrooms
- Structure type and year built
- Condition of existing housing stock

### ***Total Housing Units***

The quantity and tenure (owner- or renter-occupied) of existing housing units in the City of Port Washington is one of the key inventory items needed to project the number of additional housing units that will be needed in the City of Port Washington and in Ozaukee County in 2035. As shown in Table IX-1, there were 4,252 housing units in the City of Port Washington in 2000.<sup>2</sup> About 60.6 percent, or 2,577 units, were owner-occupied and about 35.1 percent, or 1,494 units, were renter-occupied. About 4.3 percent of the total housing units, or 181 units, were vacant. Figure IX-1 sets forth the number of total housing units in each local government participating in the Ozaukee County multi-jurisdictional comprehensive planning process. Figure IX-2 shows the percentage of owner-occupied housing units and renter-occupied housing units in each partnering local government in the County.

### ***Vacancy***

Another key housing supply inventory item is the vacancy rate of various housing types. The vacancy rate is the number of vacant and available housing units divided by the total number of housing units. The vacancy rates for owner-occupied units and rental units are shown on Table IX-2.

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<sup>2</sup> Due to errors in Census data collection, approximately 143 multi-family housing units were incorrectly reported in the Town of Port Washington and 135 multi-family housing units were incorrectly reported in the Town of Grafton. Through examination of Census block data and land use maps, SEWRPC has determined that the units are actually located in the City of Port Washington and Village of Grafton, respectively. These corrections have not been approved by the U.S. Bureau of the Census or the Wisconsin Department of Administration, so corrections have not been made to the Census data. These errors may affect household and housing unit characteristics included in this Chapter in the Towns of Port Washington and Grafton, City of Port Washington, and Village of Grafton. The data cannot be corrected by SEWRPC due to Census data collection methods.

Some vacancies are necessary for a healthy housing market. The Federal Department of Housing and Urban Development (HUD) states that an area needs a minimum overall vacancy rate of 3.0 percent to ensure adequate housing choices, which should include a minimum 1.5 percent vacancy rate for owner-occupied housing units and a minimum 5 percent vacancy rate for rental units. Vacant units can fall into several categories including for rent; for sale only; for seasonal, recreational, or occasional use; for migrant workers; and other vacant units. The overall vacancy rate in the City of Port Washington was 4.3 percent in 2000.

The vacancy rate for owner-occupied units was determined by dividing the number of units from Table IX-2 that were “for sale only” by the total number of owner-occupied units shown on Table IX-1 plus the number of vacant “for sale only” units shown on Table IX-2. The approximate vacancy rate for rental units was determined by dividing the number of units for rent from Table IX-2 by the number of rental units from Table IX-1 plus the number of vacant rental units shown on Table IX-2. The results of these calculations were a vacancy rate of 1.1 percent for owner-occupied units and 6.97 percent for rental units.

### ***Value of Owner-Occupied Housing Units***

Table IX-3 sets forth the value of specified owner-occupied housing units<sup>3</sup> in the City of Port Washington in 2000. These values can be used to determine if there are adequate home ownership opportunities for residents of all income levels. About 56.0 percent of owner-occupied homes had values between \$100,000 and \$149,999 and about 25.7 percent had values between \$150,000 and \$199,999. About 6.0 percent of owner-occupied homes had values between \$200,000 and \$299,999 and about 2.2 percent had values between \$300,000 and \$499,999. About 9.0 percent of homes had values between \$50,000 and \$99,999 and about 0.3 had values over \$500,000. About 0.8 percent had values less than \$50,000. The median value for owner-occupied housing units in the City of Port Washington was \$136,200. Figure IX-3 sets forth the value of specified owner-occupied housing units in each partnering local government in the County.

Table IX-4 sets forth the value of owner-occupied housing units for each County in the Region and for the State in 2000. The median value of \$136,200 in the City of Port Washington was higher than that in the Region and State. The median value of owner-occupied housing units was \$124,441 in the Region, \$112,200 in the State, and \$119,600 in the Nation.

More recent data regarding the value of owner-occupied housing units at the County level, available from the Greater Milwaukee Association of Realtors and Multiple Listing Service, is presented in Table IX-5. These sources provide information regarding the actual selling prices of existing housing in Southeastern Wisconsin. The selling price data generally pertains to single-family homes, but also includes housing units in two-, three-, and four-unit residential structures. The data shows there was a significant increase in selling prices in Ozaukee County (25 percent) and the Region (44 percent) between 2000 and 2005.

### ***Monthly Housing Costs***

Monthly housing costs for owner-occupied housing units and rental housing units have been inventoried to determine if there is an adequate supply of affordable housing units for each household income level in the City of Port Washington. HUD defines affordability as access to decent and safe housing that costs no more than 30 percent of a household’s gross monthly income. Table IX-6 sets forth monthly housing costs<sup>4</sup> for specified owner-occupied housing units with a mortgage in 2000. The median monthly housing cost for homeowners with a mortgage was \$1,182.

- About 21.6 percent of homeowners spent between \$700 and \$999 and about 5.9 percent spent under \$700

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<sup>3</sup> *The data for specified owner-occupied housing units excludes mobile homes, houses with a business or medical office on the property, houses on 10 or more acres, and housing units in multi-unit buildings.*

<sup>4</sup> *Selected monthly owner costs are the sum of mortgage payments or similar debts on the property; real estate taxes; fire, hazard, and flood insurance on the property; and utilities.*

- About 52.3 percent of homeowners with a mortgage spent between \$1,000 and \$1,499 on monthly housing costs
- About 14.6 percent spent between \$1,500 and \$2,000 and about 5.6 percent spent over \$2,000

Table IX-7 sets forth monthly housing costs for specified owner-occupied housing units with a mortgage for each County in the Region and for the State in 2000. The median monthly cost of \$1,182 in the City of Port Washington was higher than that in the Region and State. The median monthly cost for homeowners with a mortgage was \$1,123 in the Region, \$1,024 in the State, and \$1,088 in the Nation.

Table IX-8 sets forth monthly housing costs for specified owner-occupied housing units without a mortgage in 2000. The median monthly housing cost for homeowners without a mortgage was \$395.

- About 49.3 percent of homeowners without a mortgage spent between \$300 and \$399 on monthly housing costs
- About 28.5 percent spent between \$400 and \$499 and about 15.6 percent spent between \$500 and \$699
- About 3.1 percent of homeowners spent over \$700 and about 3.5 percent spent under \$300

Table IX-9 sets forth monthly housing costs for specified owner-occupied housing units without a mortgage for each County in the Region and for the State in 2000. The median monthly cost of \$395 in the City of Port Washington was higher than that in the Region and higher than that in the State. The median monthly housing cost for homeowners without a mortgage was \$388 in the Region, \$333 in the State, and \$295 in the Nation.

Table IX-10 sets forth monthly housing costs for rental units, or gross rent, in 2000. Contract rent plus the estimated average monthly cost of utilities (electricity, gas, water, and sewer) and fuels are included in the calculations of monthly gross rent. These costs are included in the monthly cost calculation if the renter pays them or they are paid for the renter by another party, such as the property owner. Rental units that are occupied without payment of rent are included in the no cash rent<sup>5</sup> category of Table IX-10. The median monthly cost for rental housing was \$624 in 2000.

- About 60.6 percent of renters spent between \$500 and \$749 on monthly housing costs
- About 17.5 percent spent between \$750 and \$999 and about 11.7 percent spent between \$300 and \$499
- About 2.9 percent spent between \$1,000 and \$1,499 and about 4.0 percent spent less than \$300
- About 2.7 percent of renters made no cash payments for rental housing costs and about 0.6 percent spent more than \$1,500

Table IX-11 sets forth monthly housing costs for rental units for each County in the Region and for the State in 2000. The median gross rent of \$624 in the City of Port Washington was higher than that in the Region and higher than that in the State. The median monthly gross rent was \$596 in the Region, \$540 in the State, and \$602 in the Nation.

### ***Number of Bedrooms***

Table IX-12 sets forth the number of housing units by tenure and number of bedrooms in the City of Port Washington in 2000. This information, when compared with household size information inventoried in Chapter II, will provide a greater understanding of what type of housing units will best suit the future needs of City residents.

Three bedroom dwellings comprised about 56.5 percent of the owner-occupied units. Four bedroom dwellings and two bedroom dwellings comprised about 21.9 percent and 17.6 percent, respectively, of the owner-occupied units. Dwellings with five or more bedrooms and one or no bedrooms comprised about 3.4 percent and 0.6 percent, respectively, of the owner-occupied dwellings.

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<sup>5</sup> *These units may be occupied by friends or relatives of the owner who do not get charged rent or caretakers, tenant farmers, and others who may receive the unit as compensation.*

Two bedroom units comprised about 57.8 percent of the rental units. Units with one bedroom or no bedrooms and three bedroom units comprised about 20.3 percent and 20.5 percent, respectively, of rental units. Four bedroom units and units with five or more bedrooms comprised about 0.6 percent and 0.8 percent of the rental units.

### ***Structure Type and Year Built***

An inventory of housing units by structure type in the City of Port Washington provides an insight into the number of existing single family, two-family, and multi-family units. The number of units in these types of structures can be compared to resident characteristics to determine the future need for units in each type of structure. An inventory of housing units by structure type also provides insight into the character of the existing housing stock. Table IX-13 sets forth the number of housing units by structure type in 2000. Table IX-13 also includes the number of building permits issued for units in each structure type from 2000 through 2005. In 2000, about 57.9 percent of housing units were in single family structures and about 28.3 percent were in multi-family structures. About 13.4 percent of units were in two-family structures and less than 1 percent were mobile homes or other types of residential structures. The total number of residential units increased from 2,447 to 2,591. Although there was an increase in the total number of housing units between 2000 and 2005, the percentage of those units in single family, two-family, multi-family, and other residential structures remained similar.

Table IX-14 sets forth the number of housing units by structure type in the City in 1970 and 2000. The total number of housing units increased from 2,513 to 4,225 during this period. The percentage of single family housing units decreased from about 72.3 percent in 1970 to about 57.9 percent in 2000 and the percentage of multi-family housing units increased slightly from about 27.7 percent to about 28.3 percent over the same time period.

The age of the existing housing stock, set forth in Table IX-15, in the City also provides insight into the character and condition of existing homes. It can be assumed that as housing stock ages, more housing units will need to be rehabilitated or replaced. About 16 percent of the housing stock was constructed between 1990 and 2000 and the median year built was 1963. The median year built for all homes in Ozaukee County was 1972.

### ***Existing Housing Stock Condition***

The condition of individual housing units must be examined to gain a more precise understanding of the number of existing housing units that need to be removed from existing housing stock totals. Generally, this provides a more accurate projection of the number of new housing units that will be needed to serve the projected population of the City of Port Washington through 2035.

A condition rating has been assigned to each housing unit in the City by the assessor. The ratings, set forth in Table IX-16, range from excellent to unsound on a six-point scale and measure the present physical condition of each housing unit. Excellent/very good or good indicates the dwelling exhibits above average maintenance and upkeep in relation to its age. Average or fair indicates the dwelling shows minor signs of deterioration caused by normal wear and an ordinary standard of upkeep and maintenance in relation to its age. Poor/very poor indicates the dwelling shows signs of deferred maintenance and exhibits a below average standard of maintenance and upkeep in relation to its age. An unsound rating indicates the dwelling is unfit for use and should be removed from the existing housing stock totals.

About 99.6 percent of housing units in the City of Port Washington had a condition score of excellent/very good, good, fair, or average in 2006. This indicates that the existing housing stock in the City of Port Washington is in good condition and does not need to be included as a factor in the housing unit demand projection for 2035.

### **Housing Demand**

Household, income, and demographic characteristics of the City have been inventoried and will be analyzed with housing supply inventory items to help determine the number and type of housing units that will best suit the needs of residents through 2035. Housing demand inventory items include:

- Affordable housing need assessment
- Household projection: 2035
- Household income
- Age distribution
- Household size

As with the above housing supply inventory data, Census 2000 Summary File 1 and Summary File 3 were used in the collection of the housing demand inventory data presented in this chapter. Again, Summary File 1 data were used when possible; however, in most cases only Summary File 3 data were available.

### ***Affordable Housing Need Assessment***

As previously stated, HUD defines housing affordability as households “paying no more than 30 percent of their income for housing.” Households that pay more than 30 percent of their monthly income for housing are considered to have a high housing cost burden. The measure is based on gross pre-tax income. Another measure of affordability is implicit in the long-standing mortgage lending practice of limiting borrower’s monthly housing costs to 28 or 29 percent of their gross monthly income as a condition of loan approval. Thus, 28 to 30 percent can be considered a cutoff beyond which housing is not affordable. Data show that most households opt for less than that percentage, while others, particularly those with low incomes, are generally unable to find housing that costs less than 30 percent of their monthly income.

### ***City of Port Washington Housing Affordability Facts***

The following information is based on the HUD recommended affordability standard of paying no more than 30 percent of gross monthly income for housing costs.

- ***About 20.2 percent of households in the City of Port Washington spent over 30 percent of their monthly income on housing costs in 2000***
  - Over 530 households were extremely low income (below 30 percent of the City median annual household income) or very low income (between 30 and 50 percent of the City median annual household income) households in 2000
  - About 72.2 percent of extremely low income households spent over 30 percent of their monthly earnings on housing costs
  - About 78.7 percent of very low income households spent over 30 percent of their monthly earnings on housing costs
  - An extremely low income household (earning 30 percent of the 2000 City of Port Washington median annual household income of \$53,827) could afford monthly housing costs of no more than \$404 in 2000
  - In 2000, fewer than 200 households paid less than \$404 a month on gross rent
  - In 2000, 93 households paid less than \$700 a month on housing expenses for owner-occupied housing units with a mortgage
- ***The fair market rent<sup>6</sup> in the City of Port Washington for a one bedroom apartment was \$591 in 2006***

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<sup>6</sup> Fair market rents (FMR) are established and used by HUD as the payment standard to calculate subsidies under the Section 8 Rental Voucher Program. HUD annually estimates the FMR for the City of Port Washington. The objective is to ensure a sufficient supply of rental housing for program participants in City of Port Washington. To accomplish this objective the FMR must be high enough to permit a selection of units and neighborhoods in the City of Port Washington, but low enough to serve as many low-income families as possible. The FMR definition used by HUD for the City of Port Washington is the 40<sup>th</sup> percentile rent, or the dollar amount below which 40 percent of standard-quality rental units in the City of Port Washington are rented.

- A worker earning the average hourly wage for the retail trade sector in Ozaukee County<sup>7</sup> (\$10.58/hour) would have had to work 43 hours a week to afford the fair market rent for a one bedroom apartment in the City of Port Washington
- ***The fair market rent in the City of Port Washington for a two bedroom apartment was \$706 in 2006***
  - A worker earning the average Ozaukee County retail trade sector hourly wage would have had to work 51 hours a week to afford the fair market rent for a two bedroom apartment in the City of Port Washington
- ***The cost of a typical starter home the City of Port Washington was about \$200,000 in 2006***
  - The minimum annual household income needed to afford a \$200,000 home was \$74,314,<sup>8</sup> or \$6,193 a month, in 2006
  - A worker earning the average Ozaukee County retail trade sector hourly wage would have to work 135 hours a week to afford the monthly payments for a \$200,000 home
  - A police officer earning a typical entry level wage in Ozaukee County (\$22.53/hour)<sup>9</sup> would have to work 63 hours a week to afford the monthly payments for a \$200,000 home
- ***The housing wage in the City of Port Washington***
  - A full-time worker (40 hours per week) had to earn \$11.37 per hour (\$23,650 per year) to afford a one-bedroom rental unit at the fair market rent in the City of Port Washington in 2006
  - A full-time worker (40 hours per week) had to earn \$13.58 per hour (\$28,250 per year) to afford a two-bedroom rental unit at the fair market rent in the City of Port Washington in 2006
  - A full-time worker (40 hours per week) had to earn \$35.73 per hour (\$74,314 per year) to afford a \$200,000 home in the City of Port Washington in 2006
  - The average weekly wage for jobs located in Ozaukee County was \$719 in 2005 (17.98 per hour, assuming a 40 hour work week)
- ***On the night of March 27, 2000, 139 people spent the night in an emergency or transitional shelter in Ozaukee County***

### **2000 CHAS Data**

CHAS data are a special tabulation of 2000 Census data, which HUD provides to local governments to be used for housing planning purposes as part of its Comprehensive Housing Affordability Strategy (CHAS). The CHAS is required to receive various HUD funded housing assistance programs and grants and is used by HUD in the allocation of formulas for distributing funds to local governments. The data is comprised of a variety of housing need variables categorized by HUD-defined income limits and household types. Table IX-17 sets forth the number of households with housing problems in the City of Port Washington by income level and household type, as determined by the Census using HUD criteria. Income levels include extremely low income households (30 percent or less of median family income), very low income households (30.1 to 50 percent of median family

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<sup>7</sup> The State Department of Workforce Development reported retail trade workers employed in Ozaukee County had average annual earnings of \$20,554 in 2004. Retail trade workers had average annual earnings of \$22,007 when adjusted for inflation to 2006 dollars.

<sup>8</sup> The minimum income needed to afford a typical starter home in Ozaukee County assumes a monthly housing cost that is 28 percent of the household's gross monthly income, a down payment of 5 percent of the cost of the home, a 6.5 percent interest rate on a 30 year mortgage, a property tax rate of \$16.56 per \$1000 of assessed value (Ozaukee County's net tax rate in 2006), a property insurance cost of \$33 a month, a private mortgage insurance (PMI) cost of \$124 a month (using a loan value ratio of 0.78), and \$100 per month for utilities.

<sup>9</sup> This figure is based on the entry level salary for City of Port Washington police officers.

income), low income households (50.1 to 80 percent of median family income), moderate income households (80.1 to 95 percent of median family income), and other households (above 95 percent of median family income). Income levels are based on the HUD-adjusted area median family income<sup>10</sup> (HAMFI). This is an estimate of median family incomes prepared by HUD for each metropolitan area and counties located outside a metropolitan area (Ozaukee County is located within the Milwaukee-Waukesha-West Allis Metropolitan Area). HUD prepares an annual estimate of the median family income for a family of four. The four-person family income is then adjusted by household size as follows: 70 percent of base for a one-person household, 80 percent of base for a two-person household, 90 percent of base for a three-person household, 108 percent of base for a five-person household, etc. The HUD estimated family incomes for the Milwaukee-Waukesha-West Allis Metropolitan Area by family size are presented in the second column of Table IX-18. The third column of the table lists the income cut-off levels used to determine eligibility for HUD programs.

The following household types are included in the CHAS data: elderly family households (two people, one of whom is 62 or older), small family households (two persons, neither of whom is 62 or older, or three or four persons), large family households (five or more persons), elderly non-family households (one or two person non-family households with either person 62 or older), and other non-family households. Housing problems include households with a cost burden of over 30 percent or housing units that lack complete plumbing, lack complete kitchen facilities, or have 1.01 or more occupants per room.

Overall, about 22.2 percent of households in the City of Port Washington, or 899 households, experienced a housing problem in 2000. About 19.5 percent of owner-occupied households, or 497 households, experienced a housing problem and about 26.8 percent of renter-occupied households, or 402 households, experienced a housing problem.

Table IX-19 sets forth the number of households with a high housing cost burden for owner-occupied and renter-occupied households in the City of Port Washington by income level in 2000. Overall, about 20.2 percent of households, or 819 households, experienced a high cost burden for housing. About 18.8 percent of owner-occupied households, or 485 households, experienced a high housing cost burden and about 22.3 percent of renter-occupied households, or 334 households, experienced a high housing cost burden. Table IX-20 sets forth the number of owner-occupied and renter-occupied households in the Region by County with a high housing cost burden in 2000 based on general Census data. About 19 percent of owner-occupied households in the Region experienced a high housing cost burden and about 31 percent of renter-occupied households in the Region experienced a high housing cost burden.

Table IX-21 sets forth the median percentage of monthly income spent on housing costs by owner-occupied and renter-occupied households in the City of Port Washington in 2000 based on general Census data. The median percentage of monthly income spent on housing costs by owner-occupied households with a mortgage was about 21.6 percent. The median percentage spent by owner-occupied households without a mortgage was about 11.3 percent and the percentage spent by renter-occupied households was about 20.0 percent. This shows that most households opt to pay substantially less than the 30 percent affordability standard as defined by HUD. Table IX-22 sets forth the median percentage of monthly income spent on housing costs by owner-occupied and renter-occupied households for each County in the Region in 2000. The median percentage of income spent on monthly housing costs did not vary significantly across the Region. The percentage of income spent on housing by owner-occupied households with a mortgage was between 20.7 and 22.8 percent and the percentage of income spent on housing costs without a mortgage was between 10.2 and 12.5 percent. The percentage of income spent on housing by renter-occupied households was between 21.2 and 24.8 percent.

Table IX-23 sets forth the number of households with more than 1.01 occupants per room in the City of Port Washington and Table IX-24 sets forth the number of households without complete plumbing or kitchen

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<sup>10</sup> *In compiling statistics on family income, the incomes of all members 15 years and older related to the householder are summed and treated as a single amount. Annual family income is generally greater than annual household income because many households consist of only one person.*

facilities.<sup>11</sup> About 3.7 percent of households had more than 1.01 occupants per room in 2000 and about 0.5 percent of households lacked complete plumbing facilities and about 0.5 percent lacked complete kitchen facilities. These low totals indicate that a high cost burden, rather than substandard housing, was the primary cause of problems for households reported to have housing problems in Table IX-17.

### ***Household Projections: 2035***

The number of additional housing units needed in the 2035 plan design year is projected by first selecting a population projection. The number of residents expected to reside in “group quarters,” where applicable, (this generally will include facilities such as college dormitories and assisted living facilities) is then subtracted from the projected total population, and the result is divided by the projected household size (number of persons per household in 2035). This number is then multiplied by the desired vacancy rate, 3 percent, to determine the total number of vacant housing units needed. The number of vacant housing units needed should then be added to the base number from the step before to determine the total number of housing units needed in the Town of Port Washington in 2035. The resulting number of housing units is about 6,163.

The number of additional housing units needed between 2000 and 2035 to provide an adequate supply is determined by subtracting the number of housing units in 2000 from the projected number of housing units needed in 2035. The resulting projected demand is about 1,911 additional housing units. The type of housing units that ultimately produce this total should be determined based on household income, age distribution, and household size to best meet the needs of City of Port Washington residents.

### ***Household Income***

Household income should be considered when developing policies intended to help provide housing units within a cost range affordable to all income groups. Table II-6 in Chapter II sets forth the number of households in various income ranges and the median household income in 1999. The City of Port Washington as a whole experienced relative economic prosperity compared to the rest of the Region. The median household income was \$53,827 in the City of Port Washington and \$46,308 in the Region. However, lower-income households exist in the City of Port Washington and should be provided with affordable housing options.

Households earning less than \$16,148 in 1999, or less than 30 percent of the City of Port Washington median household income, were considered extremely low income households. About 7.1 percent of households in the City of Port Washington, or 289 households, earned less than \$15,000. Another 10.5 percent, or 433 households, earned between \$15,000 and \$24,999 in 1999. These households were in either the extremely low income group or very low income group. Very low income households earned between \$16,149 and \$26,913 in 1999 (30.1 to 50 percent of the median income). About 10.2 percent of households, or 419 households, earned between \$25,000 and \$34,999. These households were either in the very low income group or the low income group. Low income earnings were between \$26,914 and \$43,061 (50.1 to 80 percent of the City of Port Washington median). An additional 648 households, or about 15.8 percent, earned between \$35,000 and \$49,999, putting them in the low and moderate income groups. About 30.2 percent of households, or 1,240 households, earned between \$50,000 and \$74,999 in 1999. A portion of these households were in the moderate income group for the City of Port Washington in 1999. Moderate income earnings were between \$43,062 and \$51,136, or 80.1 and 95 percent of the median income.

Table IX-25 sets forth the projected number of households in each income category through 2035. These projections assume the percentage in each income category reported in 2000 will be the same in 2035.

- 389 households, or about 6.5 percent, are projected to be extremely low income
- 395 households, or about 6.6 percent, are projected to be very low income
- 1,023 households, or about 17.1 percent, are projected to be low income
- 604 households, or about 10.1 percent, are projected to be moderate income

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<sup>11</sup> Tables IX-22 and IX-23 are based on general Census 2000 data.

### ***Housing Need for Non-Resident Workers***

The characteristics of resident and non-resident workers in Ozaukee County were analyzed to determine whether non-resident workers could afford to live in the City of Port Washington if they wanted to do so.

### ***Data Sources***

The Public Use Microdata Samples (PUMS), released in 2003 by the U.S. Census Bureau, provide information based on a 5 percent sample of the population from "long-form" questionnaires completed for the 2000 Census of Population and Housing. The PUMS data are intended to permit the cross-tabulation of variables not possible using other Census products and not available in Census publications, while conforming with requirements to protect the confidentiality of Census respondents. The geography used for the PUMS data is a relatively large scale, being based on groups of counties or single counties with 100,000 or greater population. Unfortunately, Ozaukee County is grouped with Washington County, so it is not possible to isolate data for Ozaukee County or the City of Port Washington alone. Because the PUMS data were derived from a 5 percent sample of the total population--less than that used in other tabulations of the Census--the data does not precisely match that published in other Census products.

The Census Transportation Planning Package (CTPP) is a special tabulation of the 2000 Census of Population and Housing based on place of work questions from "long-form" questionnaires. It was possible to determine the number of workers, by area of residence, working in various sub-areas of Ozaukee and Washington Counties by using this data.

### ***Place of Residence and Place of Work***

Table IX-26 provides information on the place of residence for people who work in Ozaukee and Washington Counties. Although 70 percent of those who work in Ozaukee or Washington Counties, or 60,630 workers, also live in one of the counties, a significant number commute. The largest number of commuters, about 10,800 workers or 12.5 percent of all workers in the two counties, live in Milwaukee County. Map IX-1 shows the sub-areas within Ozaukee and Washington Counties in which people work. Map IX-2 shows the sub-areas in Milwaukee County that correspond to the "place of residence" listed on Table IX-26.

### ***Earnings and Household Incomes of Resident and Non-Resident Workers***

As shown by Table IX-27, non-resident workers earned more in terms of median earnings than did resident workers. The median earnings for non-resident workers was about \$31,130, while the median earnings for resident workers was about \$24,820--a difference of about \$6,310, or 20 percent. The median earnings of workers vary significantly by occupation. Both resident and non-residents workers in service and farming, forestry, and fishing occupations had the lowest median earnings, while workers employed in management, business, and financial operations had the highest median earnings. The median wages of non-resident workers exceeded those of resident workers in all occupation categories except construction, extraction, and maintenance. Table IX-28 shows the number of non-resident and resident workers in each occupation category.

With respect to the number of hours worked per week, shown in Table IX-29, a greater proportion of resident workers worked on a part-time basis--less than 40 hours per week--than did non-resident workers. About 28 percent of resident workers worked less than 40 hours per week, while only about 19 percent of non-resident workers worked less than 40 hours per week. The higher percentage of non-resident workers who work full-time likely contributes to the higher average annual wages of non-resident workers.

While non-residents individually had higher median incomes than resident workers, household incomes were slightly higher for resident workers than for non-resident worker households, as shown by Table IX-30. The median household income for resident worker households was about \$62,300, whereas the median household income for non-resident worker households was about \$61,300. The median household income of non-resident workers varies considerably based on the County in which the workers reside. The median household income of non-resident workers living in Milwaukee County (where 42 percent of non-resident workers live) was \$54,300, compared to a

median household income of \$79,000 for non-resident workers living in Waukesha County (16 percent of non-resident workers).

### ***Housing Costs***

With respect to the housing costs incurred by workers, shown in Tables IX-31 and IX-32, people who both lived and worked in Ozaukee or Washington County paid more for housing than did non-resident workers taken as a whole. Resident workers in Ozaukee/Washington Counties paid about \$30 more per month in rent than did non-resident workers, and about \$70 more per month for owner-occupied housing (including homes and condos).

The median monthly rent for resident workers in Ozaukee and Washington Counties was \$620 in 2000; compared to a median monthly rent of \$642 for all residents of Ozaukee County and \$615 for all residents of Washington County. The median monthly cost for owner-occupied housing for resident workers in Ozaukee and Washington Counties was \$1,110<sup>12</sup> in 2000; compared to a median monthly owner cost of \$1,140 for all residents of Ozaukee County and \$1,005 for all residents of Washington County.

The housing costs of non-resident workers, compared to resident workers, varied depending on the County in which the non-resident workers lived. Workers living in Waukesha County had a significantly higher median rent (\$150 more than Ozaukee/Washington County resident workers) and monthly owner costs (also \$150 more than Ozaukee/Washington County resident workers), while workers living in Milwaukee County had a somewhat lower median rent (\$40 less than Ozaukee/Washington County resident workers) and significantly lower median monthly owner costs (\$170 less than Ozaukee/Washington County resident workers).

### ***Housing Values***

The median value of owner-occupied housing units (including homes and condos) occupied by resident and non-resident workers is shown in Table IX-33. The median value of homes for resident workers was \$159,600, compared to \$131,600 for non-resident workers, a difference of \$28,000, or 18 percent. Similar to the cost of housing, housing values varied by the County in which non-resident workers lived. Median housing values for non-resident workers living in Waukesha County were \$12,900 higher than those of Ozaukee/Washington County resident workers. Median housing values for non-resident workers living in Milwaukee County were \$51,700 lower than those of Ozaukee/Washington County resident workers.

### ***Conclusions***

Based on the analysis of this County level data, it appears that non-resident worker households could afford rental housing in the City of Port Washington. Due to the relatively high cost of owner-occupied housing in the City of Port Washington and Ozaukee County compared to all nearby Counties except Waukesha County, non-resident workers would have a more difficult time affording a home in the City of Port Washington and Ozaukee County in general.

### ***Age Distribution and Senior Housing***

Age distribution in the City of Port Washington has important implications for planning and the formation of housing policies. The age distribution and gender composition of the City of Port Washington population in 2000 is set forth in Table II-2 in Chapter II.

In 2000, the City of Port Washington population was 10,467 residents. Children less than five years old numbered 722 or about 7 percent of the population, while children between the ages of five and 19 numbered

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<sup>12</sup> *The median monthly housing cost includes all housing units (single-family homes, condominiums, and mobile homes) occupied by the owner of the housing unit, and also includes owners who have a mortgage and those who do not. The median monthly owner cost in 2000 for homeowners with a mortgage was \$1,260 for residents of Ozaukee or Washington County who worked in one of the two counties, \$1,420 for all residents of Ozaukee County, and \$1,225 for all residents of Washington County. Monthly owner cost includes mortgage, property taxes, homeowner and flood insurance, condominium fees, utilities (electricity, gas, water, and sewer) and heat.*

2,232, or about 22 percent of the population. Adults ages 20 through 64 numbered 6,181, or about 60 percent of the County population. Persons age 65 and older numbered 1,332, or about 11 percent of the total population.

When forming housing policy it is important to consider not only the current age composition, but what the age composition may be in the plan design year of 2035. Projected population and age composition by gender for Ozaukee County are set forth in Table II-17 and Figure II-5 in Chapter II. Table II-17 shows the number persons in all age groups is projected to increase between 2000 and 2035; however, the percentage of the population is projected to decrease in all age groups except for the 65 year and older age group. The percentage of residents in this age group is expected to increase dramatically from about 13 percent to about 25 percent of the County's population. When these percentage changes are applied to the projected 2035 City of Port Washington population the results are:

- Children less than 20 years old number 4,060, or 28 percent of the population
- Adults 20 through 44 number 3,915, or 27 percent of the population
- Adults 44 through 64 number 2,900, or 20 percent of the population
- Adults age 65 and over number 3,625, or 25 percent of the population

About 22.8 percent of households in the City of Port Washington, or 923, were elderly family households and elderly non-family households as of 2000. About 14.0 percent of those households were extremely low-income, about 16.0 percent were very low-income, about 21.5 percent were low-income, and about 9.5 percent were moderate income. There will likely be a demand for a higher percentage of specialized housing units for the elderly due to the projected population increase in the 65 year and older age group. In addition, there may be a demand for units that are affordable for elderly households with a large range of income levels if current income levels remain constant through 2035.

As the population of the City of Port Washington ages, several types of senior housing with varying levels of care for a range of incomes may need to be provided. These levels may include independent senior communities that offer private, separate residences designed for independent seniors, with no medical services provided; or assisted living communities, which offer help with non-medical activities, such as meals, housekeeping, and transportation, while maintaining separate living quarters or housing units. Skilled nursing facilities (commonly referred to as nursing homes) provide 24-hour nursing care, including care for chronically-ill patients who can no longer live independently.

A Continuing Care Retirement Community (CCRC) is a relatively new type of elderly housing. A CCRC provides a commitment to care for residents regardless of any changes in their health, for as long as they reside in the community. A CCRC provides independent living; assisted living; and skilled nursing care within the same community. CCRC's generally require an up-front purchase and monthly payments for services, amenities, and medical care.

Existing nursing homes and retirement communities located in Ozaukee County are listed in Table IX-34. Community based residential facilities and adult family homes are listed in Table IV-18 in Chapter IV of the County comprehensive plan. There are three CCRC's in the County, each of which includes a nursing home, and two independent nursing homes in the County.

There are also three residential care apartment complexes (RCAC) and 14 senior apartment complexes located in the County, which are listed in Table IX-34. RCACs provide independent apartments in facilities that offer limited services for residents, which may include meals, housekeeping, laundry, personal care, nursing services, social and recreational activities, and medication management. Residents may receive up to 28 hours per week of these services.

### ***Persons with Disabilities***

Persons with disabilities are another segment of the City of Port Washington population that may have special housing needs. The number of residents with disabilities by age group in 2000 is set forth in Table IX-35. The 65

and over age group had the highest percentage of people reporting a disability, at about 35.4 percent or 472 people. About 9.6 percent of people ages 21 to 64, or 562 people, reported having a disability and about 6.1 percent of people ages 5 to 20, or 136 people, reported having a disability. Although the aging population has the highest percentage of people reporting a disability, the largest number of people reporting a disability was in the 21 to 64 age group. Housing with varying levels of care or programs that provide in-home care services in addition to those which cater to needs of senior citizens may be needed in the City of Port Washington as a result.

Persons with disabilities in each County in the Southeastern Wisconsin Region, the Region as a whole, and the State are set forth in Table IX-36. The City of Port Washington has a relatively low percentage of persons with disabilities when compared to other counties in the Region and to the State.

Several types of disabilities are included in the data:

- Sensory – Blindness, deafness, or a severe sight or hearing impediment
- Physical – A condition that substantially limits one or more basic physical activities such as walking, climbing stairs, reaching, lifting, or carrying
- Mental disability – A condition lasting at least six months that makes learning, remembering, or concentrating difficult
- Self-care disability – A condition lasting at least six months that makes dressing, bathing, or getting around inside the home difficult
- Going outside the home disability – A condition lasting at least six months that makes going outside the home alone difficult (applies only to those residents at least 16 years of age and under 65 years of age)
- Employment disability – A condition lasting at least six months that makes working at a job or business difficult (applies only to those residents at least 16 years of age)

Table IX-37 sets forth the type of disabilities reported in 2000 for City of Port Washington residents. One person may report having multiple types of disabilities. The range of disabilities reported may influence the type of housing required to provide for the needs of people with disabilities.

### ***Household Size***

It is also important to provide housing options that meet space requirements for households of various sizes in addition to providing housing options that are affordable for households of all income levels. The average household size for the City of Port Washington in 2000 is set forth in Table II-5 in Chapter II. The average household size was 2.48 persons. Table IX-38 sets forth the number of households by size in the City of Port Washington in 2000. Two-person households accounted for 33.7 percent, or 1,371, of the households in the City of Port Washington. One-person households accounted for about 26.4 percent, or 1,073, and four-person households accounted for about 15.2 percent, or 617. Three-person households accounted for about 17.0 percent, or 691, and five-person households accounted for about 5.4 percent, or 224 households. Six-person households accounted for about 1.6 percent, or 67 households, and households with seven or more persons accounted for about 0.7 percent, or 28 households. It will also be important to take into account the projected household size for 2035 when formulating future housing policy. The projected household size for the City of Port Washington is 2.31, which is a decrease of about 6.9 percent from the 2000 level. An implication of this decrease may be housing policies that allow for a higher percentage of smaller homes.

## **PART 2: HOUSING PROGRAMS AVAILABLE IN THE CITY OF PORT WASHINGTON AND OZAUKEE COUNTY**

Government sponsored housing programs have been inventoried to assess government's potential to help the private sector meet housing needs in the planning area. The full array of government sponsored programs and funding availability is almost continually changing, therefore, this section focuses on those programs that have the potential for increasing the availability of lower-cost housing and rehabilitation in the City of Port Washington and Ozaukee County. Many of the programs available are administered through local and statewide nonprofit

organizations that receive funding from the Federal government. Several entities are involved in administering and funding many of the following programs, including the HOME Consortium, the Wisconsin Housing and Economic Development Authority (WHEDA), and the U.S. Department of Housing and Urban Development (HUD).

## **Housing Program Administrators**

### ***The HOME Consortium***

The HOME Consortium is a four-county governmental body, which includes Ozaukee, Washington, Waukesha, and Jefferson Counties, whose purpose is to advance homeownership opportunities and programs for households that earn 80 percent or less of the Milwaukee Metropolitan Area's median income. Estimated median incomes based on family size are developed annually by HUD (see Table IX-18). The area served by the Consortium receives an annual funding allocation from HUD. The Consortium's programs are administered by C-CAP LLC and the Community Housing Initiative, Inc., which are nonprofit organizations located in the City of Waukesha.

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

WHEDA was created by the Wisconsin Legislature in 1972 as a nonprofit "public benefit corporation" to help meet the housing needs of lower-income households in the State. This purpose has expanded to include providing housing facilities to meet the needs of disabled and elderly households. The programs are financed through the sale of tax-exempt bonds and receive no State tax support. These programs involve the administration of several federally funded grants and housing tax credits.

### ***U.S. Department of Housing and Urban Development (HUD)***

HUD provides funding for a number of housing programs, including the Section 8 Low-Income Rental Assistance Program and the Home Investment Partnership Act (HOME). As previously mentioned, in order for units or agencies of government to apply for and receive HUD housing grants or public housing funds, they must prepare a CHAS and submit that strategy to HUD for approval. The purpose of the CHAS is to ensure that communities or organizations (such as the HOME Consortium) receiving funding from HUD have planned for the housing-related needs of low- and moderate-income households in a way that improves the availability and affordability of adequate housing. The CHAS must also include consideration of persons needing supportive services, identify the manner in which private resources will be incorporated in addressing identified housing needs, and provide for both rental and homeownership options.

### ***The Federal Housing Administration (FHA)***

The FHA was established by Congress in 1934 and became part of HUD's Office of Housing in 1965. The FHA insures mortgage loans for single family and multi-family homes from FHA-approved lenders throughout the Nation, including Ozaukee County, and is the largest insurer of mortgages in the world. FHA mortgage insurance provides approved lenders with protection against losses as the result of default on a loan. The lender bears less risk because the FHA will pay a claim to the lender in the event of a homeowner default. This allows FHA insured loans to be made with less cash investment than other loans, which increases accessibility to lower-income households.

### ***U.S. Department of Agriculture (USDA) Rural Development***

The USDA administers the Federal Government's primary program addressing America's need for affordable rural housing. USDA Rural Development provides loans and grants to develop rural community facilities in cities, villages, and towns with populations less than 20,000 that are not part of an urban area. The USDA provides affordable housing opportunities for low- to moderate- income families in the northern portion of Ozaukee County including the City of Port Washington, Villages of Belgium, Fredonia, and Saukville; and Towns of Belgium, Fredonia, Port Washington, and Saukville.

### ***Wisconsin Department of Commerce, Division of Community Development, Bureau of Housing***

The Bureau of Housing administers several Federal and State programs to provide low- and moderate-income households with housing assistance in many areas of Wisconsin. Ozaukee County residents are not eligible for

programs administered by the Bureau of Housing because the County is included in the HOME Consortium, which fills the role of the Bureau of Housing in administering State and Federal housing programs in Ozaukee, Washington, Waukesha, and Jefferson Counties.

### **Government Sponsored Housing Programs**

The following sections describe programs funded by the State and Federal governments for construction of single- and multi-family housing and programs that provide financial assistance for down payments, loan guarantees, or rental assistance.

#### ***HOME Consortium Programs***

##### ***C-CAP Down Payment Assistance (DPA) Grant***

The purpose of the C-CAP DPA Grant Program is to assist homebuyers with the upfront costs of purchasing a home through a down payment assistance (DPA) grant. The HOME Consortium provides funding to C-CAP, which administers the grant program. The grant itself is offered through private lenders partnering with C-CAP. The DPA grant can help pay up to \$3,000 in customary closing costs and fees related to buying a home and/or a portion of a down payment. The C-CAP DPA grant is forgiven over the course of five years. A portion of the grant must be repaid if the home is sold within a five year period. The following eligibility criteria apply:

- Buyer household income cannot exceed 80 percent of the HUD estimated median family income by size for the Milwaukee Metropolitan Statistical Area (MSA). The 2006 HUD estimated median income and 80 percent of the median income are listed in Table IX-38
- Home purchase price limit of \$208,700
- Only owner-occupied, single-family, or condo units are eligible

##### ***American Dream Down Payment Initiative (ADDI) C-CAP Loan***

The ADDI offers 0 percent interest loans to buyers to use for either completion of home repairs immediately after closing or occupancy or as a form of down payment assistance. A buyer may be eligible for up to a \$5,000 deferred 0 percent interest loan to be used for down payment or closing costs, or a buyer may be eligible for up to a \$10,000 deferred 0 percent interest loan for home repairs only. The ADDI loan is deferred at 0 percent APR, which means there is no interest and the loan is not due until sale or transfer of the mortgaged property. The ADDI loan may also be combined with the C-CAP Down Payment Assistance grant. Eligibility criteria for Ozaukee County are identical to those outlined in the C-CAP DPA grant program. This program is also administered by C-CAP and with funds provided through the HOME Consortium.

#### ***WHEDA Programs***

##### ***Low-Income Housing Tax Credit Program (LIHTC)***

Created by the Tax Reform Act of 1986, the LIHTC program gives states the equivalent of nearly \$5 billion in annual budget authority to issue tax credits for the acquisition, rehabilitation, or new construction of rental housing targeted to lower-income households. The program provides an incentive by providing credit against Federal income tax liability. As a basic program requirement, rental property owners either make at least 20 percent of their housing units available to households with incomes not exceeding 50 percent of the area median family income adjusted for family size or make at least 40 percent of their housing units available to households with incomes not exceeding 60 percent of an area's median family income adjusted for family size. Property owners must agree to maintain these percentages for at least 30 years. The LIHTC program is administered by WHEDA in Wisconsin.

### ***Home Ownership Mortgage (HOME) Loan Program***

The HOME Loan Program, administered by WHEDA and funded by HUD, offers long-term, below-market, fixed-rate financing for low- to moderate-income first-time homebuyers. In the City of Port Washington, the following eligibility criteria applied in 2006:

#### **Purchase Price Limits:**

- New and existing single family detached dwellings not to exceed \$204,432
- Two-family dwellings at least five years old not to exceed \$261,701
- Three-family dwellings at least five years old not to exceed \$316,326
- Four-family dwellings at least five years old not to exceed \$393,120

#### **Income Limits:**

- One or two member households with a combined income of less than \$65,200
- Three plus member households with a combined income of less than \$71,720

### ***Fixed-Interest Only Loan Program***

The Fixed-Interest Only Loan Program, administered by WHEDA and funded by HUD, offers below-market, fixed-rate financing with reduced payments during the first seven years for eligible first-time homebuyers. The home purchase price must be at least \$150,000 and cannot exceed the purchase price limits listed above for the HOME Loan Program.

### ***HOME Plus Loan Program***

The HOME Plus Loan Program, administered by WHEDA and funded by HUD, provides financing of up to \$10,000 for down payment and closing costs, and a line of credit for future home repairs. Borrowers must have less than \$4,500 in liquid assets to be eligible to draw HOME Plus funds for down payment and closing costs. Those with liquid assets exceeding \$4,500 may still request the line of credit for future home repairs. Eligible properties must be occupied by the owner and can be anywhere from one to four units.

### ***HUD Programs***

#### ***Wisconsin Community Development Block Grant (CDBG) Program***

HUD provides community development block grants to entitled counties, entitlement communities, and States (for distribution to non-entitlement communities) for housing programs that principally benefit low- and moderate-income households and other community development purposes. Counties, entitlement communities, and States develop their own specific programs and funding priorities under the CDBG program; however, maximum priority must be given to activities which either benefit low- and moderate-income persons or aid in the prevention or elimination of blight or slums. States must ensure that over a three year period, at least 60 percent of CDBG funds awarded to non-entitlement communities are used for activities that benefit low- and moderate-income households. HUD defines communities entitled to grants as principal cities of a metropolitan statistical area (MSA), other metropolitan cities with a population of at least 50,000, and urban counties with a population of at least 200,000 excluding the population of any entitlement communities within the county. The City of Port Washington is not an entitlement community; however, CDBG funds can be applied for from the Wisconsin Department of Commerce.

#### ***Section 8 Rental Voucher Program***

The Section 8 Rental Voucher Program increases affordable housing choices for low-income households by allowing families to choose privately-owned rental housing. A public housing authority (PHA) generally pays the landlord the difference between 30 percent of a family's gross household income and the PHA-determined

payment standard, about 80 to 100 percent of the fair market rent (FMR). Housing authorities may be established by counties and local governments. Neither Ozaukee County nor the City of Port Washington have established a public housing authority. The program is administered by WHEDA for the County and the City of Port Washington. In recent years WHEDA has contracted with Horizon Management Group, Inc., based in La Crosse County with an office in Sheboygan County, to administer the program. Up to 100 households are eligible to receive vouchers within Ozaukee County. Table IX-39 sets forth the number of households receiving Section 8 vouchers by household type in the County. About 42 percent of households receiving vouchers were elderly households in 2006.

Prior to 1981, another portion of Section 8 rental assistance was disbursed directly to individual property owners. This was referred to as "Project-Based Assistance." HUD entered into 20-year contribution contracts with individual property owners to provide subsidies for lower-income tenants. Because this component of the Section 8 program was eliminated in 1981, the number of rental housing units subsidized in this manner has been decreasing as contracts with property owners expire. Contracts remaining in effect are the result of "renewal" of contracts initiated prior to 1981. There were 270 subsidized units in Ozaukee County as of 2006; 206 of these units housed elderly households and 70 units housed other households. These units do not count against the limit described above.

### ***Section 202 Supportive Housing for the Elderly Program***

HUD provides interest-free capital advances to private nonprofit sponsors to finance the development of supportive housing for the elderly. The capital advance does not have to be repaid as long as the project serves very low-income elderly persons for 40 years. Project rental assistance funds are provided to cover the difference between the HUD-approved operating cost for the project and the tenants' contribution towards rent. Project rental assistance contracts are approved initially for five years and are renewable based on the availability of funds. Private nonprofit organizations can apply to develop a Section 202 project if they can, among other requirements, submit a resolution that they will provide a minimum capital investment equal to 0.5 percent of the HUD-approved capital advance. Public entities are not eligible for funding under this program. Occupancy in Section 202 housing is open to any very low-income household comprised of at least one person who is at least 62 years old at the time of initial occupancy. There were 55 subsidized units in the County as of 2006. These units do not count against the Section 8 limit described above.

### ***Section 811 Supportive Housing for Persons with Disabilities***

HUD provides interest-free capital advances to public and private nonprofit sponsors to finance the development of rental housing such as independent living projects, condominium units, and small group homes that will provide supportive services for people with disabilities. The capital advance does not have to be repaid as long as the project serves very low-income persons with disabilities for 40 years. Project rental assistance funds are provided to cover the difference between the HUD-approved operating cost for the project and the tenants' contribution towards rent. Project rental assistance contracts are approved initially for five years and are renewable based on the availability of funds. Nonprofit organizations with a Section 501 (c) (3) tax exemption from the IRS can apply to develop a Section 811 project if they can, among other requirements, submit a resolution that they will provide a minimum capital investment equal to 0.5 percent of the HUD-approved capital advance, up to a maximum of \$10,000. Occupancy in Section 811 housing is open to any very low-income household comprised of at least one person who is at least 18 years old and has a disability, such as a physical or developmental disability or chronic mental illness.

### ***Farm Labor Housing Loans and Grants***

Farm Labor Housing Loans and Grants provide low-cost financing for the development of affordable rental housing for both year-round and migrant "domestic farm laborers" and their households. These programs may be used to build, buy, improve, or repair farm labor housing and provide related facilities, such as on-site child care centers.

### ***Multi-Family Housing Direct Loans***

Multi-Family Housing Direct Loans provide loans for the development of affordable rental housing in rural communities. Low and very-low income households are targeted as tenants, but moderate income households are also eligible. Rural Development may also provide "Rental Assistance," a project-based tenant subsidy that pays a

portion of tenant housing costs, reducing them to an affordable level (30 percent of adjusted income). Projects must be in a rural area and consist of at least two rental units.

### ***Multi-Family Housing Guaranteed Loans***

Multi-Family Housing Guaranteed Loans serve the rental housing needs of low and moderate-income rural households by providing loan guarantees for newly constructed or rehabilitated rental property in eligible rural areas. Guarantees may be used in conjunction with other subsidy programs, such as the Low-Income Tax Credit, HOME, and state rental assistance programs. Loans can be made for a variety of rental housing types, for example: family, elderly, congregate housing, and mobile homes. Loans can be made for new construction, moderate or substantial rehabilitation, acquisition of buildings that provide for "special housing needs," and combination construction and permanent loans. Tenants' income cannot exceed 115 percent of the area median income, adjusted for family size. Rent (including tenant-paid utilities) for any unit at initial occupancy cannot exceed 30 percent of 115 percent of the area median income, adjusted for family size. The average rent (including tenant-paid utilities) for all units in a project cannot exceed 30 percent of area median income.

### ***Rural Housing Site Loans***

Rural Housing Site Loans are short term loans to finance development costs of subdivisions located in communities with a population of 10,000 or less (selected communities with a population between 10,000 and 20,000 are also eligible). Developed lots are to be sold to families with low- to moderate- household income (up to 115 percent of the county median income). Loans can be made to public or private local non-profit organizations with legal authority to buy, develop, and sell home sites to eligible applicants.

### ***Single Family Housing Direct Loans***

Single Family Housing Direct Loans are for families seeking financing to purchase new or existing homes or to repair or improve a home. This subsidized housing program offers loan benefits as down payment assistance to enable purchase with a loan through a private lending source (Rural Development accepts a junior lien behind the primary lender) or as a sole source of assistance for purchase, repair, or improvement. Sole source assistance is limited to families who are unable to obtain any part of the needed credit from another lending source. To be eligible an applicant must have the ability to repay the loan, live in the home, and be a citizen or be legally admitted to the U.S. for permanent residence, among other requirements. Family income can not exceed 80 percent of the county median income.

### ***Single Family Housing Guaranteed Loans***

The Guaranteed Rural Housing (GRH) loan program provides moderate-income families with access to affordable home ownership in eligible rural areas. Approved GRH lenders provide home purchase financing requiring no down payment and can finance loan closing costs and repairs up to the property's appraised value. To be eligible, an applicant must have adequate and dependable income; be a citizen or be legally admitted to the U.S. for permanent residence; have an adjusted annual household income that does not exceed the moderate-income limits for the area; and demonstrate adequate repayment ability. The home must be a new or existing stick-built or modular home that meets HUD guidelines; a new manufactured home on a permanent foundation; owner occupied and not income producing; and located in an eligible rural area or community.

### ***Department of Veteran Affairs Home Loan Program***

This program is available to veterans, active duty military personnel, and certain members of the reserves and National Guard. The program offers advantages to applicants including loans with no money down and no private mortgage insurance payments. Applicants must meet income and credit requirements for the loans, which are generally administered by lenders approved by the Department of Veteran Affairs.

### ***Ozaukee County Home Owner Rehabilitation Program***

The purpose of this program is to provide funding to Ozaukee County low- and moderate-income homeowners to assist with lead paint abatement and other improvements to their homes. Eligible recipients must have a total household income of less than 80 percent of the area median income adjusted by household size and own and reside in a home built prior to 1978. The program provides a forgivable grant of up to \$10,000 and is

administered by the Ozaukee County Public Health Department. Eligible repairs include lead paint abatement activities and HUD Housing Quality Standards (HQS) or code violations as determined by an inspection. If funding is still available after these initial repairs are completed, a number of additional repairs and improvements may be funded including:

- Window replacements
- Porch repairs
- Painting or siding
- Gutters and roofing
- Plumbing and electrical work
- Accessibility improvements
- Other items approved by the Ozaukee County Public Health Department program manager

The program was discontinued in late 2006 due to a change in funding allocation by the HOME Consortium. In the future, a similar program will be directly administered within the County and the City of Port Washington by the HOME Consortium.

### ***WisLoan***

This program provides loans for a wide variety of residential modifications to improve accessibility for disabled persons, including ramps and home accessibility modifications for non-rental units. Individuals applying for a loan must be a Wisconsin resident, at least 18 years old (parents and other relatives can apply on behalf of disabled people under age 18), and have a disability. Applicants can request any amount needed for the modifications, but the loan amount is dependant on ability to repay the loan and availability of loan funds. The loan is available to Ozaukee County residents and administered by IndependenceFirst with oversight by the Independent Living Unit of the State Bureau of Aging and Long Term Care Resources (part of the Wisconsin Department of Health and Family Services). The IndependenceFirst office located in Milwaukee (600 W. Virginia Street, fourth floor) serves the City of Port Washington.

### ***Housing Trust Funds***

Housing trust funds can be established by county or local governments (or state governments) to support the preservation and production of affordable housing through a dedicated source of public financing. As of 2006, over 350 county and local government and 38 state housing trust funds had been established. They have combined to dedicate over \$750 million annually towards addressing affordable housing needs across the Country. Locally, the City of Milwaukee Common Council passed an ordinance creating a Milwaukee Housing Trust Fund in late 2006. It started with base funds of \$2.5 million in 2007 from bonding. Ongoing revenue is generated from Potawatomi gaming proceeds, Tax Increment Financing (TIF) revenue (see Chapter XII for additional information regarding TIF), and designated PILOT funds.<sup>13</sup> Community support for the trust fund was championed by the Milwaukee Housing Trust Fund Coalition, which was comprised of many faith and community based organizations such as the Interfaith Conference of Greater Milwaukee.

### **Private Housing Programs**

#### ***Habitat for Humanity***

Habitat for Humanity builds and renovates homes with the help of future home owners through donations of money, materials, and volunteer labor and sells the homes to the partner families at no profit. An Ozaukee County Chapter of the Sheboygan County Habitat for Humanity affiliate was established in 2000 resulting in the Habitat for Humanity Lakeside, Ozaukee Chapter and the Lakeside, Sheboygan Chapter. The Ozaukee Chapter has partnered with area churches, businesses, and general public for donations. As a result, the Chapter constructed one single-family home in 2003 and completed a two-family home in 2006 in the City of Port

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<sup>13</sup> PILOT funds are payments in lieu of taxes received by the City.

Washington. The Chapter has also acquired another site from the City to construct an additional four units of housing.

There are several criteria that are considered when determining if families are eligible for a Habitat for Humanity home, including:

- Structural problems or size constraints with current housing
- Family income levels that do not exceed the maximum amounts set forth in Table IX-38
- At least one year of residency in Ozaukee County
- Ability of family to make monthly mortgage payments
- 500 hours of “sweat equity” by family members

### **PART 3: COMMUNITY POLICIES AND REGULATIONS AFFECTING THE PROVISION OF HOUSING**

Housing structure types, housing unit sizes, and lot sizes are controlled by City of Port Washington zoning regulations. It is therefore appropriate to examine those regulations to identify the extent to which they permit or exclude relatively lower-cost minimum-size housing structures and lots.

#### **Zoning Regulations**

##### ***Zoning Districts***

The zoning authority of the City of Port Washington represents an important influence on housing development patterns. Zoning regulations can substantially determine the location, size, and type of housing. An inventory was conducted of existing residential zoning districts to help provide a basis for determining the effect of zoning regulations on various types of housing. The results of the inventory are presented in Table IX-40.

##### ***Housing Unit Type***

The type of housing unit allowed is generally determined by the type of structures allowed in residential zoning districts. This is important because apartment units tend to be more affordable to lower-income households than single-family housing units.

Areas zoned as single family residential typically allow only one detached single-family home per lot. These homes tend to be owner-occupied, but may be rental units. Areas zoned for two-family residential uses allow for duplexes that may be owner-occupied or rental units, or include one unit occupied by the owner with the second unit rented. Areas zoned as multi-family residential allow for structures with three or more units. Multi-family districts vary in the number of units and number of floors allowed per structure. Many housing units in these districts are rental units; however, some may be owner-occupied such as townhouses or other single-family attached housing units. The city zoning ordinance includes single-family residential, two-family residential, and multi-family residential districts which allow for a range of housing unit types.

##### ***Minimum Lot Size Requirements***

Residential districts in the City of Port Washington include minimum lot size requirements, which specify the smallest land area on which a residential structure can be constructed. Lot size requirements are important because larger minimum lot size requirements can add to the total price of developing a residence by adding to land and land improvement costs, however, larger minimum lot sizes may be appropriate in areas without urban services.

Single-family residential district minimum lot sizes in the City of Port Washington range from 8,400 square feet to 45,000 square feet. The City can allow for single family residential of this density because sewer service and other urban services, such as public water and storm sewer systems are available.

### ***Minimum Floor Area Requirements***

In addition to minimum lot size requirements, the City of Port Washington zoning ordinance includes minimum floor area requirements that affect the size of housing units. These requirements are important because the cost of housing units typically increases for larger homes. Minimum floor area requirements for single-family detached dwellings in the City of Port Washington range from 1,000 square feet in the RS-6, RS-5, and RS-4 Single-Family Residential Districts to 2,000 square feet for a 5+ story, 8+ bedroom structures in the R-1 and R-2 Single-Family Residential Districts. Minimum floor area requirements generally correlate to minimum lot size requirements; the larger the minimum lot size requirement, the larger the minimum floor area requirement.

### ***Flexible Zoning Regulations***

Regulations which allow for more flexibility than the traditional residential zoning regulations for residential development may help the City of Port Washington provide additional affordable housing. Several examples exist in Ozaukee County communities including planned unit developments, which are included in several community zoning ordinances; traditional neighborhood developments, which are included in the Village of Fredonia's Zoning Ordinance; Transfer of Development Rights, which are included in the City of Mequon Development Ordinance; and a Central City Mixed District included in the City of Port Washington Zoning Ordinance.

The City of Port Washington zoning ordinance includes a Central City Mixed District that allows single- and two-family dwellings and apartments in commercial buildings. The Density Factor Overlay District, which applies to parcels within the Central City Mixed District, provides a sliding scale of increased density based on the size of parcels 25,000 square feet or larger. The City of Port Washington ordinance also includes a Planned Development Overlay District, in which the maximum allowable density may be increased by 10 percent upon recommendation of the Plan Commission. Planned Development Overlay District Uses within the district are the same as those permitted in the underlying district. The Planned Development Overlay District also allows for traditional neighborhood developments.

In addition to the zoning districts listed above, some municipalities' zoning ordinances expressly permit conservation subdivisions. Conservation subdivisions reduce the minimum lot size that would be required for each home in a conventional subdivision and locate homes on a portion of a development parcel in order to preserve the remainder of the parcel in open space. Although not specifically permitted in the local zoning ordinance, the City of Port Washington allows conservation subdivisions using the community's Planned Development Overlay regulations. The City currently has one conservation subdivision under development.

### ***Accessory Apartments***

Several communities in Ozaukee County allow accessory apartments as a conditional use. An accessory apartment, sometimes referred to as a "mother-in-law" apartment, is a secondary dwelling unit established in conjunction with and clearly subordinate to a primary dwelling unit, and may be part of the same structure as the primary dwelling unit or a detached dwelling unit on the same lot, as specified in each zoning ordinance. These units are typically intended for use by relatives of the individuals residing in the primary dwelling. The City of Port Washington zoning ordinance does not expressly allow for accessory apartments or dwellings.

### ***Mix of Housing Types***

Several communities in Ozaukee County have adopted policies specifying a desirable mix of housing types, as shown on Table IX-41. Communities that have adopted policies specifying a desirable mix of housing types include: the City of Cedarburg; Villages of Belgium, Fredonia, Grafton, and Newburg; and Town of Fredonia. The Village of Newburg allows for the highest percentage of multi-family and duplex housing units. The Town of Fredonia policy has the lowest percentage of multi-family/duplex housing units; however, multi-family dwellings are generally not sustainable in local governments, such as the Town, that have no public water or sewerage systems. The City of Port Washington has not yet adopted a policy specifying a desirable mix of housing types.

## **PART 4: HOUSING GOALS, OBJECTIVES, POLICIES, AND PROGRAMS**

This section sets forth housing goals and objectives through the plan design year of 2035. Policies, which are steps or actions recommended to be taken to achieve housing goals and objectives; and programs, which are projects or services intended to achieve housing policies, are also identified. Goals and objectives were identified using the housing data inventoried in the prior sections of this chapter and Chapter II and the goals and objectives related to housing identified in Chapter VI. Sources of public input outlined in the City of Port Washington and Ozaukee County public participation plans were also reviewed to identify the housing issues to be addressed by the goals, objectives, policies, and programs set forth in this element.

### **HOUSING ISSUES**

#### ***Housing Supply Issue***

About 1,911 housing units should be added to the existing housing stock in the City of Port Washington to meet the projected housing demand by the plan design year of 2035. HUD guidelines recommend an overall vacancy rate of 3 percent to ensure an adequate number of housing choices for residents. HUD guidelines also suggest an owner-occupied housing unit vacancy rate of 1.5 percent and a renter-occupied housing unit vacancy rate of 5 percent. In 2000, the overall housing vacancy rate in the City of Port Washington was 3.7 percent, which met HUD guidelines. The owner-occupied housing unit vacancy rate was 1.1 percent, which did not meet the HUD guideline. The renter-occupied housing unit vacancy rate was 6.97 percent, which met the HUD guideline.

#### ***Housing Cost / Workforce Housing Issue***

About 20.2 percent of the households in the City of Port Washington have a high housing cost burden, which is defined by HUD as households that spend more than 30 percent of their income on housing. A high housing cost burden is closely associated with income. In 2000, 48.4 percent of households making less than 80 percent of the median City of Port Washington household income<sup>14</sup> had a high housing cost burden, while 72.2 percent of households making less than 30 percent of the median City of Port Washington household income had a high housing cost burden.

In addition, a number of people working in Ozaukee County may not be able to afford housing in the City of Port Washington. The highest average annual wage by industry sector in the County in 2004 was manufacturing at \$49,590. The minimum annual income to afford a \$200,000 house in 2006 was \$74,314 (or \$35.73 an hour). The minimum annual earnings needed to afford the fair market rent for a one-bedroom apartment in Ozaukee County in 2006 was \$23,650, and it was \$28,246 for a two-bedroom apartment. Both of these annual earnings are greater than the average annual earnings of retail trade workers (the second largest industry sector employer in the County) and accommodation and food services workers (the fourth largest industry sector employer in the County) in Ozaukee County as of 2006.<sup>15</sup>

Concerns have also been expressed at several Ozaukee County Comprehensive Plan Citizen Advisory Committee meetings that the housing needs of young families are not fulfilled within Ozaukee County and its communities because of high housing costs.

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<sup>14</sup> *The median annual household income in the City of Port Washington in 1999 was \$53,827; 80 percent of the median income was \$43,061.60; and 30 percent of the median income was \$16,148.10.*

<sup>15</sup> *In 2004, the State Department of Workforce Development reported retail trade workers employed in Ozaukee County had average annual earnings of \$20,554 and accommodation and food service workers had average annual wages of \$10,009. When adjusted for inflation to 2006 dollars, retail trade workers had average annual earnings of \$22,007 and accommodation and food service workers had average annual earnings of \$10,751. There were 5,741 retail trade jobs and 3,597 accommodation and food service jobs located in the County in 2004.*

### ***Aging and Disabled Population Issue***

While the number of City of Port Washington residents in all age categories<sup>16</sup> is projected to increase by 2035, the number of residents in the 65 years of age and older age category is projected to increase from 1,332 persons in 2000 to 3,625 persons in 2035. This represents a projected percentage increase from about 11 percent of the population in 2000 to about 25 percent of the population in 2035. This shift in population distribution may create a corresponding shift in the housing needs of City of Port Washington residents. Additional smaller homes on smaller lots, town homes, multi-family condominiums, multi-family apartments, independent senior living communities, assisted living communities, nursing homes, CCRCs, and RCACs may all be needed to provide housing options for the aging population. Additional “empty nester” housing, further increasing the demand for smaller single-family homes, town homes, and condos, may also be needed within communities for existing residents who are growing older and would like to move out of relatively large single-family homes into smaller homes with less maintenance and yard work, while remaining in the community.

The aging of the population also creates an increasing need for housing that is accessible to disabled persons. In 2000, there were 1,170 people with disabilities residing in the City of Port Washington. The age group with the highest percentage of people with disabilities, 35.4 percent, was the 65 and older group; therefore, it is reasonable to assume that as the population ages over the planning period the number of residents with disabilities will increase. This issue also relates to the design of affordable housing, since many disabled persons live on fixed incomes. Accessibility for the disabled can be increased by providing homes with wider doors and hallways, level surfaces, and other features, often referred to as “Universal Design.”

### ***Household Size Issue***

The average household size in the City of Port Washington in 2000 was 2.48 persons per household. The projected 2035 household size is 2.31. A higher percentage of smaller homes may be required to better meet the housing needs of smaller households, including the expected increase in one- and two-person elderly households.

### ***Housing Preference Issue***

The results of the countywide public opinion survey conducted as part of the multi-jurisdictional comprehensive planning process indicate support for more moderately priced homes. Moderately priced homes had the highest perceived need for additional housing by respondents to the survey, with 41 percent responding that “a lot more” and 38 percent responding that “a little more” moderately priced homes were needed. Over 60 percent of respondents noted a need for either “a lot more” or “a little more” independent living and assisted living housing for seniors. The housing need perceptions of survey respondents generally parallel the above housing issue statements, which are largely supported by the housing inventory data.

The County SWOT findings identified a concern for affordable housing in Ozaukee County. The lack of affordable housing was perceived as a weakness in the SWOT workshops conducted with the CAC and at the four countywide comprehensive planning kickoff meetings. Kickoff meeting participants also perceived the lack of affordable housing as a threat to the County.

While the need to provide affordable housing unit types and senior oriented housing has been identified, 56 percent of survey respondents prefer new residential development in their community to be on larger lots<sup>17</sup> with more land for homes, as opposed to residential areas on smaller lots (chosen by 29 percent), and respondents who favored providing various lot sizes (10 percent). These responses indicate that a variety of housing unit types and lot sizes should be provided for City of Port Washington residents.

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<sup>16</sup> Age categories include under 20 years of age, 20 to 45 years of age, 46 to 64 years of age, and 65 years of age and older.

<sup>17</sup> The survey questionnaire did not define “larger” or “smaller” lot sizes.

### ***Housing Distribution Issue***

City of Port Washington residents may require various types of housing units, structures, and lot sizes depending on income level, and other variables such as household size and householder age through the plan design year of 2035. Due to various constraints, such as the provision of urban services or amount of land available for various types of residential development, the City of Port Washington may have to partner with neighboring communities in the County to provide the housing types needed to retain those residents who wish to remain in or near our community, or to accommodate those who wish to relocate to our community.

### ***Fair and Decent Housing Issue***

Fair housing practices must be followed to ensure all households that potentially want to reside within the City of Port Washington, such as those with workers employed in the City of Port Washington, have the opportunity to do so. Federal and State housing laws make housing discrimination illegal against any individual in a protected class.<sup>18</sup> These laws also address a wide range of unlawful housing acts ranging from refusing to rent, sell, insure, construct, or finance housing to printing, publishing, or displaying advertisements or notices that indicate a preference affecting a protected class.

Housing should also be in good repair and include adequate kitchen and plumbing facilities. Although the CHAS data and housing condition information gathered for Ozaukee County indicates that few housing units are in poor repair, measures should be taken to correct existing deficiencies. Also, all housing from an exterior standpoint, should be maintained and not become a neighborhood nuisance.

### **Housing Goals, Objectives, Policies, and Programs**

The comprehensive planning law requires the Housing Element to include policies and programs to provide an adequate housing supply that meets existing and forecasted housing demand and provides a range of housing choices to meet the needs of all income levels, age groups, and persons with special needs. An adequate amount of housing is provided by the private market for households earning the median income or above. The housing element goals, objectives, policies, and programs, therefore, focus on the provision of housing for households that earn less than the median income, including workforce housing for both resident and non-resident workers, housing for an aging population, including “empty nester” housing, and housing for people with disabilities. Each of set of goals, objectives, policies, and programs corresponds to the housing issue statements in the preceding section.

### ***Housing Supply Issue***

- **Goal:** Promote the addition of an adequate amount of housing units to the current housing stock to meet housing demand through 2035.
- **Goal:** Promote adequate housing choice for consumers through 2035.
  - **Objective:** Promote the addition of 1,911 housing units to the City of Port Washington current housing stock by 2035 in the areas identified for residential use on the *Planned Land Use Map 2035*.
  - **Objective:** Promote an owner-occupied housing unit vacancy rate between 1.5 and 2 percent through 2035.
  - **Objective:** Promote a renter-occupied housing unit vacancy rate between 5 and 6 percent through 2035.
    - **Policy:** Reserve adequate land within the City of Port Washington for single-family, two-family, and multi-family residential development through the comprehensive plan design year of 2035.
    - **Policy:** A desirable mix of housing types shall be 70% owner occupied housing and 30% renter occupied.
      - **Program:** The land needed to accommodate single-family, two-family, and multi-family residential development through 2035 is reflected on the *Planned Land Use Map 2035* in the Land Use Element of the Comprehensive Plan. The amount of land reserved on the map

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<sup>18</sup> Protected classes include: race, color, sex, national origin/ancestry, religion, age, disability/handicap, marital status, lawful source of income, sexual orientation, and family status.

recognizes that additional land for residential development will be provided incrementally over the planning period as infrastructure such as streets and public sewer is extended.

- **Program:** The City of Port Washington Zoning Ordinance will be revised to be consistent with the City of Port Washington Comprehensive Plan. The Zoning Ordinance will be revised in accordance with all amendments made to the Comprehensive Plan during the planning period to remain consistent with the Comprehensive Plan.
- **Program:** The City of Port Washington will consider planning recommendations from Ozaukee County and other governmental agencies if they are received during the course of a residential review process.
- **Program:** The City of Port Washington will encourage owner-occupied housing during review of proposed developments. **Note:** Currently approximately 60% of homes in Port Washington are owner-occupied and the City projects 1911 housing units to be added during this planning period. Therefore 90% of new development should be targeted for owner occupation.

### *Housing Cost / Workforce Housing Issue*

- **Goal:** Promote a range of affordable housing choices for all income levels in the City of Port Washington
  - **Objective:** Reduce the percentage of households in the City of Port Washington with a high housing cost burden by providing more affordable housing options.
  - **Objective:** Promote affordable housing choices for young families in the City of Port Washington.
  - **Objective:** Promote affordable housing choices for people who work in the City of Port Washington.
  - **Objective:** About 30.3 percent of housing units in 2035 should be affordable to moderate income and lower income households.<sup>19</sup>
    - **Policy:** The Plan Commission and Common Council will consider the wages of workers employed in new commercial and industrial developments in the City of Port Washington as a component of applications for new residential developments during review by the Plan Commission and Common Council. Future residential developments must provide a comparable number of housing units that are affordable for workers in new jobs to be located in the City of Port Washington.
    - **Policy:** The City of Port Washington Zoning Ordinance will allow for a full range of housing structure types and sizes to provide housing units that are affordable for households of all income levels present in the community.
    - **Policy:** A desirable mix of future housing unit types includes 50% single-family units, 5% single-family condominiums, 15% multi-family units, 10% duplex, 12% apartments for the elderly, 6% apartments for families and individuals, and 2% mixed use, which are typically apartments.<sup>20</sup>
      - **Program:** Affordable housing incentives will be established as a method for providing workforce housing in the City of Port Washington. Possible incentives include a streamlined

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<sup>19</sup> HUD defines affordable housing as households “paying no more than 30 percent of their income for housing.” Household income category thresholds are based on the City of Port Washington median annual household income. Extremely low income households earn less than 30 percent of the City of Port Washington median household income, very low income households earn between 30 and 50 percent of the median income, low income households earn between 51 and 80 percent of the median income, and moderate income households earn between 81 and 95 percent of the median income.

<sup>20</sup> Definitions:

*Single Family:* Single dwelling where occupant owns entire lot and dwelling and resides at that dwelling.

*Single Family Condo:* Single unit dwelling with occupant ownership and shared ownership of land.

*Apartment:* Rental made up of three or more units

*Duplex:* Single dwelling where all or at least one unit is rented. Includes owner occupied.

*Condo/Town home:* Multiple unit dwelling (two or more) with occupant ownership and shared ownership of land.

*Mixed Use:* Mixed usage in same dwelling (i.e. commercial on main level with living quarters on upper floors).

- permitting process, density bonuses,<sup>21</sup> and reduced or waived application fees for residential developments that include affordable housing units and infill development.
- **Program:** The City of Port Washington will consider implementing desirable model ordinances and incentive programs developed by Ozaukee County and other government agencies designed to provide affordable housing.
  - **Program:** The City of Port Washington will seek information from Ozaukee County and other government agencies regarding government programs designed to provide affordable housing.
  - **Program:** The City of Port Washington will consider recommendations from Ozaukee County and other government agencies if they are received during the course of a residential development review process.

### *Aging and Disabled Population Issue*

- **Goal:** Promote a range of housing choices for the City of Port Washington aging and disabled population.
- **Goal:** Promote housing options that allow elderly and disabled persons to remain in their homes.
  - **Objective:** Maintain and enhance the number and variety of senior oriented housing units in the City of Port Washington.
  - **Objective:** Provide the elderly and disabled population with housing options that will align them with the State policy that promotes aging in place.
  - **Objective:** Increase awareness among elected officials of the housing needs and preferences of City of Port Washington residents age 65 and older.
    - **Policy:** The City of Port Washington Zoning Ordinance and Building Code will allow for a full range of housing structure types and sizes to ensure the provision of housing units that meet the needs of the aging and disabled population present in the community.
    - **Policy:** Increase the use of design that allows access and livability for elderly and disabled people in new construction in the City of Port Washington.
      - **Program:** The City of Port Washington will amend the Zoning Ordinance and Building Code to allow for construction design concepts such as Universal Design<sup>22</sup> is a movement to change home construction practices so that all new homes, not just custom built homes, offer a few specific features that make the home easier for people with mobility impairment to live in or visit. Minimum requirements include wide passage doors, at least a half-bath on the first floor, and at least one zero-step entrance approached by an accessible route on a firm surface no steeper than a 1:12 grade from a driveway or public sidewalk.
    - **Policy:** Develop methods to collect data regarding the housing needs and preferences of residents age 65 and older.
      - **Program:** Prepare and distribute a housing survey to City of Port Washington residents age 65 and older and consider the results during staff, Plan Commission, and Common Council reviews of residential developments.
    - **Policy:** Continue services offered by the City of Port Washington to assist elderly householders with living in traditional housing.
      - **Program:** Continue to provide for the shared-ride taxi service.
      - **Program:** Continue to provide activities and programs at the Senior Center.

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<sup>21</sup> A density bonus can be used to increase the number of affordable housing units in a residential development. Developers are typically allowed to increase the number of housing units allowed on a parcel if they agree to restrict the rents or sales prices of a certain number of the units for low income or senior households. The income from the additional number of units offsets the below market rental rates or sales prices of the units designated for affordable housing.

<sup>22</sup>Accessibility for the disabled can be increased by providing homes with wider doors and hallways, level surfaces, and other features, often referred to as “Universal Design.”

- **Objective:** Increase the availability of options to adapt homes to the needs of disabled and elderly people.
  - **Policy:** Promote programs that provide funds and labor to adapt homes to the needs of disabled and elderly people.
    - **Program:** Develop and distribute educational materials regarding the various Federal, State, and County programs available to City of Port Washington residents for funding to adapt homes to the needs of disabled and elderly people, such as the WisLoan program.
- **Objective:** Increase the availability of affordable housing for disabled people in Ozaukee County.
  - **Policy:** Promote Federal, State, and County government housing programs that have the potential to increase the availability of affordable housing for people with disabilities within the County.
    - **Program:** Develop and distribute educational materials regarding the various Federal, State, and County programs available to City of Port Washington residents, governmental agencies, and project developers for the development of affordable housing for people with disabilities within the community, such as the Section 811 Supportive Housing for the Disabled Program.

### *Housing Preference Issue*

- **Goal:** Promote a range of housing choices that meet the housing preferences and projected needs of City of Port Washington residents.
  - **Objective:** Maintain the City of Port Washington as a place where families stay together.
  - **Objective:** Promote a variety of housing unit sizes.
  - **Objective:** Promote a variety of residential lot sizes.
  - **Objective:** Promote a variety of ownership options (conventional home ownership, condominiums, and rental units, including accessory apartments in single-family homes).
  - **Objective:** Promote a variety of housing structure types, including single-family, two-family, and multi-family housing in residential areas, and mixed-use housing in the downtown and newer commercial areas.
    - **Policy:** The City of Port Washington zoning and land division ordinances should strike a balance between the housing preferences and needs of community residents, which will, in part, help to preserve the quality of life in the community.
      - **Program:** Zoning ordinance revisions will be made to allow for a full range of housing types and sizes in the City of Port Washington through the use of flexible zoning districts.
      - **Program:** The zoning ordinance and building code will be amended to allow for basic accommodations for people with disabilities in multi-family buildings and in housing developments for senior or disabled persons. An example of such requirements is provided in Table IX-42.
      - **Program:** Public input from sources such as the City of Port Washington comprehensive planning public opinion survey, the County-wide public opinion planning survey, and the comprehensive planning public informational meeting (PIM) will be considered in Plan Commission and Common Council during the review of proposed residential developments.

### *Housing Distribution Issue*

- **Goal:** Promote the distribution of a variety of housing structure types and sizes including single-family, two-family, and multi-family homes across Ozaukee County for all income and age groups.
  - **Objective:** Promote an adequate number of single-family, two-family, and multi-family housing units in each sewer service area in the County.
  - **Objective:** Promote an adequate number of affordable housing choices within the City of Port Washington based on local high housing cost burden data as set forth in Table IX-19.
    - **Policy:** The City of Port Washington Zoning Ordinance and Building Code will allow for a full range of housing structure types and sizes
    - **Policy:** Continue to encourage residential development in “flexible zoning districts” such as planned unit development (PUD) overlay districts and traditional neighborhood development (TND) districts.

- **Program:** The City of Port Washington Zoning Ordinance and Land Division Ordinance will be revised as necessary to be consistent with the City of Port Washington Comprehensive Plan: 2035.
- **Program:** Create a dialogue between the City of Port Washington and neighboring communities in Ozaukee County to encourage intergovernmental cooperation in achieving a distribution of a variety of housing choices across Ozaukee County.
- **Program:** Study the feasibility of entering into a boundary agreement, such as the agreement between the City and Town of Port Washington, with the neighboring towns to assist those towns that wish to accommodate higher density development designed to meet the housing needs of Town residents.
- **Program:** The City of Port Washington will consider recommendations and relevant housing data from Ozaukee County and other governmental agencies if they are received during the review of a residential development.

*Fair and Decent Housing Issue*

- **Goal:** Promote fair housing practices in the City of Port Washington.
  - **Objective:** Discourage housing discrimination based on protected classes and unlawful acts set forth in Federal and State laws.
    - **Policy:** Promote awareness of Federal and State fair housing laws among those seeking and providing housing within the City of Port Washington.
      - **Program:** Develop and distribute educational materials regarding Federal and State fair housing laws. Emphasis should be given to protected classes, unlawful actions, and organizations to contact if an individual believes he or she has experienced housing discrimination, such as the Metropolitan Milwaukee Fair Housing Council.
- **Goal:** Provide an adequate amount of safe and decent housing for households of all incomes and sizes in the City of Port Washington.
  - **Objective:** Ensure that all housing units located in the City of Port Washington safe and decent.
    - **Policy:** Remove or repair all housing units identified as “unsound” by the City of Port Washington building inspector from the City of Port Washington housing stock.
      - **Program:** Require the renovation or razing of “unsound” housing units.
      - **Program:** Revise the City of Port Washington ordinances to provide for stricter maintenance and housekeeping standards for structures and property.

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