



Housing Study and Needs Assessment

City of Waukesha
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Executive Summary

Introduction

Europeans first settled the area around present-day Waukesha in 1834, and the community was incorporated in 1846 as the Town of Prairie Village. In 1847 the name of the Town was changed to Waukesha—an anglicized form of the Ojibwe word *Waagoshag* and the Potawatomi word *Wau-tsha*, the proper name of a local tribal leader at the time of the first European settlement in the area. The area became famous as a resort destination for Chicago industrialists in the late nineteenth Century seeking to consume its famously clean and therapeutic spring water. Some of Waukesha's other claims to fame include being the location of the first forward pass in the history of American football in 1906, and the site of several underground nuclear missile batteries during the Cold War.

Waukesha has continually seen an increase in population and housing demand over the decades. Housing sizes have fluctuated, even though national housing trends have experienced smaller home sizes since the market crash of 2008. Along with larger home size, valuations per square foot have also increased in recent decades when compared to older homes. The local housing mix has steadily changed as well. Throughout past decades, the increase in apartment and condominium units built, as compared to single- and two-family units, has been significant. This past decade saw multi-family housing construction outpace single- and two-family construction almost 4 to 1. Single family construction has also been steady over this past decade, but multi-family construction has simply increased by a much greater rate. Since 2012, the level of construction activity has varied and in some recent years, there was no new multi-family construction whatsoever. Condominium construction has varied, as has the pace of multi-family construction, with large projects dominating some years and little activity occurring in others. Higher-end projects, such as the Kendal Lofts and the Plaza II Apartments have made up the bulk of newer multi-family developments. Important renovation

projects, such as Prairieville and the Plaza have helped to keep a steady supply of units on the market.

Planning Process

The City of Waukesha began the process of creating a Housing Study and Needs Analysis in 2018. After the City's authorization to proceed with the study, the process began with a Steering Committee kickoff meeting to review the roles, responsibilities, and milestones for completing the project. After the Kickoff Meeting, the project team deployed an online survey to gather data from residents about their current housing situation, any issues they face, and their desired housing scenarios. The survey included user-provided data on self-reported property conditions, occupancy, vacancy and rental rate, affordability, and satisfaction. These results are included in each chapter. The team also invited stakeholders to attend focus group meetings to have face to face conversations with the project team. These local experts provided their insights into what they think the City needs to focus on with respect to housing.

Along with public engagement, the project team conducted an extensive assessment into the City's existing planning efforts. A review of the City's land use plans, relevant ordinances, and the development process were used to identify any pitfalls and inform the recommendations to be added later in the planning process. Next, the project team drafted a housing market analysis, summarized in the Appendix, which studied the City's existing and projected demographics, housing stock, sales market, rental market, and areas of the City most viable for housing development and rehabilitation.

The second Steering Committee meeting included a review of the draft assessment data, site inventory, public survey, and stakeholder focus groups report. The project team gathered feedback from the Steering Committee and members of the public and made amendments to these sections.

The third and fourth Steering Committee meetings involved presentations of the Plan's strategies and implementation matrix. The Steering Committee reviewed the document and recommended additional corrections prior to approval. The revised Plan was then presented to the Plan Commission to solicit any remaining input from members of the Public before being recommended for acceptance by the Common Council.

In 2024, the City approached Vierbicher to perform a Housing Study update to reflect newer data, changed conditions, and housing information that changed after the onset of the COVID-19 pandemic. As such, this report is a consolidation of data collected for the 2019 study as well as updated census and associated housing data.

Study Layout

This study is organized into four (4) chapters and one (1) appendix. Each of the four (4) chapters provide both quantitative data, demographics and survey results, as well as qualitative input, stakeholder and Steering Committee meetings, to assess need and solutions for four (4) different housing topics. The appendix provides detailed information which supports the identification of opportunities and challenges in each of these chapters. The chapters are titled:

- Municipal initiatives
- Infill construction and new development
- Rehabilitation
- Funding initiatives

The qualitative data section of each chapter includes responses to the public survey, which asks questions regarding:

- Current Housing Description
- Current Household Description
- Owner - Occupied Self Reported Housing
- Renter - Occupied Self Reported Housing
- Waukesha Community Needs

The quantitative data section of each chapter also includes a range of demographic, housing market, and housing stock data analysis, including:

- Demographics - Current, Trends & Comparisons
- Household Characteristics – Current, Trends & Comparisons
- Housing Stock – Current, Trends & Comparisons
- Population & Housing Projections

In addition to the quantitative data, qualitative data is included in each chapter, which provides the results of the stakeholder interviews conducted with different groups of housing-related professionals, including:

- Builders/Developers
- Non-Profits
- Realtors
- Landlords/Property Managers
- Government representatives

Finally, each chapter includes an overall goal as well as objectives and strategies to accomplish the goal. Chapters 2 and 3 also include sample objectives and strategies with additional detail and example communities who have implemented these strategies.

Chapter 1. Municipal Initiatives Summary

This chapter focuses on the overarching municipal actions that the City of Waukesha can undertake to set the stage for the housing development, infill construction, rehabilitation and funding opportunities and challenges identified in the following chapters.

Specifically, this chapter assesses current community development programs which support housing development and redevelopment in the community, as well as planning documents which plan future housing growth and direct City resources. This chapter also addresses survey data gained from a public survey, housing market data, population projections, and an analysis of land with the potential for housing development. In addition, input was gathered from local stakeholder meetings, which resulted in the following key observations;

Stakeholder Interviews Guiding Observations

- Baby Boomers who are staying in community are looking to stay close to children and grand-children, but are looking to downsize and have less yard and maintenance.
- Millennials and young professional buyers are looking for smaller homes for financial reasons, but are also viewing quality as important as home size.
- Reducing lot size requirements in some areas is seen as a method of creating more affordable housing by assisting builders and developers with building smaller and more affordable homes.
- Allowing for a greater mix of housing types in certain areas is seen as another method of building workforce housing and allowing homebuyers to move to a different housing type as they age, without leaving the City.

- The range of different housing types to be built should include small lot, zero lot line, rowhomes, and condominiums.
- Encouraging infill housing on both smaller lots as well as larger vacant lots is seen as important in supplying needed housing. However, focusing on larger properties with abandoned buildings and uses is also seen as equally important. Assistance with demolition and site analysis or remediation is seen as needed.
- Administrative processes including rezoning, permitting and engineering review are seen as problematic. These processes are holding developers and builders back from building more housing in Waukesha. Allowing for more flexibility as-of-right in residential and commercial zoning districts would allow developers to avoid a rezoning process and would save time and encourage a greater level of success in developing housing.
- Having a City single-point of contact or case manager follow projects through the review process would be beneficial. This may include review of developments by independent phases and development agreements to release bonds and letters of credit in a more timely manner would be helpful.
- Requirements for ground-floor non-residential or commercial uses in multi-story apartments and condominiums are seen as problematic as commercial spaces can take years to fully lease. Substituting clubhouses, fitness centers and other tenant facilities for commercial use leads to larger amenity areas than are needed for some projects, thus pushing up rental prices. A more flexible approach towards ground-floor activation is required.

This chapter provides an over-arching goal, as well as the objectives and strategies needed to address the opportunities and challenges identified through analysis of current housing-related initiatives, collected data, and public input.

Municipal Initiatives Goal:

To accomplish objectives and strategies which are comprehensive, address current planning efforts, and prepare the City to work with housing partners to enable the City to respond to identified needs and build a range of housing types for a wide range of income levels.

The objectives and strategies in this chapter seek to accomplish the overall goal of this chapter and provide the guidance, capacity, and organization needed to accomplish the goals, objectives, and strategies in the following chapters of this document.

Key objectives for this chapter include:

Selected Objectives

- Create additional Mixed-Use zoning district outside of downtown to allow for greater development flexibility
- Allow for smaller lot sizes in residential zoning districts
- Amend relevant plans to support proposed zoning district amendments
- Allow for multi-family attached housing and apartments as permitted uses in commercial districts
- Re-establish and expand Redevelopment District coverage area and awareness
- Expand development authority effectiveness

Chapter 2. Infill Construction and New Development Summary

This chapter focuses on the construction of housing units for smaller infill lots as well as for larger “greenfield” lots. Infill lots are identified in the Growth Analysis section of Chapter 1 and can be found scattered through the City. They range in size and configuration and offer opportunities for small-scale builders, individuals, and non-

profit housing partners to provide housing in existing neighborhoods. Some larger “greenfield” lots can also be found throughout the City; often large properties already zoned residential and located at the edges of the City limits. However, there are not a significant number of larger residential properties remaining.

This chapter addresses the infill and housing development construction opportunities and challenges identified through analysis of survey data, and housing market data. In addition, input was gathered from local stakeholder meetings, which resulted in the following key observations:

Stakeholder Interviews Guiding Observations

- Housing affordability and availability is affected by the lack of circulation in the housing market. The number of houses going on the market and the time they stay on the market has varied.
- Buyers looking to upsize and buy more expensive units are encountering some difficulty; however, buyers looking to downsize are encountering greater difficulty. This means their homes cannot be put on the market for those who need housing for families and larger households.
- More housing types are needed at varying price points to help with housing circulation.
- There is a market for speculative home building, especially those at the higher price points. However, supply of buildable lots can be a difficulty. Having assistance with lot preparation and/or assembly would help spur the speculative building market.
- The lack of housing circulation is also forcing many into the rental market, putting pressure on the price and supply of rentals. Rental units will be needed in the near and medium-term; however, an increase in the supply of for-sale housing would reduce the pressure on the rental market in the medium to long-term.

- Corporate demand for rentals as well as for-sale homes for temporary assignments and new employees is creating demand for apartments and condos at the upper price points. Employer interest in trying to ensure employees have adequate housing choices also provides an opportunity to seek employer assistance with City housing programs.

This chapter includes an overall goal directed towards encouraging infill housing construction as well as larger housing project development. The objectives and strategies in this chapter seek to fulfill the chapter goal and provide objectives and strategies to accomplish that goal.

Infill Construction and New Development Goal:

To provide direction, assistance and incentives to encourage the construction of houses which are needed to satisfy the existing and future housing demands. This includes providing a range of housing types appropriate for various income levels by increasing the potential of buildable sites, addressing the barriers to land development, and increasing the market exposure of available sites to potential builders, developers and non-profit housing partners.

The objectives and strategies in this chapter seek to accomplish the overall goal of this chapter and provide the guidance, capacity, and organization needed to accomplish that goal. Key objectives for this chapter include:

Selected Objectives

- Designate areas with underdeveloped properties which could host housing or mixed-use redevelopment or development projects
- Increase supply and utilization of available land

Chapter 3. Housing Rehabilitation Summary

This chapter focuses on housing conditions and the need for housing rehabilitation within the City. Because Waukesha has some aging housing stock and a changing housing market which has had to respond to young professionals, generational preferences, changes in the local economy and other factors, rehabilitation has become an increasingly important issue.

This chapter addresses the rehabilitation opportunities and challenges identified through analysis of survey data, and housing market data. In addition, input was gathered from local stakeholder meetings, which resulted in the following key observations:

Stakeholder Interviews Guiding Observations

- Senior housing will become increasingly important as the population ages. Given the older stock of housing in Waukesha, many seniors will most likely need assistance with emergency home repairs and interior as well as exterior handicap accessibility improvements. Many will likely not have the financial resources needed and many may qualify for low or moderate income financial assistance programs. City assistance specifically for seniors and disabled persons to renovate or rehabilitate their homes will be required in the near and medium term.
- Buyers are looking for renovated properties and lack the resources to undertake a significant renovation or rehabilitation project. Additional financial assistance will be required to assist first-time homebuyers as well as existing homeowners.
- Many young professionals who are employed in Waukesha may not qualify for low or moderate income assistance. An employer-funded rehabilitation program, sponsored by the City, could be an effective strategy to encourage

more renovations amongst younger professionals.

- Duplexes that had been converted to condominiums struggled to sell and did not qualify for all potential financial assistance, including downpayment and other government or private loan programs. This may indicate the potential for a duplex to single-family conversion program to provide a greater supply of housing which can qualify for buyer assistance.

This chapter includes an overall goal directed towards encouraging rehabilitation of both owner-occupied and rental homes. The objectives and strategies in this chapter seek to fulfill the chapter goal and provide objectives and strategies to accomplish that goal.

Rehabilitation Goal:

To provide direction, assistance, and incentives which encourage the rehabilitation of houses which are needed to satisfy the existing and future housing demand for a range of housing types and income levels.

The objectives and strategies in this chapter seek to accomplish the overall goal of this chapter and provide the guidance, capacity, and organization needed to accomplish that goal.

Key objectives for this chapter include:

Selected Objectives

- Increase Redevelopment Authority scope to support City rehabilitation programs
- Expand Existing and Establish Additional Home Rehabilitation Programs

Chapter 4. Funding Initiatives Summary

This chapter provides guidance towards increasing the utilization of funding sources to maximize the capacity of the City to engage in housing programs and initiatives. Waukesha has a solid history of providing

rehabilitation assistance, establishing partnerships to develop income-assisted and other housing projects, and providing rental assistance through the Housing Authority. However, in order to accomplish the goals, objectives, and strategies of the previous chapter, additional funding sources will be needed.

Throughout this chapter, housing issues and opportunities will often be defined in terms of affordability. There are many methods of defining the term “affordable,” including the Department of Housing and Urban Development (HUD)’s definition of thirty (30) percent or less of household annual gross income spent on housing.

It is important to be clear on how “affordable” is defined. Many Federal, State, and local programs use family income as a method of determining affordability and will base program assistance on how family incomes compare to the average or median family income for a local area. These comparisons can include the terms “moderate income”, “low income” and “very low income” to describe the income of families eligible for government assistance. Generally, these terms address families whose income is either slightly lower than the local area average, “moderate income”, considerably lower than the local area average, “low income”, or those near the poverty level, “very low income.” This study will use these terms when discussing housing issues and often in the context of the level of potential government housing assistance which may be needed.

In addition, many affordable housing advocates will use the term “workforce housing.” This generally describes housing for working persons and families who may have incomes ranging from slightly lower than the average local area income to slightly higher than the local area average income. These are people who work in the local community and earn decent wages yet may not be able to afford to live near their place of employment, resulting in a need to commute from outside the community. As these people make

significant contributions to the local economy, it is important to provide housing for them so that they can live and work within the same community.

This chapter refers to “workforce housing” when addressing housing issues for the local workforce and often in the context of potential housing opportunities and solutions to those issues, but not necessarily in need of direct government assistance or subsidies. Therefore, the term “affordable” can refer to the housing which is needed for families with lower than average incomes as well as housing which is sought after by those who may have near-average incomes, yet may still be unable to afford a place to live in the local community.

This chapter looks at survey data, housing market data, and the potential eligibility and opportunities for specific districts within the City in order to provide a full assessment of potential funding needs and sources. In addition, input was gathered from local stakeholder meetings, which resulted in the following key observations:

Stakeholder Interviews Guiding Observations

- Federal and State financial assistance and funding options for constructing housing are becoming more competitive and many are requiring matching funds from other sources in order to be awarded. Housing developments need a greater number of funding sources in order to become financially viable and to keep rents and price points down. Funding from sources such as HUD and Wisconsin Housing and Economic Development Authority (WHEDA) need to be supplemented by other public and private funding sources, such as State and Federal sources, non-profit housing organizations and partners, financial institutions, and local employers.
- City organizations such as the Housing Authority and the Redevelopment Authority have been very effective in assisting residents, developers and the City increase housing affordability,

supply and options. Increased use of authorities, including expansion of funding and responsibilities, will become increasingly important as the need for their support grows in response to housing demand.

This chapter includes an overall goal directed towards maximizing funding for the goals, objectives and strategies listed in this Study. The objectives and strategies in this chapter seek to fulfill the chapter goal and provide objectives and strategies to accomplish that goal.

Funding Initiatives Goal:

To encourage greater current and future utilization of Local, State, Federal, and other housing-related funding programs in order to encourage the housing rehabilitation and construction projects which result in more affordable housing stock and which provide more financial assistance options to renters and home buyers.

The objectives and strategies in this chapter seek to accomplish the overall goal of this chapter and provide the guidance, capacity, and organization needed to accomplish that goal.

Key objectives for this chapter include:

Selected Objectives

- Expand effectiveness of HUD funding utilization to apply to more areas of the City
- Evaluate potential for current TIF districts to fund workforce and affordable housing construction and rehabilitation
- Establish public/private partnerships to fund City purchase and rehab and/or City purchase and build housing programs

Conclusions and Key Findings

Housing, employment and location are closely related to each other in the Waukesha housing market as identified in the City's Comprehensive Plan and Central City Master Plan. The supply of single-family homes is currently healthy, although affordability for different family types and income levels is becoming a more significant consideration as local and regional demographics change. Housing development has addressed demographic needs and characteristics through the decades; however, this report shows a continued need for greater diversity in neighborhoods, including different densities and housing types. Meeting this need for diversity may have to occur in more homogenous neighborhoods as the supply for available and re-developable land becomes scarcer. As Waukesha approaches greater build out, fewer parcels will be available to meet housing needs. New housing will need to utilize isolated parcels as well as re-developable properties in different neighborhoods.

New housing should also be seen as an opportunity to support local businesses as well as providing options for current and future residents. As Waukesha becomes more and more integrated in the suburban metropolitan area, housing needs will likely need to accommodate the desires of workers who currently live outside the city limits but within the County and are familiar with the area. Housing supply will also need to reflect varying demographic types looking for amenities and opportunities the growing metropolitan area can offer. Intergovernmental cooperation amongst neighboring communities and Waukesha County will most likely focus on access to transit and transportation, as this report will show this issue to be important to new home buyers and renters in the younger age brackets. Local attention to pedestrian access, walkability and appropriate placement of housing developments will help support transit efforts as well. Cooperation with State agencies will be important to consider when looking at

redevelopment, lower income needs, and the potential for brownfield development.

In particular, the City center will provide an opportunity to satisfy identified housing needs and also to support the amenities, walkability and transit options that have become so important. With the varied needs identified in the assessment phase, a strong effort downtown will be reinforced by a strong housing effort. A combination of design, funding, redevelopment and State assistance should create the perfect opportunity to address housing, employment, visitor and other opportunities downtown.



Chapter 1: Municipal Initiatives

Introduction

This chapter focuses on the overarching municipal actions that the City of Waukesha can undertake to set the stage for housing development, infill construction, rehabilitation and funding goals, objectives, and strategies in the following chapters. This chapter provides an over-arching goal, as well as objectives and strategies to address the needs, opportunities, and challenges identified through analysis of current housing-related initiatives, collected data, and public input.

Specifically, this chapter assesses planning documents which plan future housing growth, direct City resources as well as current community development programs. These programs support housing development and redevelopment in the community. This chapter also addresses survey data gained from a public survey, housing market data, an analysis of land with the potential for housing growth, and input gathered from local stakeholder meetings. The objectives and strategies in this chapter seek to accomplish the overall goal of this chapter and provide the guidance, capacity, and organization needed to accomplish the goals, objectives, and strategies in the following chapters of this document.

Understanding Community Reality and Regional Context

This section provides a snapshot of the characteristics present in the City of Waukesha at the time this study was conducted. To be effective, a plan must not only convey a direction for the community to strive toward, but also a sense of where the community currently resides. The main body of this Plan provides the direction, while this section provides the background context.

The following sections examine the plans and studies that have a bearing on this project's planning area, zoning and land

use. The following sections also address needs and potential municipal initiatives to address identified housing issues and opportunities.

Comprehensive Plan

The Comprehensive Plan was approved January 16, 2024. The Plan has seven chapters that affect housing, with the goals and policies reproduced below:

Chapter 2: Land Use

Recommendations:

1. **Higher Density Residential Development:** This plan recommends the City support opportunities for urban growth within the City by redeveloping underutilized urban lands for higher-density uses. Urban lands suitable for higher-density redevelopment, which are not identified in regional inventories, are often served by existing infrastructure and allow for more compact, efficient, and sustainable growth.
2. **Revise Zoning Ordinance:** This plan recommends that the City evaluate its current zoning code and update the ordinance to ensure that it is aligned with the City's objectives and with this comprehensive plan. An updated zoning code should aim to reduce barriers to quality development and allow for a mix of land uses in the City

Goals and Policies:

1. Establish and enforce land use goals, objectives, policies, and programs to reflect existing uses and provide guidance and flexibility for new development and redevelopment.
 - a. Create a new land use plan for residential and mixed uses that promotes redevelopment, efficiency, flexibility, and affordability given sharply rising land costs and limits on municipal growth.
2. Allow for greater flexibility, variety, and affordability in residential land use types, while maintaining a high quality of life in new and existing neighborhoods.

- a. Allow additional density and new housing types along major thoroughfares and gateways, such as Madison Street, Oakdale Drive, Grand Avenue, and Sunset Drive, as mapped under the Residential Attached land uses.
 - b. Study the potential to allow for accessory dwelling units (ADUs), accessory apartments, and duplexes in areas planned for Residential Detached land uses and establish a set of criteria for these uses.
 - c. Continue to monitor the City's housing stock at the neighborhood scale and study potential actions and policies to maintain or redevelop as the stock ages.
 - d. Permit the residential redevelopment of underutilized parking lots or commercial buildings in areas Mixed Residential Commercial areas.
3. Integrate land use and transportation planning to maximize the value of the City's transportation assets.
 - a. Explore opportunities to add housing density along public transit routes within the City
 - b. Study the housing and mobility needs of the City's growing aging population and consider steps to encourage new housing for the aging population in walkable and transit accessible locations.
 4. Promote walkable neighborhoods by allowing for a better/substantial mix of uses within walkable distances, including neighborhood retail, service, hospitality, and community gathering places.
 - a. Plan for walkable community nodes at selected intersections as shown on the Land Use Policy Plan and ensure that any change from commercial to a mixed use residential retains commercial storefronts at key locations.
 5. Plan for a mix of uses along selected commercial corridors to address housing

supply and to create walkable places with a variety of goods and services.

- a. Promote a mix of residential and commercial development along Sunset Drive as shown on the land use policy plan map.
 - b. Identify underutilized commercial buildings and surface parking lots for potential redevelopment into a variety of housing types to provide needed housing supply, create customers for nearby commercial spaces, and to otherwise activate commercial corridors
6. Celebrate the City's downtown as the heart of the community.
 - a. Continue to add new housing units of all types and price ranges to the central City.

Chapter 3: Housing

Recommendations

1. Increased Development Density: With a growing population and limited land available for new development, this plan recommends increasing development density within the City, with increased housing density in some areas and residential redevelopment in others
2. A Variety of Housing Options: This plan recommends providing a substantial mix of housing choices for renters and homeowners.
3. Smaller Housing Units: The City should evaluate the local housing market and consider encouraging developers to include a higher proportion of smaller housing units in new construction. In addition to being more affordable, demand for smaller housing units typically increases as average household sizes decrease.
4. Conduct a City-Level Job/Housing Analysis: This plan recommends that a detailed job/housing analysis specific to the City be conducted, with an analysis of community-specific wage data and

housing price data. The analysis should also consider the effect of multiple workers in a household.

5. Quality Housing Options for Households of All Income Levels This plan recommends that all households within the City have access to quality housing options within the City that meet their needs at a cost of no more than 30 percent of their household income.
6. Increased Development Density: This plan recommends that policy considerations set forth in this report, including locating jobs, regulating development, and investigating and addressing discriminatory activity relative to the sale and rental of housing, ensure that residential development, which is generally provided by the private sector, is properly coordinated with other aspects of regional development.

Goals and Policies

1. Recognize the City's role in ensuring a balanced housing supply.
 - a. Implement the City's comprehensive plan, including the land use policy map, to promote residential, mixed use residential, and complimentary uses within appropriate structure types and at appropriate densities as part of a cohesive, efficient, and flexible development pattern.
 - b. Review, research, update, and enforce zoning and subdivision regulations to promote an appropriate variety of market-rate housing in the City that corresponds with the land use policy map.
 - c. Engage the public in information-sharing and decision-making processes regarding new development to build support for structure types and densities that support implementing this plan.
2. Establish and maintain a balanced housing supply composed of an adequate variety of housing types and sizes for ownership and for rent that is cost-attainable across a wide range of income levels to ensure all City residents have access to quality housing options.
 - a. Develop programs that prioritize providing sufficient housing for households of all income levels as a key component of a balanced housing supply.
 - b. Housing programs should recognize the correlation between an imbalanced housing supply and rates of homelessness.
3. Acknowledge that the most important initial factor related to the City's livability is the cost of housing.
 - a. Recognize that cost-attainable housing requires a mix of available housing units costing no more than 28% to 30% of a household's income.
 - b. Promote the availability of land for the development or redevelopment of cost-attainable housing.
 - c. Review housing needs established in the City's annually updated housing affordability report and review and implement recommendations from the City's 2019 housing study and needs assessment. Consider creating an update to the 2019 housing study and needs assessment to reflect changes in the housing market that have occurred since it was completed.
 - d. Consider housing-related goals and information in each element of this comprehensive plan when updating the City's annual housing affordability report to ensure the updated housing affordability report recognizes the role of development density; a variety of structure types and sizes; access to jobs, parks, stores, and community facilities; and other factors in sustaining quality, cost-attainable housing, and to evaluate how the City is achieving housing-related goals.

4. Conduct a jobs/housing balance analysis immediately after this plan's adoption and again within five years of this plan's adoption using data on areas with concentrations of jobs, including data on wages; data on housing (supply, cost, types, size, and other characteristics) located near concentrations of jobs; data on household income levels; and on public transit connections between areas with existing cost-attainable housing and major employment centers.
 - a. Implement recommendations set forth in this plan and develop additional strategies to prevent any job/housing imbalance.
 - b. Take action to address any jobs/housing imbalance by researching best housing practices and connecting with local and regional builders/developers, nonprofit organizations, realtors, landlords, financial institutions, housing advocacy groups, and other stakeholders.
5. Establish policies that recognize the housing needs of populations that are not well addressed by the private sector, including low-, very low-, and extremely low-income households; the aging population; people living with disabilities; and people experiencing homelessness.
 - a. Study the housing and mobility needs of the City's growing aging population, support lifecycle housing strategies, and promote the creation of new housing for the aging population in walkable and transit accessible locations to enable the City's aging population, specifically residents aged 65 and over, to continue to live within the City.
6. Ensure that the City's housing stock is maintained, rehabilitated, and improved for the safety and comfort of owners and tenants, neighborhood life, and the City's tax base.
 - a. Conduct an annual evaluation of the conditions of the City's existing housing stock using data from the municipal assessor's office and from private assessors. Examine results geographically, by property owner, by year built, and using other criteria to determine if structures less than average condition ratings are concentrated within distinct areas, under certain ownership, by year built, or in other ways.
 - b. Develop strategies and financial assistance programs to address necessary improvements to structures with a poor/very poor condition score. Evaluate purchase and demolition options of unsound residential structures for new residential redevelopment.
 - c. Maintain code compliance through building inspections during permitting or following complaints.
7. Sustain programs administered by the City of Waukesha Redevelopment Authority (RDA) that provide financial resources for rehabilitating cost-attainable housing and constructing new housing for residents at or below 100 percent of the County median household income level.
 - a. Continue the RDA's Homeowner Rehab Loan Program, the objective of which is to improve the quality of cost-attainable, owner-occupied housing in the City and to incentivize reinvestment in the City's central neighborhoods.
 - b. Continue the RDA's Rental Rehab Loan Program, which makes loans available to improve eligible rental properties affirmatively marketed and rented to households at or below 80% of the area median income level.
 - c. Provide financial assistance through the RDA's Affordable Housing Development Fund for a variety of redevelopment activities, including

smaller scale residential redevelopment activities that create new, cost attainable housing units for home ownership and for rent.

- d. Utilize available Community Development Block Grants (CDBG) for projects that will result in improving the quality and increasing the quantity of cost-attainable housing
 - e. Work with the County and University of Wisconsin-Madison Extension on five-year neighborhood revitalization strategy area (NRSA) plans for the City's three NRSA's: Phoenix Heights, Haertel Field, and West Side.
8. Support the Waukesha Housing Authority (WHA) as it works to maintain and improve its stock of public housing and assisted housing programs.
- a. Develop and sustain programs that help low-, very low-, and extremely low-income residents find and obtain accessible and appropriate quality housing.
 - b. Support and budget for the WHA to maintain the City's public housing units and programs.

Chapter 4: Economic Development

Recommendations:

- 1. Commuter Flow Analysis: This plan recommends that the City conduct an analysis of commuter flow data to understand where residents are commuting for work and where workers are traveling to the City from. This analysis can help to inform a wide range of investments and policy decisions related to housing, transportation, and economic development.

Goals and Policies

- 1. Continue to promote downtown Waukesha and support downtown business development.
 - a. Support new residential development downtown for people of all ages and income levels to

increase the housing supply, address housing needs, and to increase the customer base for downtown businesses. Seek funding sources to convert upper floors to residential or vacant and underutilized buildings to residential uses.

- 2. Advertise the City's land use policy to businesses and developers with a goal of encouraging economic development by adding to the City's livability and enhancing an employer's ability to attract a workforce.
 - a. Promote the production of an adequate supply of new workforce housing of sufficient quantity, quality, size, and density to serve the existing and anticipated workforce within reasonable proximity and multimodal access to new and existing employment centers.
 - b. Utilize Affordable Housing extensions for Tax Incremental Finance (TIF) in accordance with Wisconsin Statutes to improve the supply of workforce housing and improve the quality of existing housing stock.
 - c. Work with major employers to create and maintain employer-assisted housing programs where employees can access downpayment assistance, renovation funds, or other incentives to establish residency near their place of employment while also revitalizing existing neighborhoods.
 - d. Identify sites for multiple-unit housing that may be eligible for Low Income Housing Tax Credits (LIHTC) and support applications that utilize this funding source to create additional housing units for the workforce.
- 3. Utilize the City's TIF powers to encourage the conservation and renewal of viable urban areas.
 - a. Utilize mixed-use Tax Incremental Districts (TID) to incentivize redevelopment projects that include the addition of housing units.

- b. Carefully consider utilizing the Wisconsin's one-year affordable housing extensions when approaching the termination date of successful TIDs.
4. Monitor and adapt to trends in business practices.
 - a. Amend home occupation and home industry zoning regulations to accommodate remote work and uses that are compatible with residential uses while eliminating any non-compatible uses.
 - b. Identify more opportunities for live-work development

Chapter 5: Transportation and Mobility

Recommendations:

1. Eliminate Parking Minimums: This plan recommends that the City regularly review its parking ordinances and consider reducing or eliminating parking minimums.

Goals and Policies

1. Integrate land use and transportation planning to maximize the value of the City's transportation assets and promote safe, convenient, and efficient connections between a mix of uses.
 - a. Require new development to establish intentional and well-designed, multimodal connections with adjacent development, nearby neighborhoods, commercial and employment areas, parks, and to other destinations and the existing transportation network.
 - b. Explore opportunities to increase residential density along transit routes to increase the number of City residents who have convenient access to transit and better support the transit system. This includes redevelopment of unused or underutilized commercial parking lots along these transit lines to multi-unit residential.

- c. Consider steps to encourage new senior housing in walkable and transit-accessible locations to address the housing and mobility needs of the City's growing aging population.
2. Research zoning and permitting best practices and establish and implement policies and regulations for on- and off-street parking, street use, and parking requirements that minimize public and private costs and conflicts in relation to requiring/providing parking for vehicles.
 - a. Reduce off-street parking requirements to disincentivize driving, especially in mixed-use, high-density, transit-served areas.
 - b. Seek opportunities for parking agreements between the City and downtown residential and commercial property owners.
 - c. Evaluate the cost of providing parking for new residential development and consider adjusting parking requirements when appropriate to the development.

Chapter 6: Utilities and Community Facilities

Recommendations

1. Efficient Development Pattern: This plan recommends that the City promote an efficient development pattern whereas various land uses are spatially distributed and connected to promote the efficient provision of services and utilities while also encouraging active transportation, which can proactively promote health and wellness and ease the burden of care on health care facilities

Chapter 7: Parks, Recreation & Culture

Goals and Policies

1. Establish policies and programs, and utilize the City's Landmarks Commission, to protect and maintain historic places, including local landmarks, historic districts, and properties listed on the National Register of Historic Places, to foster the City's unique aesthetic and character.

- a. Develop programs to support the preservation of historic sites and districts within the City.
- b. Continue to maintain and seek to develop and fund additional programs to support the preservation of historic sites and districts within the City

Chapter 9: Intergovernmental Cooperation and Implementation

Goals and Policies

1. Review and update City ordinances and policies to support implementation of the comprehensive plan.
 - a. Conduct a comprehensive review and overhaul of the City's zoning ordinance 130 to implement the goals and policies contained within this plan and reflect the City's fixed borders, redevelopment opportunities, and housing affordability challenges. The City has participated in two recent housing affordability studies by the Congress for New Urbanism (CNU) and the Wisconsin Policy Forum, each of which identifies a list of Zoning Ordinance amendments that could support the development of and assist in reducing the cost of needed housing units in the City.
2. Maintain existing relationships and explore opportunities to partner with adjacent and overlapping jurisdictions.
 - a. Collaborate with the School District of Waukesha to identify opportunities to use vacant, underutilized, or undeveloped property for development or redevelopment in accordance with the land use policy.
 - b. Maintain existing relationships and explore opportunities to partner with adjacent and overlapping jurisdictions.

Central City Master Plan

Waukesha passed the Central City Master Plan in 2011 to facilitate the positive transformation of Downtown Waukesha, increase property values in the area, and enhance the stability of the Downtown and Central City. Goal No. 2 of the Downtown Goals and Urban Design chapter has bearing on this Plan. The goal focuses on increasing the number of residential units across all categories of this residential lifestyle. To achieve this, the City identified the following objectives to aid in implementation:

- Incentivize rental units targeting potential customers for Downtown businesses.
- Incentivize high value housing.
- Employ design guidelines for multiple types of housing.
- Promote residential amenities such as plazas, gardens, and active places.
- Streamline the development approval process.
- Increase support and make compliance with the building code easier for historic preservation.
- Help property owners attain loans for property improvements.
- Seek alternative funding for business development.
- Facilitate placement of a grocery store Downtown.

These recommendations are still relevant and are supporting many of the recommendations of this Study. They should continue to be implemented by the City.

Survey Data

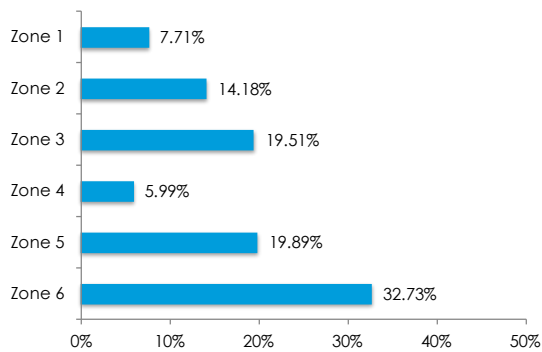
The project team administered a Housing Needs Questionnaire to residents, employees, and visitors to Waukesha as part of the Housing Study planning process. The survey was comprised of 40 questions and was available to anyone in the region. The City promoted the survey in news stories, social media, social groups, church bulletins, school take home folders, and several other outlets. The City collected responses for roughly one month, between mid-October and mid-November of 2017, and the average response completion time was 13 minutes. The survey focused on assessing the current housing stock, evaluating community needs and desires, and understanding household compositions throughout the region. This report summarizes the responses from 1,250 participants that completed the survey.

The following lists the responses which are relevant to this Chapter;

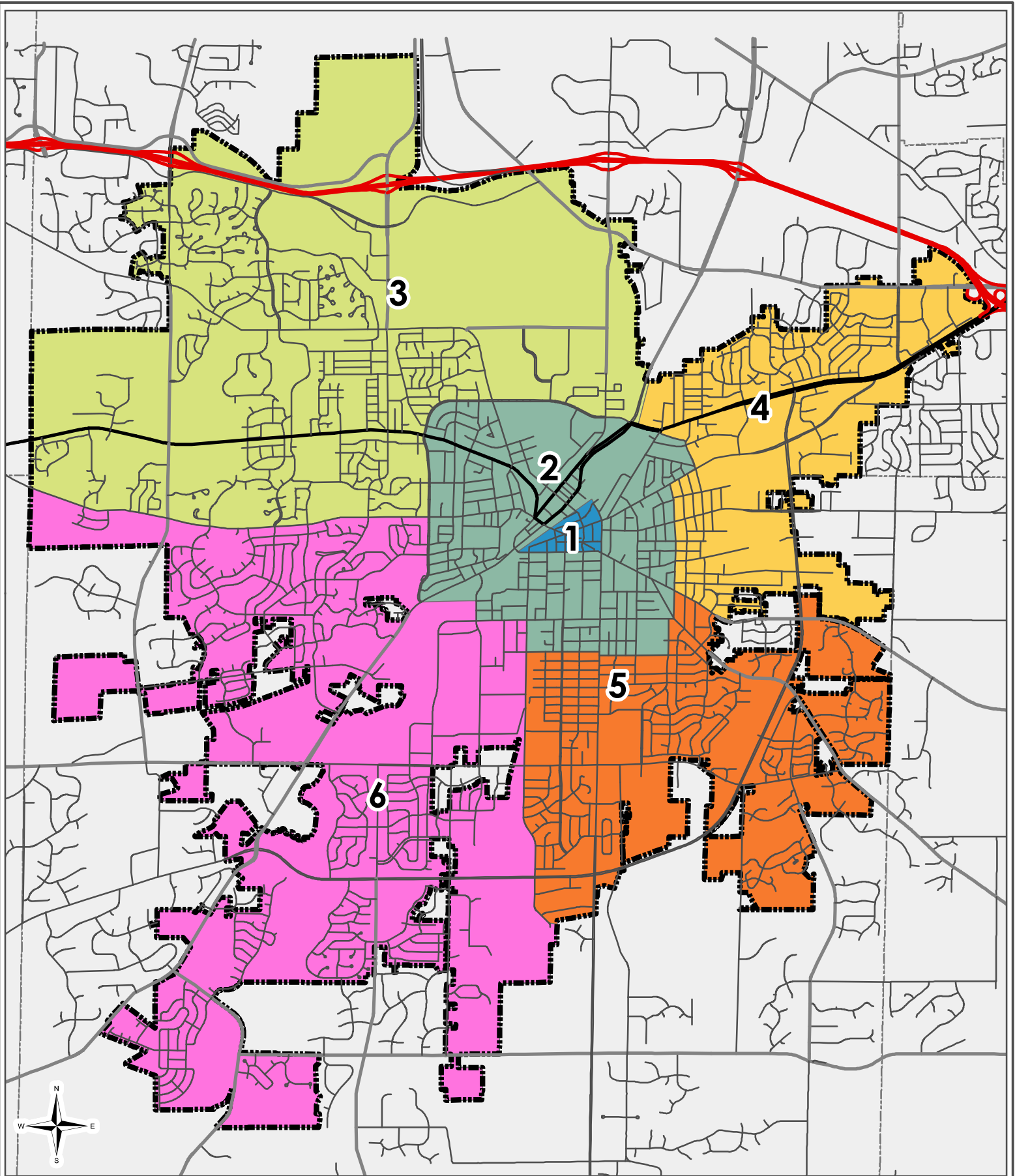
Current Housing Description

- Map 1.1 on the following page delineates survey zones within the City. **Figure 1.1** shows which zones survey respondents indicated they live in. Most (32%) live in Zone 6.

Figure 1.1 Responses by Survey Zone



- The vast majority, 80% are homeowners.
- The highest percentage of respondents (27%) have lived in their homes between 10 and 15 years.



Map 1.1 Survey Boundaries

City of Waukesha Housing Study
December 27, 2018

0 0.25 0.5 1
Miles

Zones



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Current Household Description

- The highest percentage of respondents (26%) are between 45 and 64 years old. Although, there was also a high response (22%) of respondents under the age of 18.
- Most of the respondents (84%) work full time.
- The highest percentage of respondents (25%) are employed in the professional, research, management, or administrative industry.
- Those making between \$75,000 and \$99,999 per year were the highest percentage of respondents, at 17%.

Owner Occupied – Self Reported Housing

- The highest percentage of respondents who are homeowners (19%) are paying between \$1,500 and \$1,749 per month on housing costs.
- Those with homes valued between \$200,000 and \$299,999 represented the highest percentage at 42%.

Renter Occupied – Self Reported Housing

- Those paying between \$1,000 and \$1,249 per month on rent were the highest percentage of renters, at 27%.

Waukesha Community Needs

- A high percentage (42%), think the City needs more affordable homes for first-time buyers. 27% indicated the City needs more homes in general.
- Nearly half of the respondents (41%) think the City does not need more conventional single-family subdivisions.
- A high percentage (40%) think the City does need more single-family subdivisions designed as traditional neighborhoods, with grid streets with sidewalks.
- The highest percentage of respondents (46%) think the City needs more single and two-family rentals. While 48% do not think the City needs more apartment structures with 4 or more units.

- The highest percentage of respondents (46%) think the City needs more continuum of care/senior housing.

Housing Market Assessment

Waukesha's population was estimated to be 71,158 persons, according to the 2020 US Census. The Department of Administration's 2018 estimate of 71,731 represented a 1.43% increase from the 2010 Census count of 70,718 persons. The DOA estimates are derived from a number of Wisconsin-specific sources.

Figure 1.2 shows the age limits of the different generations. **Figure 1.3** shows that the Silent Generation represents 3.7% of the population, whereas Generation Z represents 30.3% of the population. This is a greater percentage of the population than even the Baby Boomers. The median age for Waukesha is 36.8 years old. More detailed population figures can be found in the Appendix. The appendix will show population trends and compare population characteristics to similar communities, Waukesha County and within the State.

According to the 2022 5-year ACS, **Figure 1.4** shows that Waukesha's average household size and average family size are smaller than the County and State. The percentage of householders living alone was 32.7% and the percentage of those 65 years and older was 10.1%.

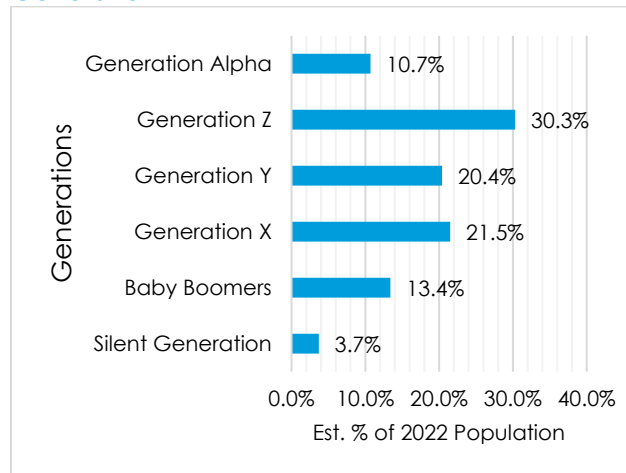
Appendix A shows these figures to be similar to other comparable communities and indicates a balanced need to provide housing for households with children, seniors, single householders and families.

Figure 1.2 Age Limits by Generation

Generation	Birth Years	Lower Age	Upper Age
Silent	1928-1945	79	96
Baby Boomers	1946-1964	60	78
Gen X	1965-1980	44	59
Gen Y	1981-1996	28	43
Gen Z	1997-2012	12	27
Generation Alpha	2010s -2020s	-	11

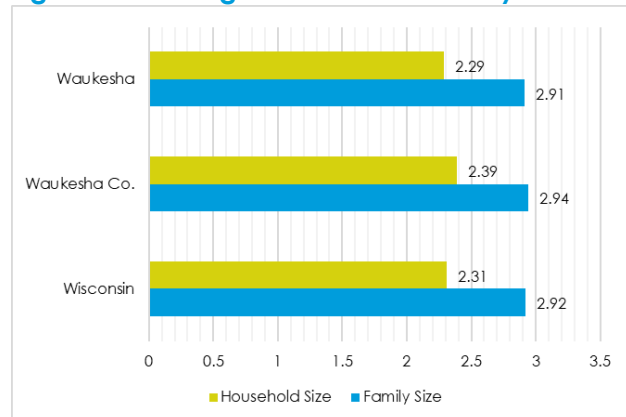
Source: "[S0101 Age and Sex](#)." 2022 ACS. Accessed May 11, 2024 by Vierbicher staff.

Figure 1.3 Percentage of Population by Generation



Source: "[S0101 Age and Sex](#)." 2022 ACS. Accessed May 11, 2024 by Vierbicher staff.

Figure 1.4 Average Household & Family Sizes

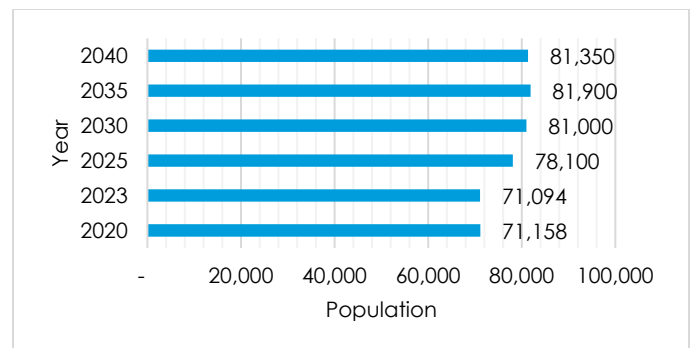


Source: "[S1101 Households and Families](#)." 2022 ACS. Accessed May 11, 2024 by Vierbicher staff.

Population Projections

Figure 1.5 shows Waukesha's population based upon Department of Administration projections. 78,100 persons in 2025, 81,000 persons in 2030, and 81,900 in 2035. Longer-term projections from the DOA and those provided in this study near the 2035 year seem to converge. 2019 calculated values suggested a 2038 City population of 80,978 residents. DOA estimates and projections had large discrepancies, showing larger per year growth between 2018 and 2025 than any other time frame. Given the discrepancy between the DOA population estimates and the projections, as well as the convergence of the DOA and the study projections in the long-term, the projections in **Figure 1.5** should be considered conservative projections, which can be used to reliably estimate future housing demand.

Figure 1.5 City of Waukesha Population Projections



Source: "[Population and Household Projections](#)." Wisconsin DOA. Accessed by Vierbicher Staff May 12, 2024. Notes: 2020 Decennial Census Value Used; DOA Annual estimate for 2023. 2025 Through 2040 estimates projected from 2010 Census.

Taking a closer look at projected population growth by age group, **Figure 1.6** shows all age groups are expected to grow through 2038 except the 50 to 69 age group. **Figure 1.7** shows the highest percentage growth rates to be for those in the 70+ age group and lower in the 19 or less age group.

Figure 1.6 Population Projections by Age Group

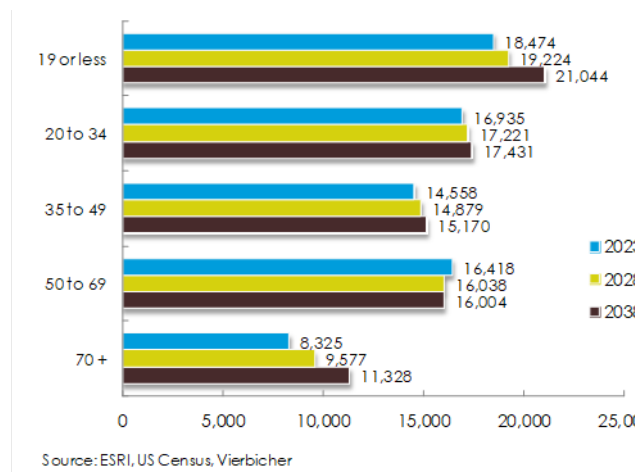
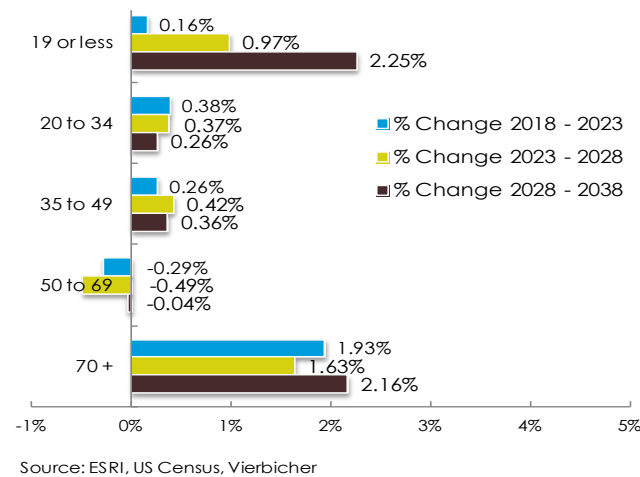


Figure 1.7 Population Projections by Age Group



Growth Analysis

A Growth Analysis was conducted in 2019 which summarized vacant residentially zoned properties using minimum lot size requirements, and estimated the amount of new housing which could be built on that vacant land to meet current and future demand. Map 1.2 on the following page shows the location of non-City and non-County vacant lots by zoning category. The study did not take into account the size or continuity of the available parcels. Nor did the study take into account the status of the properties and whether they are for sale or not. Therefore, the provided calculations are only intended to provide an overall

estimate of the maximum potential for new residential construction, should each parcel be developed at the minimum lot size.

Regarding single-family housing, **Figure 1.8** shows a total of 1,099 units could be built on vacant residential zoned land within the City. Looking at multi-family units, a total of 2,011 units could be built on vacant residential land. These figures take into account that only 75% of a parcel would normally be suitable for housing unit construction, with 25% being set aside for recreation, roads, stormwater facilities, and utilities.

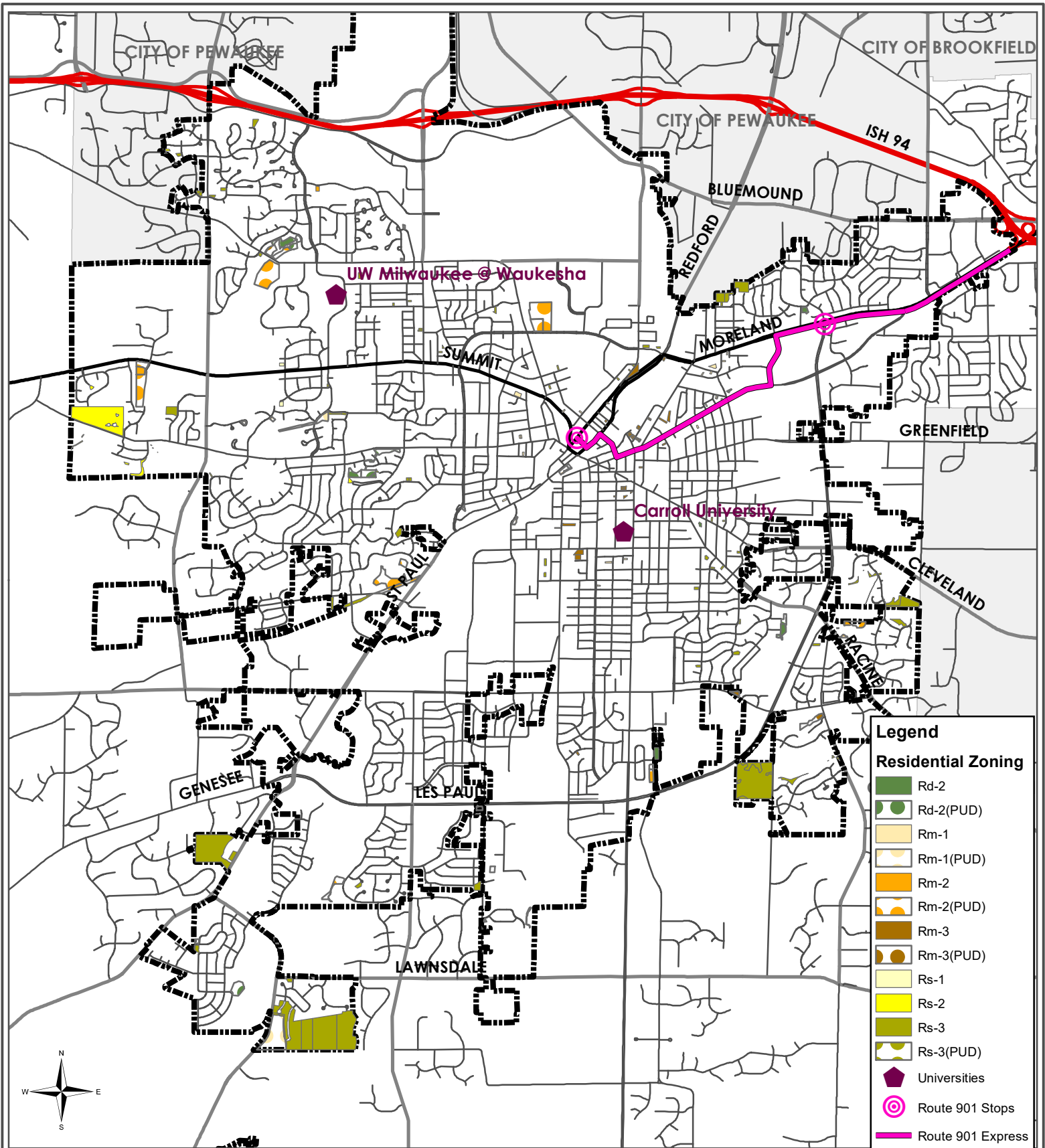
Figure 1.8 Potential Area and Number of New Housing Units

Zoning	Acres	Sq. Ft.	Minimum SF Lot Area per Unit	Potential SF Units	Minimum MF Lot Area per Unit	Potential MF Units
RD-1	0.00	0	n/a	n/a	7,500	0
RD-2	14.00	610,007	8,000	76	4,500	136
RM-1	24.30	1,058,334	8,000	132	3,500	302
RM-2	63.55	2,768,329	8,000	346	3,500	791
RM-3	11.15	485,910	8,000	61	3,000	162
RS-1	1.01	43,971	20,000	2	n/a	n/a
RS-2	33.57	1,462,121	12,000	122	n/a	n/a
RS-3	133.27	5,805,374	8,000	726	4,500	1,290
Total	280.86	12,234,046		1,465		2,681
Total Potential SF						
Units * 75%				1,099		
Total Potential MF						
Units * 75%						2,011

* Source: Local GIS & Zoning Data

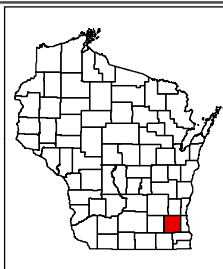
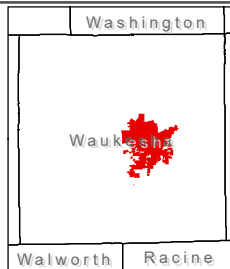
However, this analysis only shows the potential to build single-family or multi-family homes in new subdivisions as well as on infill lots or existing subdivisions with unbuilt lots. This analysis does not take into account environmental constraints, infrastructure constraints and other development challenges. In addition, due to the scattered nature and isolation of vacant parcels, building out the number of potential units would not be possible. Also, this figure shows both single-family and multi-family options for the vacant parcels.

In conclusion, the City of Waukesha will need to make best use of available parcels, to supply enough housing to meet demand. Many additional housing units will need to be added through vertical construction, buildings with multiple stories, as opposed to single-family housing in conventional subdivisions.



Map 1.2 Vacant Parcels Residential Zoning

0 0.25 0.5 1 Miles



City of Waukesha Housing Study
January 10, 2019

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Stakeholder Interviews

Stakeholder interviews were conducted to gather input from housing and housing industry-related professionals. This was completed in a workshop atmosphere where different housing market factors could be discussed in detail. The stakeholder input yielded important observations which were then compared to survey results and Census data, to provide a full picture of the housing market in Waukesha. The following lists the stakeholder observations which are relevant to this Chapter.

Builders/Developers

- Baby Boomers stay in the community to remain close to children and grandchildren and are looking for smaller yards with less maintenance.
- The housing market is currently very strong, though market sentiment is not straight-forward. The housing market is not keeping up with family formation and there is a demographic shift towards greater family formation and household consolidation.
- Millennials do not want to take on additional debt, which means they are not as likely to buy a house within the same timeline as the previous generation. Kids grew up with families losing their homes after the crash of 2008 and do not want to go through that themselves. Also, student debt may be keeping Millennials from buying homes. There is housing demand from younger buyers, but elevated market prices keep them out of the market.
- There are some challenges in the permitting process for Waukesha. The Engineering Department has seen new standards and staffing changes that are making housing development in Waukesha a bit more difficult.
- New engineering/site design standards are excessively high and are an issue when it comes to cost-effective development. Also, there is a lack of consistency between engineering review and field inspections, which leads to added costs.
- Larger-cost items including road and utility standards can be an issue as well because they are considerably higher than surrounding communities. Asphalt and pavement warranties are now two (2) years instead of one (1) year. Any repair work will extend that warranty as well.
- A new electronic tracking system has been installed, but has not fixed the issue. Review issues have been getting worse. There does not seem to be anyone coordinating the review. Once preliminary plats are handed off from Planning to Engineering, agreed-upon items do not seem to make the transition and timing for review no longer seems predictable.
- Lack of consistent project review management is an issue, with Planning and Engineering Departments being very separate and no cross-department oversight.
- There is an opportunity for the City of Waukesha to study the review systems, particularly for Engineering, to find ways to enhance the review process.
- One example would be an opportunity to separate municipal project review from private planning review. This would help speed up the process in Waukesha and allow for expedited review possibilities for workforce housing. There is also an opportunity for a plan review liaison to carry projects through all review departments and offices.
- Phasing issues within the Waukesha review process are also considerable. Phasing is important because banks need to see a certain number of lots sold before they release more money. When developers switch phases, new comments, reviews and inspections create additional delays and cost. This is affecting the timetable with the banks.

- Due to delays and costs, developers are needing to become builders as well because not enough money can be made as a developer.
- Waukesha has traditionally been good to work with and have allowed higher densities. However, the relationship between developers and reviewers has changed. There is less communication between departments which leads to bottlenecks.
- Developer agreements have helped with phasing and review expectations. However, lack of consistency and attention to timing is hurting projects. Greater communication and understanding from reviewers regarding when projects need to be started and which season is ideal for certain improvements would be helpful. Additional staffing may help with this issue as well.
- Financing costs are compounded by the requirement for larger letters of credit. Getting letters of credit reduced after work is completed is taking too long. These add to the phasing issues and further complicate timing.
- Homelessness is an issue for Waukesha. However, many think Waukesha is taking in the homeless from other communities. When in reality, many of the homeless are from Waukesha and not from outside of the City. The perception from the stakeholder interviews is that the City does the most to take care of the homeless. They believe other communities need to contribute more.
- A regional homelessness study is needed in order to clarify the extent to which homelessness is a problem in Waukesha and the surrounding communities.
- There also needs to be a mechanism to create value for vulnerable people. They do have workforce value. More training, apprenticeships and other programs are needed that provide an opportunity for vulnerable people to fill labor supply gaps. Business alliances and merchants associations could help fund solutions for integrating vulnerable people into the workforce.
- The Community-Based Residential Facilities (CBRF) directory and other health services are good resources; however, more needs to be done to coordinate and centralize homeless services.

Non-Profits

- Waukesha does not have a full spectrum of housing and the market is very segmented. The City needs mixed-income and mixed-ownership developments.
- Smaller lots would help for entry-level homes, but condominiums would help even more.
- Renters with criminal records are difficult to find housing for. They are not participating in the workforce as much as they could be. Employers are not yet looking at different types of trainees. Therefore, a diverse group of people are struggling to find employment and housing.
- New developments should have units available with a wide range of price points.

- Waukesha planning and zoning policies and procedures are causing issues by not providing more affordable housing. It's understood that the City doesn't want to cluster low-income housing in one place. However, there is an opportunity to provide more affordable income housing within existing neighborhoods and as part of mixed-income communities.

Realtors

- There is a perception that Waukesha schools are not as good as other districts in the County. This is leading to those looking to buy higher end homes, to look in Waukesha last. However, this is a misconception as our schools are good. Buyers appear to go by test scores instead of personal experience,

amenities or other factors which make a community great for parents and children.

- Some adjacent school districts may have better test scores, but houses are not affordable in those districts.
- One advantage Waukesha has is the bus system.
- Taxes are seen as high; however tax rates are considerably lower than Milwaukee County communities.
- The market needs side-by-side ranch style-condo and duplexes.
- Some construction challenges include building excessively high above the water table.
- Waukesha does not have many rowhomes, yet there is a need for more
- Madison has zero lot line housing and those homes sell for under \$300k. Waukesha did have zero-lot lines being built at one time and they did sell.
- Waukesha needs homes available in the \$150k to \$200k range. Reducing lot sizes is key; however, requirements for greenspace are keeping densities too low to allow for less expensive lots.
- City services are making lots more expensive. People are buying lots with well or septic systems in the County and are saving as much as \$40k, yet still use City amenities.
- Developers have encountered considerable resistance to rezoning for apartments in certain areas of the City, including near Carroll University.
- There is resistance to high density projects.
- There is some resistance to low to moderate income projects.
- There is space available to build housing, but higher density condominiums and apartments are perceived as having a negative impact on the value of surrounding single-family homes, ruining views and causing

greater traffic. A study should be done to prove otherwise.

Landlords

- Planned Unit Developments have encountered significant opposition during public hearings.
- Multi-family development in certain districts requires ground floor commercial. This can be a difficult requirement to meet. It has taken up to 5 years to rent commercial spaces. Although commercial rental spaces are easier to rent now.
- Rehabilitation of larger buildings into apartments is seen as a viable market. The Museum and Bank One buildings are cited as examples.
- Developers looking for diversification, downtown properties and market value are seen as good options.

Stakeholder Interviews Guiding Observations

- Boomers who are staying in the community are looking to stay close to children and grand-children, but are looking to downsize and have less yard and maintenance.
- Millennials and young professional buyers are looking for smaller homes for financial reasons, but are also viewing quality as important as the size of the home.
- Reducing lots size requirements is seen as one method of assisting builders and developers build smaller and more affordable homes.
- Allowing for a greater mix of housing types in certain areas is seen as another method of building workforce housing. This also allows homebuyers to move to a different housing type as they age, without leaving the City.
- The range of different housing types to be built should include small lot, zero lot line, rowhomes, and condominiums.

- Encouraging infill housing on both smaller lots as well as larger vacant lots is seen as important in supplying needed housing. However, focusing on larger properties with abandoned buildings and uses is also seen as equally important. Assistance with demolition and site analysis or remediation is seen as needed.
- Administrative processes from rezoning to permitting to engineering review is seen as problematic and is holding developers and builders back from building more housing in Waukesha. Allowing for more flexibility and permitted uses in residential and commercial zoning districts would allow developers to avoid a rezoning process. This would save time and encourage a greater level of success in developing housing.
- Having a City single-point of contact or case manager follow projects through the review process would be helpful. Review of developments by independent phases and have development agreements which release bonds and letters of credit in a timelier manner would be helpful.
- Requirements for ground-floor non-residential or commercial use for multi-story apartments and condominiums is seen as problematic. Commercial spaces can take years to fully lease. Substituting apartment or condominium club-houses, fitness centers and other uses for commercial uses on ground floors leads to larger amenity areas than are needed for some projects, pushing up rents and prices. A more flexible approach towards ground-floor activation is required.

Concluding Observations

There is high demand for housing in the City. The presence of parcels which can be developed without rezoning, yet are still vacant, indicates that current development regulations may not offer enough flexibility to compensate for changing market conditions. Land prices may be too high for developers to make a profit under current market conditions, given the cost of labor, cost of building materials, price points of potential home buyers and renters, demand for different housing types, development regulations and the cost of infrastructure.

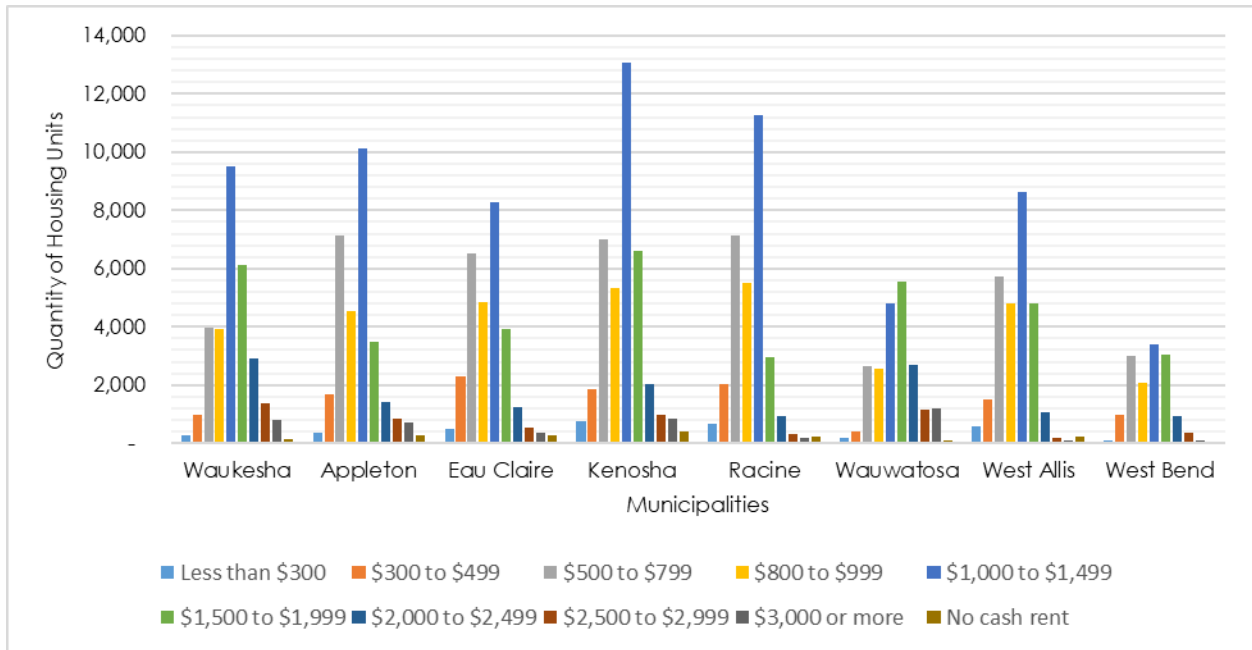
Waukesha is not the only community facing these challenges. The more urban communities, such as Wauwatosa and Kenosha are all seeing high monthly housing costs and corresponding price points.

Figure 1.9 shows Waukesha has an estimated 30,000 occupied housing units: 9,500 households are paying \$1,000 to \$1,499 a month and 6,000 households are paying \$1,500 to \$1,999 per month.

Kenosha, with 38,900 occupied housing units, has high monthly costs as well, with 13,000 households paying \$1,000 to \$1,499 per month.

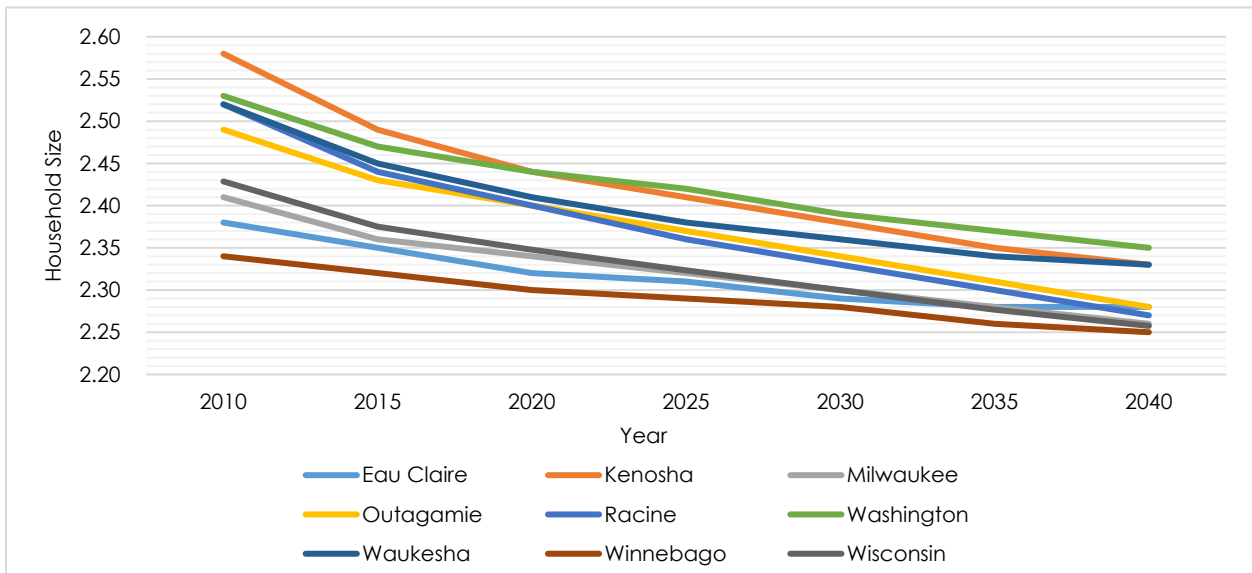
Furthermore, **Figure 1.10** shows household sizes are going to decline through 2040 for all comparable communities. Waukesha's project household size is in the middle of this range compared to other communities, but is still showing declines. Smaller households will mean demand for smaller houses. The combination of high monthly housing costs and demand for smaller houses creates a need and an opportunity for Waukesha to plan for different housing types at different price points, than may currently exist, and which could be built on available infill and other residential lots.

Figure 1.9 Monthly Housing Costs by Quantity of Occupied Housing Units



Source: "[S2503 Financial Characteristics](#)," 2022 ACS. Accessed May 12, 2024 by Vierbicher staff.

Figure 1.10 Projected Household Size by County



Source: "[Population and Household Projections](#)," Wisconsin DOA. Accessed by Vierbicher Staff May 12, 2024.

Waukesha has little control over the cost of labor and the cost of building materials. However, the City does have the ability to alter development regulations to address the challenge and opportunity to build houses on smaller lots. Current development regulations require 8,000 sq. ft. lot minimums in RD-2, RM-1, RM-2, RM-3, and RS-3 zoning districts. Developers and builders have identified the cost of development as a major issue in building profitable housing in the City, including the cost of land. Minimum lot sizes establish a certain cost of building a house. Decreasing lot sizes is one method of decreasing the cost of building houses. Having minimum lot sizes that are too large is one issue the City is currently facing and is one reason housing is not being developed.

The City also has an issue with having homogenous commercial zoning districts. The City has a significant amount of B-2, B-3, B-4 and B-5 zoning where residential uses are allowed in these districts. However, they are only allowed as conditional uses, meaning developers and builders would still have to go through a review process and would not be able to build as-of-right now. Allowing these uses as a permitted use would incentivize residential construction in these districts.

Another potential impediment to developing residential uses in the City's commercial districts is the requirement for ground-floor non-residential uses. This results in residential developers having to provide commercial spaces in multi-story residential buildings, and potentially facing financial and tenant attraction difficulties. This can also result in developers reserving lobby, recreational, club-house or other amenities on the ground floor larger than what is normally provided in an apartment or condominium building. The partial ground floor non-residential requirements support the Center City's master plan focus on creating street-level pedestrian activity. However, there may be other methods of achieving this goal. Developing architectural guidelines which put apartment condominium entrances at street level may be one method of

providing street-level activity. Also, waiving the requirement of income- or age-restricted units could assist with developing affordable, workforce projects which provide non-market-rate housing by keeping costs down.

In addition, the City does not have a mixed-use district which would allow for larger commercial and residential mixed-use developments (which are not necessarily integrated into a single building) to be developed as a permitted use. By not allowing for mixed-use development by-right, and without a rezoning, developers are unable to share costs and profits across a range of development projects and generate economies of scale on construction and development cost. In addition, by excluding multi-family residential development from commercial districts, developers are unable to build a customer base that can serve new commercial development or serve potential workers for new businesses. Combining commercial, office and multi-family residential uses in a new development, or on a redevelopment site, allows more incentives and assistance from private and public organizations, and entities, as housing and economic development can be combined.

Also, by allowing a combination of development types, the advantages for shared parking and shared use of driveways and roads (which are not exclusively used for just residential, commercial or office traffic) can be realized. Combining development types would also allow for a wider range of senior facilities, including assisted-living. They could be developed along with traditional housing types. In addition, combining development types also allows for better phasing and allows for infrastructure to be installed as different phases come online, versus all at once.

Finally, the City is going to need to work in conjunction with a number of housing partners to spur more residential development. These partners should include Waukesha County, the HUD HOME Consortium, State Housing agencies,

WHEDA, various non-profit housing organizations, financial institutions, neighborhood representatives, and local employers. The combination of funding and efforts provided through partnerships will be critical to achieving the City's housing goals.

Municipal Initiatives Goals and Strategies

This section includes an overall goal as well as the objectives and associated strategies needed to accomplish that goal. The objectives and strategies are organized in an implementation matrix that includes a recommended priority for each objective.

The priorities for objectives in all chapters range from one (1) to six (6), with one (1) being the highest priority and six (6) being the lowest priority. The implementation matrix also includes potential cost and potential staff hours to complete.

A timeframe is provided which outlines how long each strategy could take to accomplish, once undertaken. Finally, responsible organizations, the City, government agencies, housing partners, and non-profit organizations, are listed as the entities needed to accomplish each strategy.

Municipal Initiatives Goal:

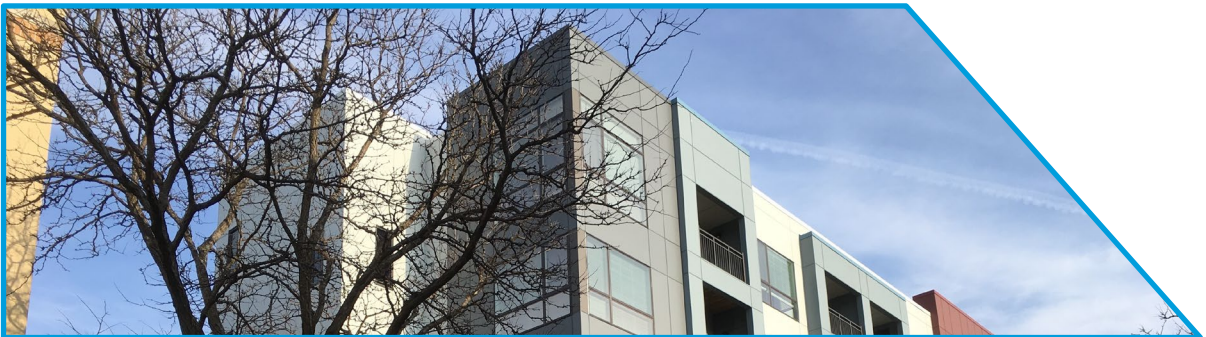
To accomplish objectives and strategies which are comprehensive, address current planning efforts, and prepare the City to work with housing partners to enable the City to respond to identified needs and build a range of housing types for a wide range of income levels.

The objective and strategies needed to implement this goal are listed in the Implementation matrix at the end of this chapter. In addition, objectives and strategies from other chapters could be relevant to those listed here. Examples of strategies in greater detail and the municipalities using those strategies are listed in Chapters 2 and 3.

City of Waukesha Housing Study - Municipal Initiatives						
Objective	Priority	Strategy	Potential Cost	Potential Staff Hours	Timeframe	Responsible Organizations
			*Annual Cost	* Annual Allocation	As of 2024	
Allow for multi-family attached housing and apartments as permitted uses in commercial districts	2	Allow for multi-family attached housing and apartments as a permitted use, instead of current conditional use, in the B-2, B-3, B-4 & B-5 zoning districts.	-	30	< 2 yrs	City
		Waive ground floor non-residential requirements for residential projects for low/moderate income, senior and veterans housing or for buildings designs with an architectural treatment which also encourages street-level activity, such as porches and individual unit entrances.	-	30	< 2 yrs	City
Create additional Mixed-Use zoning district outside of downtown to allow for greater development flexibility	1	Create mixed-use zoning district requiring mix of residential and other uses, such as commercial, office and recreation.	-	50	Ongoing	City
		Create mixed-use zoning district incentivizing a mix of residential and other uses, using shared parking, expedited permitting, waiver of fees or other incentives.	-	50	< 2 yrs	City
Allow for smaller lot sizes in residential zoning districts	1	Amend RS-3 zoning district to allow smaller SF lots, 5,000 to 8,000 sq. ft., for SF dwellings as a conditional use.	-	30	< 2 yrs	City
		Amend RM-1, RM-2 and RM-3 zoning district to all smaller SF lots, 5,000 to 8,000 sq. ft., for SF dwellings as a permitted use.	-	30	Ongoing	City
Amend relevant plans to support proposed zoning district amendments	1	Amend relevant plans, including the Comprehensive Plan, to support housing stock conservation overlay.	-	50	Completed	City
		Amend relevant plans, including the Comprehensive Plan, to support mixed-use development districts.	-	50	Completed	City
		Amend relevant plans, including the Central City Master Plan, to support multi-family uses in commercial districts, including provisions for low and moderate income/seniors and veterans.	-	50	Completed	City
		Amend relevant plans, including the Comprehensive Plan, to support smaller lots in residential zoning districts.	-	50	Completed	City
Re-establish and expand Redevelopment District coverage area and awareness	2	Re-establish Redevelopment Districts to focus on housing project assistance in the Central City and surrounding areas.	-	40	< 2 yrs	City/Redevelopment Authority
		Consider additional redevelopment district(s) to other targeted housing areas outside of the Central City with rehabilitation and infill construction needs.	-	40	< 2 yrs	City/Redevelopment Authority
		Increase exposure and awareness of Redevelopment Authority through promotion of mission statements, accomplishments and active projects.	-	40	Ongoing	City/Redevelopment Authority

City of Waukesha Housing Study - Municipal Initiatives						
Objective	Priority	Strategy	Potential Cost	Potential Staff Hours	Timeframe	Responsible Organizations
			*Annual Cost	* Annual Allocation	As of 2024	
Expand development authority effectiveness	2	Expand Housing Authority funding and impact by including Tenant Based Rental Assistance (TBRA) HUD HOME funds to supplement Section 8 Voucher program.	-	30	< 2 yrs	City
		Consider forming a Community Development Authority in the long-term by consolidating Redevelopment Authority and Housing Authority (while maintaining any federal funding sources as defined in annual HUD plans).	-	30	< 2 yrs	City
Enhance effectiveness of current impact fee program	4	Consider reduction of impact fees for targeted housing project areas to encourage development in defined redevelopment areas.	\$5,000	20	< 2 yrs	City
Enhance effectiveness of current assessment schedule	6	Study potential for short-term restructuring of assessment schedule to minimize impact of reassessments on home rehabilitation.	\$7,500	20	< 2 yrs	City
Establish and fund a neighborhood planning program	3	Prepare catalog of benefits to neighborhood planning, including successes from other City Departments - such as Parks and Recreation, case studies from other successful municipal neighborhood planning programs, and availability of funding sources to support neighborhood improvement and housing rehabilitation and construction.	-	80 & 20*	< 2 yrs	City/Neighborhood Partners
		Establish a neighborhood planning program.	-	80 & 20*	< 2 yrs	City/Neighborhood Partners
		Provide annual neighborhood planning grants to neighborhood associations or other neighborhood organizations on a rotating basis, starting with neighborhoods with greatest rehabilitation and infill development potential.	\$50,000*	20	3-5 yrs	City/Neighborhood Partners
		Provide implementation support and identification of capital improvements for Neighborhood Plans.	-	40*	3-5 yrs	City/Neighborhood Partners
		Initiate partnerships with neighborhood development organizations to seek additional and long-term funding for implementation of Neighborhood Plans.	-	40*	3-5 yrs	City/Neighborhood Partners

City of Waukesha Housing Study - Municipal Initiatives						
Objective	Priority	Strategy	Potential Cost	Potential Staff Hours	Timeframe	Responsible Organizations
			*Annual Cost	* Annual Allocation	As of 2024	
Enhance review and permitting processes for larger housing projects	2	Establish a single-point-of-contact or concierge-approach to guide developers through the planning and engineering review and permitting processes for larger housing projects.	-	80	Completed	City
		Develop phasing guidelines to allow for review, permitting and release of letters of credit and bonding by phases instead of for entire development.	-	80	Completed	City
		Develop thoroughfare plan and associated road hierarchy guidelines to assist with phasing and spine infrastructure delineation.	-	80	Completed	City
Proactively work with developers and investors to build identified housing projects on target properties	3	Identify and assess potential target housing sites & list potential incentives and cost for each site into a document for potential RFP.	-	30*	Completed	City
		Prepare site proposal packets for target sites, including all currently available information, and distribute to developers and other potential project partners.	-	30*	Completed	City
Coordinate annual round-table discussions with housing related professionals	4	Coordinate annual round-table discussions with landlords to encourage them to use new City housing programs and education regarding trending violations.	-	40*	< 2 yrs	City
		Coordinate annual round-table discussions with employers, economic development partners, realtors, developers & builders to assess and utilize City housing programs.	-	40*	< 2 yrs	City
Enhance downtown business coordination and improvements capabilities	4	Develop benchmarks and establish a regular business and customer survey program to gauge effectiveness of various Connect Communities activities in order to quantify where additional City or other funding could be applied, including effectiveness of programming local events, advertising and promoting the downtown, use of ibeacon or other individualized business-to-customer marketing, or downtown management policies.	-	40*	Completed	City
		Identify method for re-establishing downtown BID or other downtown improvement mechanisms in a cost-effective manner which does not impact costs for tenants who rent space, such as strictly commercial assessments, and utilize results of Connect Communities surveys and benchmarking to generate interest and consensus.	\$5,000	40*	3-5 yrs	City



Chapter 2: Infill Construction & New Development

Introduction

This chapter focuses on the construction of housing units for smaller infill lots as well as for larger “greenfield” lots. Infill lots are identified in the Growth Analysis section of Chapter 1 and can be found scattered throughout the City. They range in size and configuration and offer opportunities for small-scale builders, individuals, and non-profit housing partners to provide housing in existing neighborhoods. Some larger “greenfield” lots can also be found throughout the City, with large properties already zoned residential and located at the edges of the City limits. However, there are not a significant number of larger residential properties remaining.

Chapter 1 provides the overarching municipal actions that the City of Waukesha can undertake to set the stage for the construction of infill housing as well as for new housing developments. Chapter 1 advocates for smaller lots sizes, allowances for more residential flexibility within commercial zoning districts, and planning for larger developments with a mix of housing types, price points, and land uses as well.

This chapter further details a goal-directed outlook towards encouraging infill housing construction as well as larger housing development construction. The objectives and strategies in this chapter address the infill and housing development construction needs, opportunities and challenges identified through analysis of survey data, housing market data and stakeholder input. The objectives and strategies in this chapter seek to fulfill the chapter goal and provide objectives and strategies to accomplish that goal.

Recent Housing Projects

Spring City Crossing (Frame Park Commons) - Completed in 2021 at 1420 White Rock Avenue. Features 52 units in a 4 story building, with 33 one bedroom, 24 two bedroom, 15 three bedroom apartments while 1421 White Rock Avenue contains 20 units in a 2 story building.

Bridgewalk (Mandel) - Completed in 2023, located at 205 W St. Paul Avenue. A four story, 116-unit multi-family apartment complex with one basement level of parking. Unit mix includes 60 studio/one bedroom, 48 two bedroom, and 8 three-bedroom units.

The Den at Fox River (Fox Den) - Completed in 2022 at 2330 Fox Run Blvd, this development features 3 individual 2-story buildings with underground parking. There are 72 total units, with 16 units in one building, 24 in the second and 32 in the third. The unit mix includes 12 one-bedroom apartments, 36 one bedroom with den apartments, 18 two-bedroom apartments, and 6 three bedroom apartments.

Village of Fox River - Completed in 2023 at 2601 Elkhart Drive, this three-story high-end apartment complex consists of 174 units with underground and lot parking. There are 18 efficiency apartments, 84 one-bedroom apartments, 66 two bedroom apartments, and 6 three bedroom apartments.

New Perspectives - Completed in 2020 at 1701 E Broadway, this 128-unit senior housing continuum of care community consists of 92 senior apartments and 36 memory care units and features underground parking.

Glen at Standing Stone - Approved in December of 2020, this development consists of 108 detached and attached condo homes. Some units are still being developed.

Aspen Overlook - Approved in March of 2021, this development features nine buildings with 36 condo homes. Some units are still being developed, and two- and three-bedroom options are available.

Springs at Meadowbrook - The project was approved in 2022, and apartments are currently being constructed. There are 320 units within 16 residential buildings, with 32 studio, 128 one bedroom apartments, 128 two bedroom apartments, and 32 three bedroom apartments in a gated community. Single family homes will be built on 54 lots.

Survey Data

An online survey was conducted at the beginning of the housing study in order to gather public input. Survey responses yielded a number of important observations which are used in comparison to Census and other data analysis to provide a full picture of the housing market in Waukesha. The following lists the responses which are relevant to this Chapter.

Current Housing Description

- The majority of respondents, 75%, lived in single-family homes.
- Almost half, 47%, lived in three (3) bedroom homes.

Current Household Description

- The highest percentage of respondents, 39%, responded they had two (2) members in their household.
- The highest percentage of respondents, 26%, responded that they had those aged 45 – 64 living in their household, and 22% had persons under 18 living in their household.

Owner Occupied – Self Reported Housing

- Of those homeowners who responded, 16% spent between 20% and 24% of their income on housing.

Housing Location & Preferences

- The majority of respondents, 61%, responded they were very satisfied with their current housing.
- Almost half, 48%, were very satisfied with the size of their home.
- Many respondents, 38%, responded they were very satisfied with the walkability of their neighborhood and 52% were very satisfied with their proximity to community amenities.

Housing Amenities & Preferences

- The biggest reason why people do not live in the City is that they prefer large, rural lots; however, only 15.39% of respondents listed this as their reason.
- If those living outside the City were to consider moving to Waukesha, the majority, 62%, would prefer a single-family home and 11% would prefer a condominium.
- Almost half, 49%, would prefer a three (3) bedroom home.
- Thirty three percent (33%) considered a large yard as “somewhat important” and 44% considered covered parking as “very important.”

Waukesha Community Needs

- Looking at City needs, almost half of the respondents, 42%, believe the City needs much more affordable homes for first-time buyers.
- Almost half, 48%, believe the City does not need more single-family and two-family homes.
- A high percentage, 46%, believe the City needs a little more senior housing.

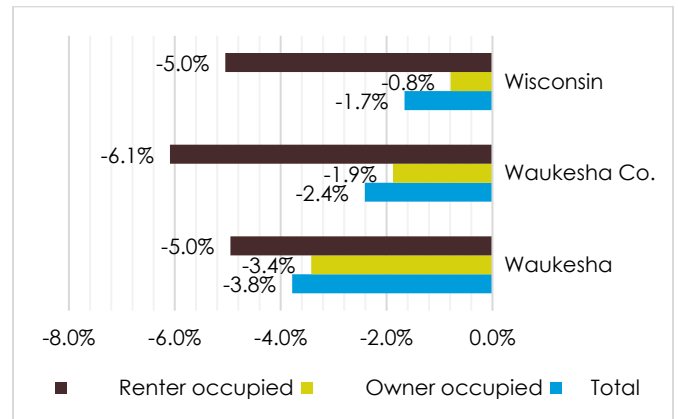
Housing Market Assessment

Beyond the basic demographics provided in the previous chapter, this chapter provides additional details regarding households and the types of housing which will be needed to meet their needs and income levels.

Figure 2.1 shows the Waukesha average household size to have decreased by 3.8% between 2017 and 2022. The magnitude of this decrease is greater than for the County or State. In addition, this figure shows owner-occupied household size to have decreased by a lesser amount across all geographies – city, county, and state. The decrease in renter household size has been most pronounced, with a 5.00% decrease in this category, similar to the state but less than the -6.1% rate for the County. The shift in total, owner occupied and renter occupied household sizes indicates a need for more varied housing for owners and, especially for smaller households.

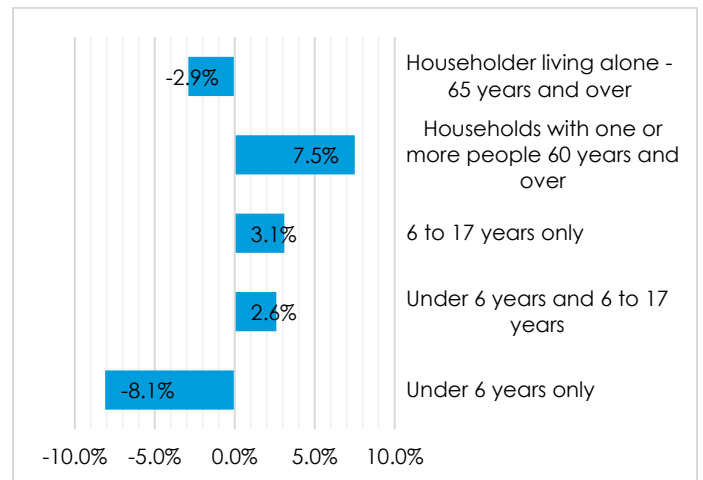
Taking a closer look at household composition and household size, **Figure 2.2** shows the number of Waukesha households with children under 6 to have decreased by 8.1% between 2017 and 2022. When this study was written in 2019, this cohort had an increase of 0.34% from 2010. The number of households with children aged 6 to 17 increased by 2.6%. However, the number of households with those 60 years or older increased by 7.5 % and those households with those 65 years and older and living alone decreased by 2.9%. This shows that the decrease in overall household size is being driven by several factors, including delayed household creation, couples delaying trying to conceive, and senior demographics.

Figure 2.1 Average Household Size - Percentage Change 2017-2022



Source: "B25010 Average Household Size of Occupied Housing Units by Tenure." 2017 & 2022 ACS. Accessed May 12, 2024 by Vierbicher staff.

Figure 2.2 Waukesha Households by Age - Percent Change 2017-2022

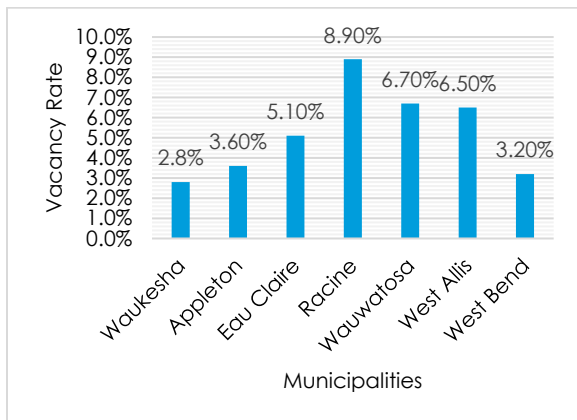


Source: "S1101 Households and Families." 2017 & 2022 ACS. Accessed May 12, 2024 by Vierbicher staff.

Regarding housing availability, **Figure 2.3** shows overall housing vacancy rates for Waukesha and comparable communities. These figures are obtained from the US Census American Community Survey (ACS) and should be considered a general representation of the housing market - more detailed look at the sales and rental market can be found in the Appendix. However, this figure shows Waukesha has the lowest overall vacancy rates, at 2.8%.

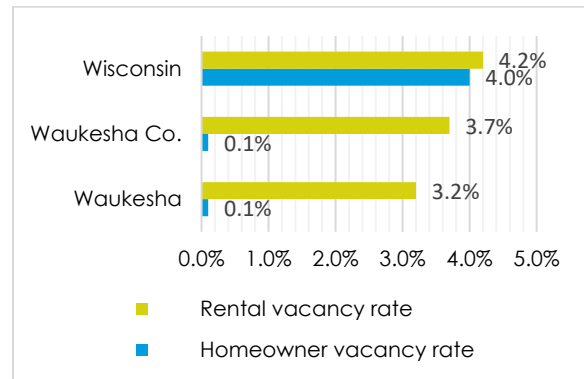
Figure 2.4 shows the homeowner vacancy rate for Waukesha is only 0.1%, considerably lower than for the County or State. The renter vacancy rate was 3.2%, a lower rate than for the County (3.7%) or the State (4.2). Looking at the vacancy rates shows that there is considerable pressure within the City of Waukesha for housing, either owned or rented, with changing demographics such as decreasing household sizes.

Figure 2.3 Overall Housing Vacancy Rates by Municipality



Source: "CP04 Comparative Housing Characteristics." 2022 5-year ACS. Accessed May 12, 2024 by Vierbicher staff.

Figure 2.4 Vacancies by Tenure



Source: "CP04 Comparative Housing Characteristics." 2022 5-year ACS. Accessed May 12, 2024 by Vierbicher staff.

Housing Affordability

Looking at the supply of the housing relative to affordability, **Figure 2.5** shows the number of owner-occupied households by median annual income range. This figure also shows the range of monthly housing costs which correspond to 30% of those income ranges and can be considered affordable. The number of households in each income range is listed and the number of owner-occupied housing units within each affordability range is also shown. Finally, the balance of owner-occupied households compared to the number of housing units in each range is provided. A positive balance indicates that there are more houses in a particular affordability range than there are households in the comparable income range. For instance, there are 4,195 more existing housing units in the \$1,250 - \$1,874 affordable monthly housing cost range than there are households in the corresponding \$50,000 to \$74,999 income range. However, this figure also shows there are deficits of 1,094 homes in the \$1,875 and higher affordable monthly cost ranges, corresponding to incomes \$75,000 and greater.

Figure 2.5 Owner-Occupied Housing Affordability Balance by Monthly Cost

Income Range	Owner Occupied HH In Income Range	Affordable Monthly Housing Cost Range	Owner Occupied Units in Affordable Range	Balance
\$0 - \$24,999	1,026	\$0 - \$624	1,385	359
\$25,000 - \$49,999	1,909	\$625 - \$1,249	5,042	3,133
\$50,000 - \$74,999	2,350	\$1,250 - \$1,874	6,545	4,195
\$75,000 - \$99,999	2,752	\$1,875 - \$2,499	2,662	-90
\$100,000 - \$149,999	4,931	\$2,500 - \$3,749	1,605	-3,326
\$150,000+	4,647	\$3,750 +	376	-4,271

Source: "S2503 Household Financial Characteristics & B25094 Selected Monthly Owner Costs," 2022 5-yr ACS. Accessed May 20, 2024 by Vierbicher staff.

It is important to note that **Figure 2.5** shows existing housing units, not available homes for sale. Therefore, given Waukesha's relatively low vacancy rate, these do not reflect market availability. They do, however, show that there is sufficient supply of homes at lower monthly cost and value levels which could be made available if there were greater opportunities for homeowners to upsize or if there was a greater level of rehabilitation activity.

Looking at rental availability, **Figure 2.6** shows the number of households by income range and the range of monthly rent which correspond to 30% of those income ranges. This figure also shows the balance of existing rental units at those rent ranges, as compared to households at the corresponding affordability range. For instance, Waukesha is shown to have an excess of 5,247 units in the \$625 to \$1,249 range, but a deficiency in number of housing units for all the other affordable monthly rent ranges.

Figure 2.6 Renter-Occupied Housing Affordability Balance by Rent

Income Range	Renter Occupied HH In Income Range	Affordable Monthly Rent Range	Renter Occupied Units in Affordable Range	Balance
\$0 - \$24,999	2,798	\$0 - \$624	629	-2,169
\$25,000 - \$49,999	3,889	\$625 - \$1,249	9,316	5,427
\$50,000 - \$74,999	2,421	\$1,250 - \$1,874	1,855	-566
\$75,000 - \$99,999	1,718	\$1,875 - \$2,499	235	-1,483
\$100,000 - \$149,999	1,168	\$2,500 - \$3,749	110	-1,058
\$150,000+	397	\$3,750 +	82	-315

Source: "S2503 Household Financial Characteristics & DP04 Selected Housing Characteristics," 2022 5-yr ACS. Accessed May 20, 2024 by Vierbicher staff.

Population and Housing Projections

Combining the population projections from Chapter 1 with the household sizes, ownership percentages and housing type preferences of each age group, basic projections of the housing type needed through the next 20 years can be created. **Figure 2.7** shows population growth for those under age 20 and for those 20 years and older along with their associated current and future housing needs.

The current vacancy rate is 0.1% for owner-occupied homes and 3.2% for renter-occupied homes. While the 3.2% rate is at the lower range, it could be considered "healthy." However, the 0.1% vacancy rate for owner-occupied housing is considerably low. Ideally, an owner-occupied housing vacancy rate should be 3.5%. Therefore, an additional 3.4% should be added to the current housing stock to bring the market back to "healthy." With an estimated 16,895 owner-occupied houses in Waukesha as of 2019, an additional 506 homes would be needed to meet current demand. Additional owner-occupied homes could include single-family as well as duplexes, triplexes, townhomes or rowhouses, and condominiums.

Figure 2.7 shows the immediate need for additional homes as well as future needs. For future needs, population growth is shown to be steady through 2038. In 2023, there was a need for 763 additional homes. From 2023 to 2028, there will be a need for 641 additional housing units. Finally, from 2038 to 2038 there will be a need for an additional 986 housing units.

Figure 2.7 Population and Housing Projections

	Current Shortage	2023	2028	2038
Additional Persons <20 yrs. old		117	750	1,821
Additional Persons 20 yrs. old +		1,709	1,479	2,218
Total Additional Persons		1,826	2,229	4,038
Additional Housing Units Needed*	508**	763	641	986

* Source: ESRI, MetLife Mature Market Institute, Zillow, Vierbicher

** Additional needed to achieve healthy rate of 3.5% for owner-occupied homes

These housing projections should be considered the minimum number of units which need to be built for new residents. Additional housing units will be needed to accommodate those with a range of needs which may not be met by future market-rate housing, such as those buyers needing income-assistance, assisted living or senior care, and college students.

Stakeholder Interviews

Stakeholder interviews were conducted at the beginning of the housing study to gather input from housing and housing industry-related professionals in a workshop atmosphere where different housing market factors could be discussed in detail. Stakeholder input yielded a number of important observations which are used in comparison to survey results as well as Census and other data analysis to provide a full picture of the housing market in Waukesha. The following lists the stakeholder observations which are relevant to this Chapter.

Builder/Developers

- Workforce housing is seen as a critical need. Single-family homes are needed at the right price point, between

\$275,000 and \$300,000 for established buyers.

- Building a home to sell at \$275,000 to \$300,000 is difficult. Labor prices are increasing.
- Entry-level homes are in short supply as well and there is demand; however, household incomes are not high enough to afford anything above the low \$200k price point.
- Townhomes are not popular, but other cities have had success and price pressure may change housing choice as well.
- Even on smaller lots, 5,000 to 6,000 square feet, building affordable homes is difficult, so current new home prices are between \$250,000 and \$500,000, which only some seniors and baby boomers can afford. Speculative homes are an opportunity here.
- The aging population has housing demands. Waukesha currently has a condominium project geared towards retirees. Half of the senior buyers are snow birds that only live in Waukesha part-time.
- Single-family homes are popular with couples 35 and older, many are living in outlying areas outside of City center, those built under the RS-3 zoning. However, these homes are too expensive for the younger population.

Non-Profits

- Housing affordability is an issue because there is minimal movement in the housing market. Those who can afford to move up to larger units or luxury units cannot do so because there is a lack of inventory. Therefore, there are not enough starter homes being freed up.
- Without a supply of starter homes, more and more people are renting, creating a shortage of rental units and higher rents as well. With the higher rents, there are more and more families and individuals living paycheck to paycheck.

- Rental market rates (2019) were around \$900 to \$1,000 for two (2) bedrooms, which is lower than Milwaukee. There is a demand for one (1) bedroom at the \$600 to \$800 range, though.
- More three (3) and four (4) bedroom apartments are needed.
- For-sale units need to be offered at the \$150,000 to \$200,000 range. Ideally, for-sale homes closer to \$100,000 would greatly assist those in the lower income levels. Market rates for housing are around \$250,000, with fewer expensive higher price-point homes than other places.
- Environmental cleanup efforts could help to put more vacant and underutilized land and facilities back on the market. Community living and cooperative living arrangements are not currently allowed by City zoning regulations.

Realtors

- Homes last 40 days on the market on average.
- Waukesha has been a seller's market for 3-4 years. Sale times peaked at 85 days and have come down to half that.
- The number of housing units in sale portfolio varies by agent, but everyone is low. Realtors used to have 25-30 homes or sale, now they have 8 or 9.
- Sellers are receiving asking price and above.
- Executive housing has a market here in both rentals and sales. Lots of younger executives are more mobile and willing to move state to state, city to city, but they want turn-key because they may have to move soon. Key employers with executive housing needs include GE, Pro Health, Kohls, Cooper Power Systems, Generac, Waukesha Heart Hospital, and Carroll University.
- More upsizing is seen in the \$300k to \$400k range. Downsizing is much tougher, not as much inventory.

- Low condominium inventory.
- Phoenix heights – largest brownfield in the State.
- The City needs to buy lots in order to encourage more low and moderate owner-occupied construction.

Landlords

- There are apartments with higher rents and occupancy levels are good as there are enough people able to afford the rent. Young professionals with larger corporations are a significant source of this customer base.
- When rents are raised, there is not too much resistance at the higher-rent properties.
- Single-Family rents are also higher, with young professionals and working families renting these units as well.
- Waukesha has some three (3) bedroom apartments but needs more and people are asking about them.
- Once families do get bigger though, many start looking to buy.
- Those who bought affordable condominiums are keeping the condo as a rental and then upsizing.
- Some of the larger corporations are renting units in their name so they can comply with longer lease terms. However, many corporate rentals for specific tenants request short-terms leases and they often need four (4) at a time. These can be difficult requests to fulfill.
- Some newly relocated professionals rent a one (1) bedroom while their family stays at home at their previous location.

Stakeholder Interviews Guiding Observations

- Housing affordability and availability is being affected by the lack of circulation in the housing market. The number of houses going on the market has dropped in recent months and the time they stay on the market has been reduced as well.

- Buyers looking to upsize and buy more expensive units are encountering some difficulty; however, buyers looking to downsize are encountering greater difficulty. This means their homes cannot be put on the market for those who need housing for families and larger households.
- More housing types are needed at different price points to help with housing circulation.
- There is a market for speculative home building, especially those at the higher price points. However, supply of buildable lots can be a difficulty. Having assistance with lot preparation and/or assembly would help spur the speculative building market.
- The lack of housing circulation is also forcing many into the rental market, putting pressure on the price and supply of rentals. Rental units will be needed in the near and medium-term; however, an increase in the supply of for-sale housing would reduce the pressure on the rental market in the medium to long term.
- Corporate demand for rentals as well as for-sale homes for temporary assignments and new employees is creating demand for apartments and condos at the upper price points. Employer interest in trying to ensure employees have adequate housing choices also provides an opportunity to seek employer assistance with City housing programs.

Infill Construction and New Development Goals and Strategies

This section includes an overall goal as well as the objectives and associated strategies needed to accomplish that goal. The objectives and strategies are organized in an implementation matrix that includes a recommended priority for each objective.

The priorities for objectives in all chapters range from one (1) to six (6), with one (1) being the highest priority and six (6) being the lowest priority. The implementation matrix also includes potential cost and potential staff hours to complete.

A timeframe is provided which outlines how long each strategy could take to accomplish, once undertaken. Finally, responsible organizations, the City as well as other government agencies, as well as housing partners, mainly non-profit organizations, are listed as the entities needed to accomplish each strategy.

Infill Construction and New Development Goal:

To provide direction, assistance and incentives which encourage the construction of houses which are needed to satisfy the existing and future housing demand for a range of housing types and income levels by increasing the potential of buildable sites, addressing the barriers to land development, and increasing the market exposure of available sites to potential builders, developers and non-profit housing partners.

In order to accomplish the infill construction and new housing developments goal, a combination of objectives and strategies will need to be implemented. In addition, objectives and strategies from other chapters could be relevant to those listed here. For instance, many of the funding objectives and strategies in Chapter 4 are complementary to the strategies listed in the implementation matrix for this chapter. Contacting relevant State Agencies and housing partners for assistance in seeking funding will allow the housing construction strategies to be implemented with less direct funding from the City and more funding from other sources.

Waukesha Housing Study - Infill Construction and New Development						
Objective	Priority	Strategy	Potential Cost	Potential Staff Hours	Timeframe	Responsible Organizations
			*Annual Cost	* Annual Allocation	As of 2024	
Designate areas with underdeveloped properties which could host housing or mixed-use redevelopment or development projects	1	Designate areas for development or redevelopment as housing or mixed-use projects, including vacant properties and aging commercial properties along East Main Street, East Moreland Boulevard, West Sunset Drive, Arcadian Avenue and Bluemond Road, which will require incentives and other assistance to encourage developer interest.	-	40 & 20*	Completed	City
		Designate areas near key intersections with the West Waukesha Bypass for development or redevelopment as housing or mixed-use projects which will require incentives and other assistance to encourage developer interest.	-	40 & 20*	Completed	City
		Identify and prioritize properties with housing development/redevelopment potential. Work with realtors/brokers to rank properties by developer interest.	-	40 & 20*	Ongoing	City
Encourage housing construction through site preparation assistance in the Central City and other designated development/ redevelopment areas	3	Create and administer a Preliminary Site Assessment (PSA) grant/loan fund, policies & regulations to assist developers with environmental assessment and/or remediation costs associated with housing development construction.	\$25,000*	20 & 20*	Ongoing	City
		Create and administer an environmental assessment and/or remediation grant/loan fund, policies & regulations to assist developers with environmental assessment and/or remediation costs associated with housing development construction.	\$40,000-80,000*	40 & 20*	Ongoing	City
		Apply for funding to prepare Phase I and Phase II environmental assessment on targeted properties and utilize DNR "Green Team" and other brownfield remediation resources.	-	40 & 20*	Ongoing	City
		Create and administer a demolition grant/loan fund, policies & regulations to assist developers with demolition associated with housing development.	\$40,000* + initial year investment	40 & 20*	Ongoing	City

Waukesha Housing Study - Infill Construction and New Development						
Objective	Priority	Strategy	Potential Cost	Potential Staff Hours	Timeframe	Responsible Organizations
			*Annual Cost	* Annual Allocation	As of 2024	
Audit infrastructure needs in Central City and other designated development/redevelopment areas	3	Conduct annual survey of Central City businesses and property owners to understand current and future downtown facility needs, including parking and utilization of existing Central City parking deck.	-	40 & 20*	< 2 yrs	City
		Coordinate transportation planning with Central City planning initiatives, neighborhood planning efforts and development/redevelopment area and property designations in order to align with transportation improvement and congestion management projects and schedules.	-	40 & 20*	Completed	City
Increase supply and utilization of available land	1	Develop program to purchase smaller vacant/redevelopable lots suitable for smaller housing construction projects or parcel assembly for larger redevelopment projects.	\$200,000*	80*	< 2 yrs	City/Housing Partners
		Develop program to acquire lots which have become vacant due to a raze or repair program or are tax delinquent.	\$250,000	40*	< 2 yrs	City/Housing Partners
		Sell acquired properties for profit and use proceeds to purchase additional/better properties for housing development (land banking).	-	80*	3-5 yrs	City/Housing Partners
		Work with realtors to create a list of vacant land and currently available land for development/purchase.	-	50*	Ongoing	City/Realtors
		Develop and administer land donation or reduced price policy and procedures to allow for municipality to donate or discount smaller municipally-owned property to potential builders/developers (including development guarantees and claw-back provisions).	-	30*	< 2 yrs	City
		Develop a City-managed new home construction program which provides financial assistance to builders, non-profits, and investors participating in the City's land banking program to build homes on acquired parcels to expected standards.	\$350,000*	50*	3-5 yrs	City/State Agencies/Housing Partners

Selected Objective and Strategy:

Objective: Increase the supply and utilization of available land

The implementation matrix lists a number of strategies which can be used to achieve this objective. One strategy in particular, “Develop a City-managed new home construction program which provides financial assistance to builders, non-profits, and investors participating in the City’s land banking program to build homes on acquired parcels to expected standards” provides an example of a strategy which is proactive and involves significant City initiative which utilizes a number of housing partners and funding resources.

Strategy: Develop a City-managed new home construction program which provides financial assistance to builders, non-profits, and investors participating in the City’s land banking program to build homes on acquired parcels to expected standards

This strategy requires the implementation of the following complementary strategies from this and other Chapters;

- Implement the strategies under the “Encourage housing construction through site preparation assistance in the Central City and other designated development/ redevelopment areas” objective.
- Implement the remaining strategies under the “Increase the supply and utilization of available land” objective.
- Implement the strategies under the “Evaluate potential for current TIF districts to fund workforce and affordable housing construction and rehabilitation” objective in Chapter 4.
- Implement the strategies under the “Establish public/private partnerships to fund City purchase and rehab and/or City purchase and build housing programs” objective in Chapter 4.

Example City/Project

City of Green Bay – New Homes in Your Neighborhood (NYIYN)

- The program provides funding to construct a single-family home for owner occupancy on existing neighborhood infill sites owned by the Redevelopment Authority of the City of Green Bay.
- Available parcels listed on a website and can be utilized in various ways from new development to the expansion of neighboring parcels – Range in price from free to market-rate.
- Submit a proposal in response to RDA RFP to purchase a lot.
- For construction, individuals or builder/developers must complete the RDA application process and submit a construction plan and providing adequate proof of funding for the project.
- An applicant may apply for a 60-day planning option to complete due diligence in obtaining construction plans, gathering financing and completing any other necessary research.
- The final structure must be an owner-occupied single-family home
- Design and character must fit that of the neighborhood as approved by staff.
- Each parcel in the program is eligible for a grant of up to \$20,000. (Amount of grant dependent on parcel selected).
- No income restrictions on person/person building or occupying the home.
- Forgivable recorded, second mortgage loan at 0% interest.
- No interest, no payments.
- The loan will be given at closing of the construction loan and can be utilized at first construction draws.
- The mortgage will be satisfied upon receipt of Certificate of Occupancy - \$30 recording fee paid by the applicant



Chapter 3: Rehabilitation

Introduction

This chapter focuses on housing condition and the need for housing rehabilitation within the City. As Waukesha has an aging housing stock and a changing housing market which has had to respond the University students as well as young professionals, generational preferences, changes in the local economy and other factors, rehabilitation has become an increasingly important issue. This chapter provides an overall goal directed towards encouraging housing rehabilitation as a means of increasing the housing stock for homebuyers as well as renters. The objectives and strategies in this chapter address the rehabilitation needs, opportunities and challenges identified through analysis of survey data, housing market data, and stakeholder input. The objectives and strategies in this chapter seek to fulfill the chapter goal and provide objectives and strategies to accomplish that goal.

Survey Data

An online survey was conducted at the beginning of the housing study to gather public input in a more confidential manner than at a public meeting. Survey responses yielded a number of important observations which are used in comparison to Census and other data analysis to provide a full picture of the housing market in Waukesha. The following lists the responses which are relevant to this Chapter.

Current Housing Description

- Most respondents, 53.93%, consider their homes to be in good condition, while over 25% consider their homes to be in excellent condition.
- A full 43.96% of respondents are satisfied with the quality of their home.
- A strong percentage, 41.42%, are satisfied with the amenities in their home and 41.88% are satisfied with the size.

Owner Occupied – Self Reported Housing

- Almost half of all respondents, 45%, spent between \$5,000 and \$19,999 on maintenance and improvements in their homes in the past five (5) years.
- Just over half of all respondents, 50.22%, plan on investing additional funds in their home in the next five (5) years. Almost half of those respondents, 42.29%, plan on undertaking a partial remodel or renovation.
- For those who do not plan on investing additional funds in their home, 40% cited cost as the main reason. Almost half, 49.47% listed “other” as a reason, which included worry about being over-improved for the area, won’t see return on investment, planning on moving, and retirement.

Survey Data Guiding Observations

- Respondents appear to be fairly satisfied with the quality of their home and the quality of homes in Waukesha in general.
- Many have had to spend money on maintenance in the past and many are planning on spending money on renovations in the next five years. This indicates residents are looking to enjoy improvements already made or looking to renovate instead of buying. Therefore, the need for renovations should remain strong in the near term.
- Many responded they were going to move, and some indicated they would be leaving Waukesha. Others indicated that improvements may not be justified or they would cost too much. Therefore, assistance with renovations and better financing options could be a strategy to keep people investing in their homes and keep residents from leaving.

Housing Market Assessment

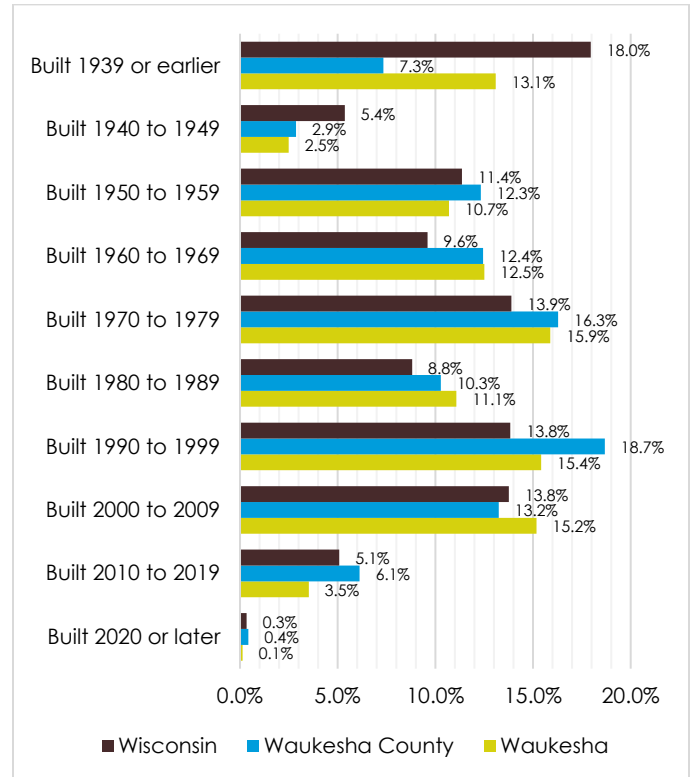
In addition to survey data, the US Census and local assessor's data provide a good indication of housing condition and how Waukesha housing stock compares to the County and the rest of the State.

Figure 3.1 shows when owner-occupied housing was built. The largest percentage, 29.1%, of owner-occupied homes were built between 1960 and 1979, with another significant percentage built between 1980 and 1999. The percentages are slightly lower than the County, but higher than the State. However, the percentage of homes built before 1939 was considerably higher than the County. This indicates an older housing stock which will need renovations as this stock ages. The homes built in the 1960s and 1970s will also require continuing maintenance and improvement.

Figure 3.2 shows a similar housing age for rentals as well. A high percentage of rentals were built from 1970 to 1999. These percentages show a rental housing stock that may need landlord renovations of rental units.

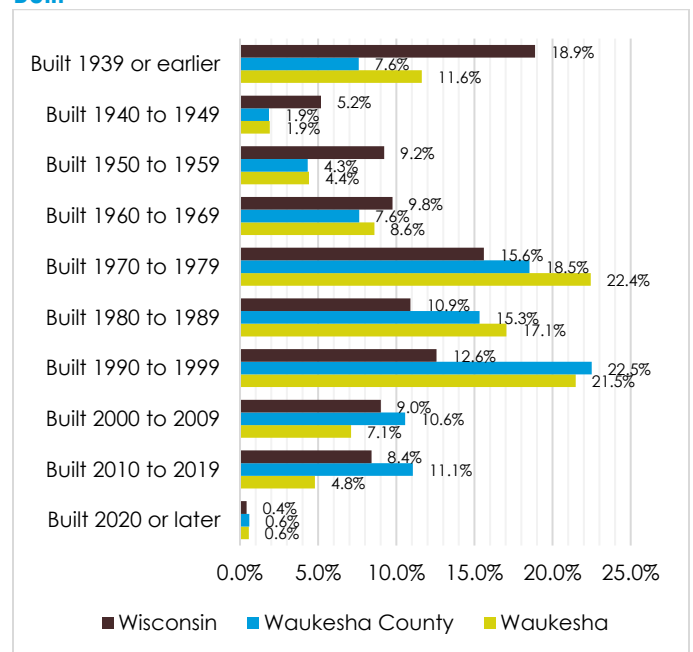
Regarding units per structure, most owner-occupied structures in Waukesha, 89%, are single-family detached houses. However, **Figure 3.3** shows the housing type for rentals is very different. The highest percentage of rentals, 23.19%, include 20 to 49 unit structures. In addition, Waukesha has higher percentages of duplexes than the County. This could partly be the result of conversions of single-family housing to duplexes for rental purposes over the years. Some of these conversions could be in response to University students.

Figure 3.1 Year Owner-Occupied Structure Built



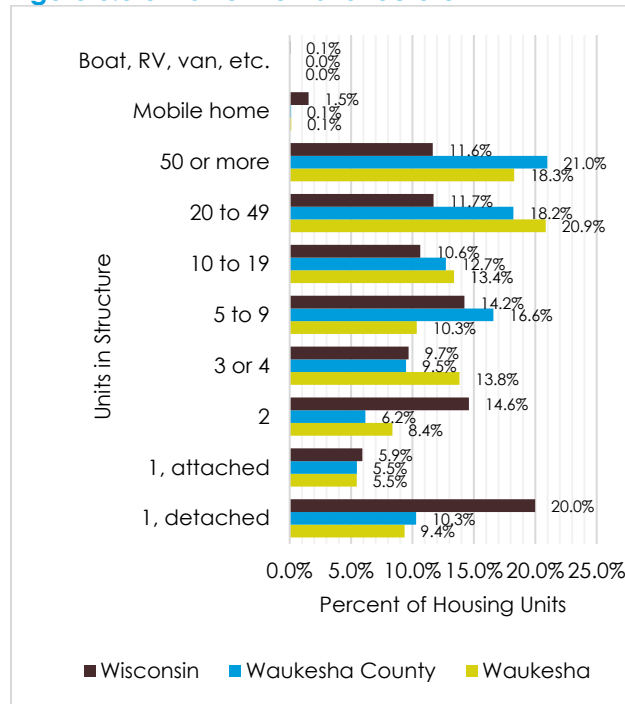
Source: "B25036 Tenure by Year Structure Built," 2022 5-yr ACS. Accessed by Vierbicher staff May 20, 2024.

Figure 3.2 Year Renter-Occupied Structure Built



Source: "B25036 Tenure by Year Structure Built," 2022 5-yr ACS. Accessed by Vierbicher staff May 20, 2024.

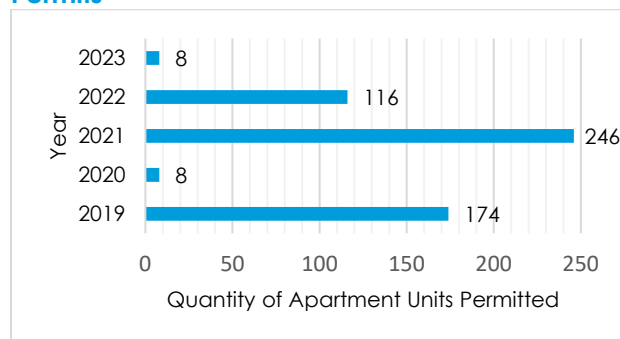
Figure 3.3 Units Per Rental Structure



Source: "B25032 Tenure by Units in Structure." 2022 5-yr ACS. Accessed by Vierbicher staff 05/20/2024.

A closer look at recent rental construction is shown in **Figure 3.4**, which shows from 2019 to 2023, an estimated 396 units have been permitted. It should be noted eighty-four (84) structures with nine (9) plus units had structure permits issued in 2017. However, these were the first such apartments built since 2014 and no buildings with 4-8 units were built from 2014 to the original 2019 publication of this study.

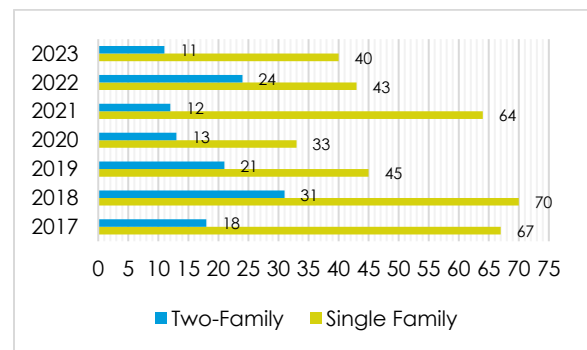
Figure 3.4 Recent (2019-2023) Apartment Permits



Source: City of Waukesha.

Figure 3.5 shows recent single- and two-family unit permits issued from 2017 to part of 2024. While 2013 to 2016 saw only two (2) triplexes permitted alongside 65 duplexes, recent trends show ninety percent or more of permits pulled are for single family, which includes condominiums. This may be attributable to a schism in the market: higher labor and construction costs are being borne by those whose socioeconomic status may afford single family construction. At the same time, it reflects an ongoing trend of fewer, larger entities creating fewer (but larger) housing projects for economies of scale.

Figure 3.5 Single Family and Two-Family Permits



Source: City of Waukesha.

Market Assessment Guiding Observations

- Waukesha has an older housing stock, especially rental units. Renovations and repairs will continue to be likely and necessary in the near and medium-term as the housing stock ages. Additional City financial assistance for those homeowners who would like to renovate their homes but cannot afford to do so will become increasingly important.
- Waukesha's aging rental structures and high percentage of duplex and triplex rentals will also require continued maintenance and renovations by landlords in the near and medium term. Additional City assistance to landlords will also become increasingly important as these units continue to age and individual landlords without corporate resources will struggle to maintain and improve their properties.

- Given the high percentage of owner-occupied single-family homes, many duplexes and triplexes could be the result of single-family conversions. However, the extent to which this is an issue for the City is unknown. Older neighborhoods should be monitored to see the extent and effect of conversions to duplexes is having on the neighborhood, perhaps through a neighborhood planning effort. Should conversions be determined to have a negative effect on the housing supply and neighborhood, a duplex to single-family re-conversion program could represent a good opportunity to address the issue. City assistance would be necessary to encourage these renovations.

Stakeholder Interviews

Stakeholder interviews were conducted to gather input from housing and housing industry-related professionals in a workshop atmosphere where different housing market factors could be discussed in detail. Stakeholder input yielded a number of important observations which are used in comparison to survey results as well as Census and other data analysis to provide a full picture of the housing market in Waukesha. The following lists the stakeholder observations which are relevant to this Chapter.

Non-Profits

- Housing for seniors is an issue for Waukesha. Historically, there has not been a large senior population and there has not been a strong demand for senior housing. However, this is changing. Some seniors have income and disability issues, but there is not enough assistance for them.
- Some seniors cannot or do not want to maintain their homes. They either cannot physically perform the maintenance, afford the maintenance, or both. Aging in place work is needed. There are not enough resources to assist

seniors with roofs, accessibility ramps, etc.

Realtors

- Investors are looking to rehabilitate houses and flip them for a profit; however, there are not many out there anymore. Some are even reading obituaries, looking to buy low for parents passed away.
- The general housing market wants turnkey. Even buyers who are handy start looking for houses that need rehabilitation but end up looking at cosmetics and ignoring mechanicals. This makes rehabilitations seem more expensive than they have to be.
- Contractors or handymen are very hard to find, schedule or afford.
- Single Family homes have become smaller but not cheaper. Buyers are ok with smaller homes but want higher-end amenities and finishings.
- Some do buy both sides of a duplex and rent out one side as income.
- There were duplexes that were turned into condominium arrangements for sale after 2008 and sold individually. However, finding financing can be difficult and reselling can be difficult as well.
- Buyers do not have reserve funds left after meeting downpayment.
- Rental weatherization program was not effective.
- City needs to train builders on how to build and/or rehabilitate low and moderate income houses to increase participation of builders in the owner-occupied housing sector.

Stakeholder Interviews Guiding Observations

- Senior housing will become increasingly important as the population ages. Given the older stock of housing in Waukesha, many senior will most likely need assistance with emergency home

repairs and interior as well as exterior handicap accessibility improvements. Many will likely not have the financial resources needed and many may qualify for low or moderate income financial assistance programs. City assistance specifically for seniors and disabled persons to renovate or rehabilitate their homes will be required in the near and medium term.

- More and more, buyers are looking for renovated properties and lack the resources to undertake a significant renovation or rehabilitation project. Additional financial assistance will be required to assist first-time homebuyers as well as existing homeowners.
- Many are young professionals who are employed in Waukesha and may not qualify for low or moderate income assistance. An employer-funded rehabilitation program, sponsored by the City, could be an effective strategy to encourage more renovations amongst younger professionals.
- Duplexes that have been converted to condominiums are struggling to sell and do not qualify for all potential financial assistance, including downpayment and other government or private loan programs. This further indicates the potential for a duplex to single-family conversion program to provide greater supply of housing which can qualify for buyer assistance.

Rehabilitation Goals and Strategies

This section includes an overall goal as well as the objectives and associated strategies needed to accomplish that goal. The objectives and strategies are organized in an implementation matrix that includes a recommended priority for each objective.

The priorities for objectives in all chapters range from one (1) to six (6), with one (1) being the highest priority and six (6) being the lowest priority. The implementation

matrix also includes potential cost and potential staff hours to complete.

A timeframe is provided which outlines how long each strategy could take to accomplish, once undertaken. Finally, responsible organizations, the City and other government agencies, as well as housing partners, mainly non-profit organizations, are listed as the entities needed to accomplish each strategy.

Rehabilitation Goal:

To provide direction, assistance, and incentives which encourage the rehabilitation of houses which are needed to satisfy the existing and future housing demand for a range of housing types and income levels.

In order to accomplish the infill construction and new housing developments goal, a combination of objectives and strategies will need to be implemented. In addition, objectives and strategies from other chapters could be relevant to those listed here. For instance, many of the funding objectives and strategies in Chapter 4 are complementary to the strategies listed in the implementation matrix for this chapter. Contacting relevant State Agencies and housing partners for assistance in seeking funding will allow the housing rehabilitation strategies to be implemented with less direct funding from the City and more funding from other sources.

Waukesha Housing Study - Rehabilitation						
Objective	Priority	Strategy	Potential Cost	Potential Staff Hours	Timeframe	Responsible Organizations
			*Annual Cost	* Annual Allocation	As of 2024	
Expand Existing and Establish Additional Home Rehabilitation Programs	3	Expand existing income-based home rehabilitation fund with supplemental funding from local TIF districts, HUD, and other funding sources.	\$50,000* + \$200,000 initial year investment	20 & 20*	Completed	City/Housing Partners/State Agencies
		Establish partnerships and supplement non-income-based home rehabilitation partner programs which assist persons with additional needs, such as seniors, persons with disabilities, and veterans.	\$50,000* + \$200,000 initial year investment	20 & 20*	<2 yrs	City/Housing Partners/State Agencies
		Establish a non-income-based home rehabilitation program funded by establishing or expanding Tax Increment District (TID) non-income funding, financial Institution, other organizational funds, and local employers.	\$75,000* + \$200,000 initial year investment	80 & 80*	3-5 yrs	City/Housing Partners/State Agencies
		Establish a City-managed purchase, rehab or convert, and resell program to assist local housing partners, builders, investors and homebuyers to increase the supply of available workforce housing. Could also include City- Administered Home Improvement Contractors Program.	\$50,000* + \$200,000 initial year investment	20 & 20*	3-5 yrs	City/Housing Partners/State Agencies
Encourage home rehabilitation through acquisition of code violation, unhealthy, and abandoned properties	3	Formalize a raze or repair policy and procedures that requires dilapidated properties to be repaired or demolished if a repair is not feasible.	-	20*	Completed	City
		Solicit a donation or a reduced purchase price for City acquisition of foreclosed homes owned by Financial Institutions needing CRA credit or Sheriff Sale.	-	20*	Completed	City
		Create policy and procedures which coordinate municipal code enforcement with County Health Department.	-	30	3-5 yrs	City/County
Expand Landmark Commission efforts	3	Expand the Landmark Commission Paint & Repair program to include larger grants and/or loans to cover additional eligible rehabilitation work.	\$15,000	80	Completed	City/Landmark Commission
		Utilize the City review process to approve smaller grants and overall project feasibility before sending project to Landmark Commission.	\$15,000	80	Completed	City
Increase Redevelopment Authority scope to support City rehabilitation programs	2	Expand the Redevelopment Authority rehabilitation program to include grant/loan programs to enhance curb appeal, develop under-utilized space and rehabilitate upper floor housing for mixed-use structures.	\$15,000	80	Completed	City

Selected Objective and Strategy:

Objective: Expand Existing and Establish Additional Home Rehabilitation Programs

The implementation matrix lists a number of strategies which can be used to achieve this objective. One strategy in particular, “Establish a City-managed purchase, rehab or convert, and resell program to assist local housing partners, builders, investors and homebuyers to increase the supply of available workforce housing. Could also include City- Administered Home Improvement Contractors Program” provides an example of a strategy which is pro-active and involves significant City initiative which utilizes a number of housing partners and funding resources.

Strategy: Establish a City-managed purchase, rehab or convert, and resell program to assist local housing partners, builders, investors and homebuyers to increase the supply of available workforce housing. Could also include City-Administered Home Improvement Contractors Program

This strategy requires the implementation of the following complementary strategies from this and other Chapters;

- Implement the strategies under the “Encourage home rehabilitation through acquisition of code violation, unhealthy, and abandoned properties” objective.
- Implement the strategy under the “Re-establish and expand Redevelopment District coverage area and awareness” objective.
- Implement the strategies under the “Evaluate potential for current TIF districts to fund workforce and affordable housing construction and rehabilitation” objective in Chapter 4.
- Implement the strategies under the “Establish public/private partnerships to fund City purchase and rehab and/or City purchase and build housing programs” objective in Chapter 4.

Example City/Project

City of Milwaukee – Ready-To-Go-Homes

- READY-TO-GO-HOMES are available under the City of Milwaukee's Strong Neighborhoods Plan and the Milwaukee Challenge Fund. This initiative represents a partnership between the City of Milwaukee, the Housing Authority of the City of Milwaukee and Riverworks – working together to improve homes and neighborhoods.
- Homes are fully renovated, in the Harambee neighborhood. Homes are “move in” ready and may include a new roof, furnace, water heater interior and exterior improvements.

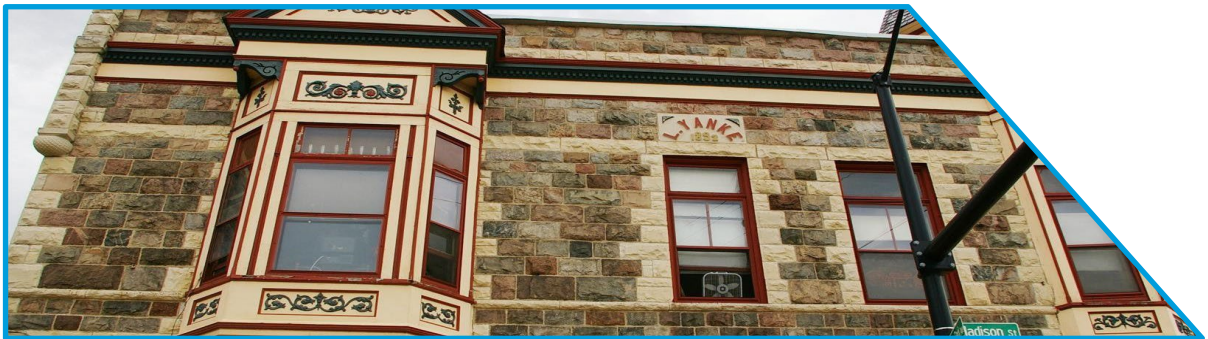
City of Milwaukee – Home Improvement Contractors Program

- City licensed contractors can apply
- E-notify – online tool to find important things in city via email and text alerts. Email alerts for Neighborhood Improvement Development Corp (NIDC) bids
- Work is reimbursed by segment completed
- City inspects work
- Permits and waivers of lien required
- Escrowed rehabilitation funds held by City
- Lead pipe clearance tests required
- Contracts are between property owner and contractor – NIDC facilities inspection and payment processes.
- Contracts range between \$10k and \$30k.

City of Milwaukee – ROOTS Landscaping Incentive Program

- \$500 landscaping cash award - exclusively for City-owned properties sold to owner occupants
- Priority should be given to the front yard

- Landscaping includes flowers, sod, grass seed, bushes, fencing, miscellaneous or purchase of lawn care tools including lawnmowers, snowblowers, trimmers, tillers, shovels, rakes, etc.
- Six-month maximum timeframe from the date of closing to completion
- After six-month maximum timeframe, incentive is forfeited.



Chapter 4: Funding Initiative

Introduction

This chapter provides guidance towards increasing the utilization of funding sources to increase the capacity of the City to engage in housing programs and initiatives. Waukesha has a solid history of providing rehabilitation assistance, establishing partnerships to develop income-assisted and other housing projects, and providing rental assistance through the Housing Authority. However, to accomplish the goals, objectives, and strategies of the previous chapter, additional funding sources will be needed. This chapter looks at survey data, housing market data, stakeholder input, and the potential eligibility and opportunities for specific districts within the City in order to provide a full assessment of potential funding needs and sources.

Throughout this chapter, housing issues and opportunities will often be defined in terms of affordability. There are many methods of defining the term “affordable,” including HUD’s definition of thirty (30) percent or less of household annual gross income spent on housing. It is important to be clear on how “affordable” is defined. Many Federal, State, and local programs use family income as a method of determining affordability and will base program assistance on how family incomes compare to the average or median family income for a local area. These comparisons can include the terms “moderate income”, “low income” and “very low income” to describe the income of families eligible for government assistance. Generally, these terms address families whose income is either slightly lower than the local area average, “moderate income,” considerably lower than the local area average, “low income,” or those near the poverty level, “very low income.” This study will use these terms when discussing housing issues and often in the context of the level of potential government housing assistance which may be needed.

In addition, many affordable housing advocates will use the term “workforce

housing.” This generally describes housing for working persons and families who may have incomes ranging from slightly lower to slightly higher than the local area average income. These are people who work in the local community, earn decent wages, yet may not be able to afford to live near their work and may have to commute from outside the community. As these people make significant contributions to the local economy, it is important to provide housing for them so that they can live and work in the same community.

This chapter refers to “workforce housing” when addressing housing issues for the local workforce and often in the context of potential housing opportunities and solutions to those issues, but not necessarily in need of direct government assistance or subsidies. Therefore, the term “affordable” can refer to the housing which is needed for families with lower than average incomes as well as housing which is sought after by those who may have near-average incomes, yet may still not be able to afford a place to live in the local community.

Survey Data

An online survey was conducted to gather public input. Survey responses yielded a number of important observations which are used in comparison to Census and other data analysis to provide a full picture of the housing market in Waukesha. The following lists the responses which are relevant to this Chapter:

Current Household Description

- A high percentage, 41%, have been at their same employer for more than 10 years. The majority, 84%, are full-time employees.
- Those who work in the professional, research and management fields represent the highest percentage, 25%, of workers by industry. Those in manufacturing and warehousing represented the second highest at 19%.

Owner Occupied – Self Reported Housing

- Of those owning a home, 46% pay mortgage insurance.

Other Concerns

- Around 2% of respondents noted that they had someone staying at their residence who did not have a place to live.
- Twenty-one percent (21%) of respondents answered 'Yes' when asked whether they knew someone in the region who is struggling to pay housing costs and may be in danger of becoming or currently is homeless, while 3% stated that their household is struggling.

Housing Market Assessment

An analysis of household financial characteristics shows a higher level of financial need than indicated by the survey results. **Figure 4.1** shows Waukesha to have 10.2% of its population designated by the US Census Bureau as living at or below the poverty line. This is slightly less than for the State, yet higher than for the County.

Taking a closer look at poverty, **Figure 4.2** shows poverty rates are nearly double in the 'under 18 years' cohort when compared to the 18 to 34, and 65 and older age group.

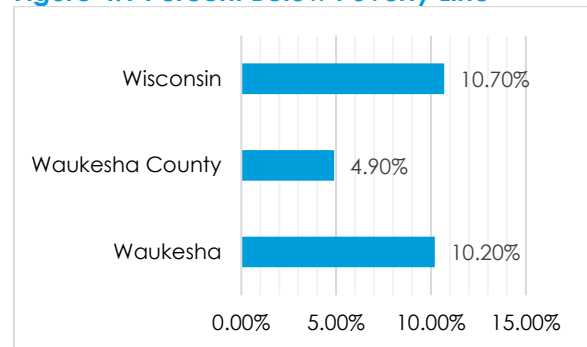
Figure 4.3 shows poverty determinations by race and ethnicity. These percentages do not add to 100% due to overlap for Hispanic or Latino origin. Those identifying themselves as 'Black or African American' represented the highest percentage, at 42.8%. 'Hispanic or Latino origin' was the second highest at 15.7% and 'two or more races' also had a high percentage at 13.2%.

Figure 4.4 shows the percentage of income spent on monthly housing costs by homeowners with a mortgage. Waukesha has a similar percentage, 20.5%, of those spending over 30% of the income on monthly housing costs as comparable communities.

Figure 4.5 shows the percentage of income spent on rent. When this study came out in 2019, Waukesha had 42.7% of renters spending more than 30% of their income on rent. The 2017-2022 data available in this 2024 update suggests that 23.9% of renters spent 30-49 percent of income on rent, and 22.3% spent 50 percent or more on rent. **This means that 46.2% of renters (5,720 out of 12,391) spent 30 percent or more of their income on rent, an increase of 3.5% since the original study released in 2019.**

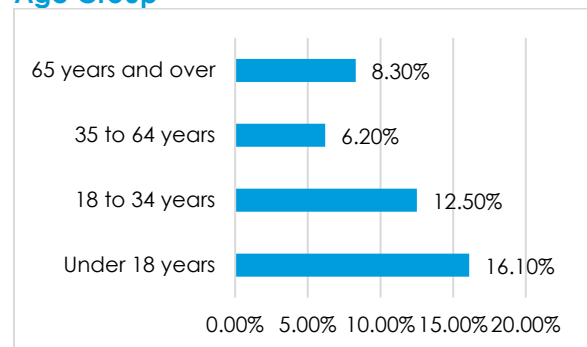
Figures 4.4 & 4.5 demonstrate that housing costs are affecting both homeowners and renters, across the non-senior age groups. Financial assistance should be distributed appropriately across these groups.

Figure 4.1 Percent Below Poverty Line



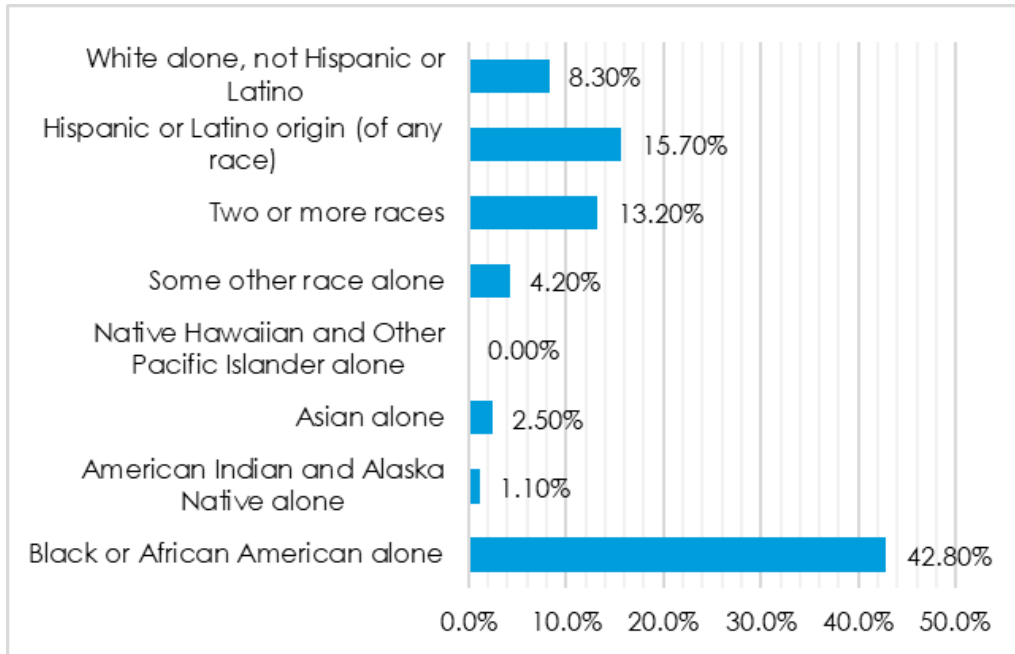
Source: "[S1701 Poverty Status in the Past 12 Months.](#)" 2022 5-yr ACS. Accessed by Vierbicher staff 05/21/2024.

Figure 4.2 Percent Below Poverty Line by Age Group



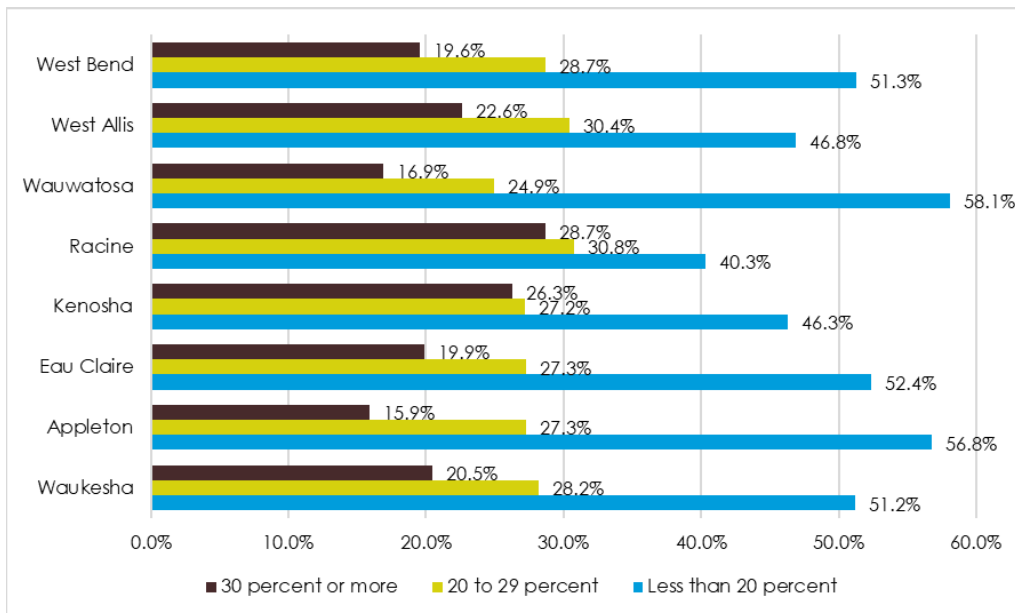
Source: "[S1701 Poverty Status in the Past 12 Months.](#)" 2022 5-yr ACS. Accessed by Vierbicher staff 05/21/2024.

Figure 4.3 Percent Below Poverty Line by Race & Ethnicity



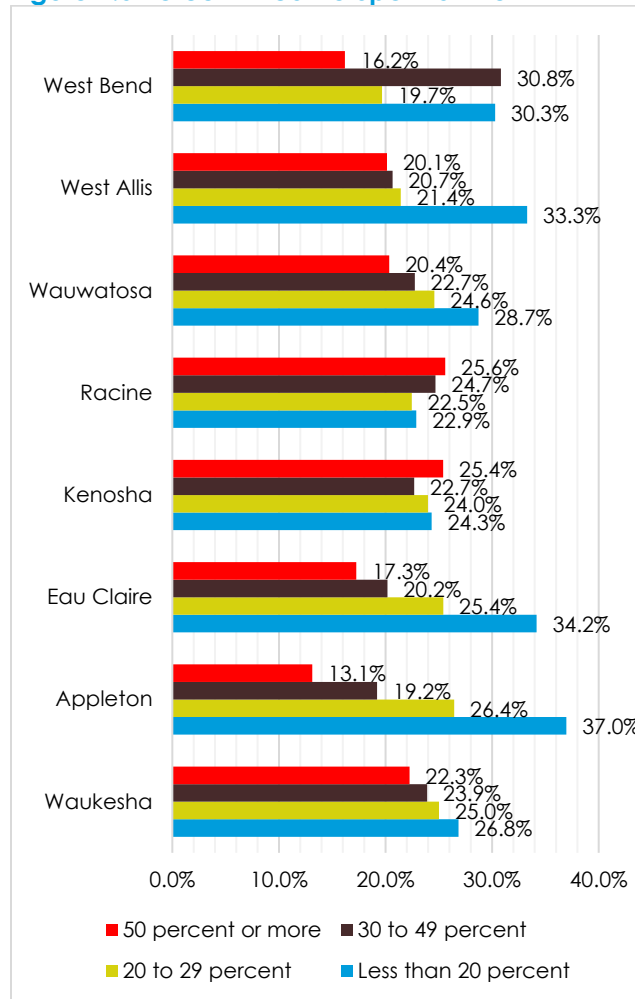
Source: "[S1701 Poverty Status in the Past 12 Months.](#)" 2022 5-yr ACS. Accessed by Vierbicher staff 05/21/2024.

Figure 4.4 Percent Income Spent on Monthly Housing Costs for Homeowners with a Mortgage



Source: "[B25101 Mortgage Status by Monthly Housing Costs as a Percentage of Income in the Past 12 Months.](#)" 2022 5-yr ACS. Accessed by Vierbicher staff 05/21/2024.

Figure 4.5 Percent Income Spent on Rent



Source: "[B25074 Household Income by Gross Rent as a Percentage of Household Income in the Past 12 Months](#)," 2022 5-yr ACS. Accessed by Vierbicher staff 05/21/2024.

Stakeholder Interviews

Stakeholder interviews were conducted to gather input from housing and housing industry-related professionals in a workshop atmosphere where different housing market factors could be discussed in detail. Stakeholder input yielded a number of important observations which are used in comparison to survey results as well as Census and other data analysis to provide a full picture of the housing market and funding opportunities available to Waukesha. The following lists the stakeholder observations which are relevant to this Chapter:

Landlords

- Lots of seniors are looking to rent. Many of them can be considered low income.
- Those with Section 8 vouchers are trying to use their 3 bedroom vouchers for a 2 bedroom and finding that does not qualify.
- County Median Income limits are a barrier to those looking for low or moderate assistance units.
- There is a significant Section 8 voucher waiting list. The enrollment period closes often and the backlog is significant.

Builder/Developers

- Townhomes/condominiums are now an opportunity due to lower down-payment costs for the younger population that have the desire to buy.
- Government programs, such as WHEDA, are helpful for home buyers, but less so for home builders.
- Low-income tax credits are scarce and need local matching funds when they become available. There is an issue with developers qualifying for the tax credits and then being able to secure enough funding to build the projects. There is an opportunity for the City to help.
- The HOME Consortium is not seen as providing significant benefit; there is an opportunity for more involvement.

Non-Profits

- Lack of affordable housing is a critical issue facing Waukesha.
- Area median income is high, but there are families and individuals who are low to moderate income as well.
- The younger population, in particular, is having rental issues. With the lack of rental units on the market, landlords can be picky. New renters don't have rental history. Section 8 vouchers are frequently turned away.
- Foster care releases are high and don't have resources.

- Government housing assistance is utilized in Waukesha; however, there are considerable issues. Government programs are used, but there are no counseling programs to help people transition from homelessness to renting. Renter readiness is not a prerequisite for rent-assistance programs.
- First-time homebuyers need more counseling as well; homebuyer education would assist buyers buy, maintain, and stay in their homes.
- HUD money is being used less frequently. HUD administrators are too focused on details and not taking a comprehensive view of what their programs are supposed to be accomplishing. The issue with HUD funding is that there is too much administration associated with the programs, making the funding not worth the effort. Much of HUD funding is integrated, with multiple programs operating at once.
- Regulations or issues with one program can jeopardize another. More HUD funding is needed, but administrative support would be needed to better utilize this funding. The current HUD HOME consortia and Waukesha's role as the lead agency is not utilized enough for these reasons.
- More private funding is needed as well. Banks are a main partner in helping with housing issues. However, with the Community Reinvestment Act (CRA) directives, most requirements are being met within Milwaukee Census Tracts. The Census Tracts are too large of a geography to base compliance on. Banks can concentrate on one part of a Census Tract to meet requirements yet ignore the rest.
- The local BID was funded by tax dollars but didn't survive because of the tax on tenants that were not property owners and were already struggling to pay rent. A new BID needs to be formed and funded by an additional mechanism, so that they can assist the homeless population, especially downtown.
- Other City resources could also be used. The local Housing Authority is overworked. There are long waiting lists and too much demand for their services. People are facing eviction and more needs to be done to assist the Housing Authority to deal with the demand.
- The City could also further assist with additional funding for veterans. La Crosse and Racine have good veteran's assistance programs. Homeless funding through federal and state agencies has more administration and compliance regulations than affordable housing programs, thus more local action is needed.
- The perception is that Waukesha carries the burden of providing housing for low- and moderate-income persons for the County, especially for very low income persons.

Stakeholder Interviews Guiding Observations

- Federal and State financial assistance and funding options for constructing housing are becoming more competitive and many are requiring matching funds from other sources to be awarded. Housing developments need a greater number of funding sources in order to become financially viable and to keep rents and price points down. Funding from sources such as HUD and WHEDA need to be supplemented by other public and private funding sources, such as other State and Federal sources, non-profit housing organizations and partners, financial institutions, and local employers.
- City organizations such as the Housing Authority and the Redevelopment Authority have been very effective in assisting residents, developers and the City increase housing affordability, supply and options. Increased use of authorities, including expansion of funding and responsibilities, will become increasingly important as the need for their support grows in response to housing demand.

Funding Districts

To seek and obtain funding for Waukesha housing projects and initiatives, a number of Federal and State housing programs should be utilized. Many funding sources include requirements for income levels by Census Tract and Census Block Group. For instance, Housing and Urban Development (HUD) funding often has a requirement for funds to be spent in Tracts or Block Groups which have more than 50% of the residents designated as having a low to moderate median family income. Certain Economic Development Administration (EDA) funding is tied to Tracts or Block Groups which meet certain per capita income thresholds. Additionally, the State of Wisconsin has designed federal Opportunity Zones, which provide tax incentives for investments in qualified Census Tracts. Often, these designated Tracts and Block Groups can overlap and create multiple opportunities for seeking funding. Identifying project areas with the greatest opportunity for additional funding can greatly increase potential funding and success of a housing project or initiative.

Map 4.1 on the following page shows these three types of designations. Qualified Block Groups are shown for both HUD and EDA programs. These designated areas are not a guarantee for funding and do not qualify these areas for all agency funding programs; however, they represent a starting point for discussing funding opportunities with agency representatives. The map also shows the Opportunity Zone Census Tract which is designated within Waukesha.

Disclaimer

Funding program requirements and US Census Data change frequently. Mapping of qualifying Census Tracts and Block Groups should be done on a regular basis to ensure accuracy.

Funding Initiatives Goals and Strategies

This section includes an overall goal as well as the objectives and associated strategies needed to accomplish that goal. The objectives and strategies are organized in an implementation matrix that includes a recommended priority for each objective.

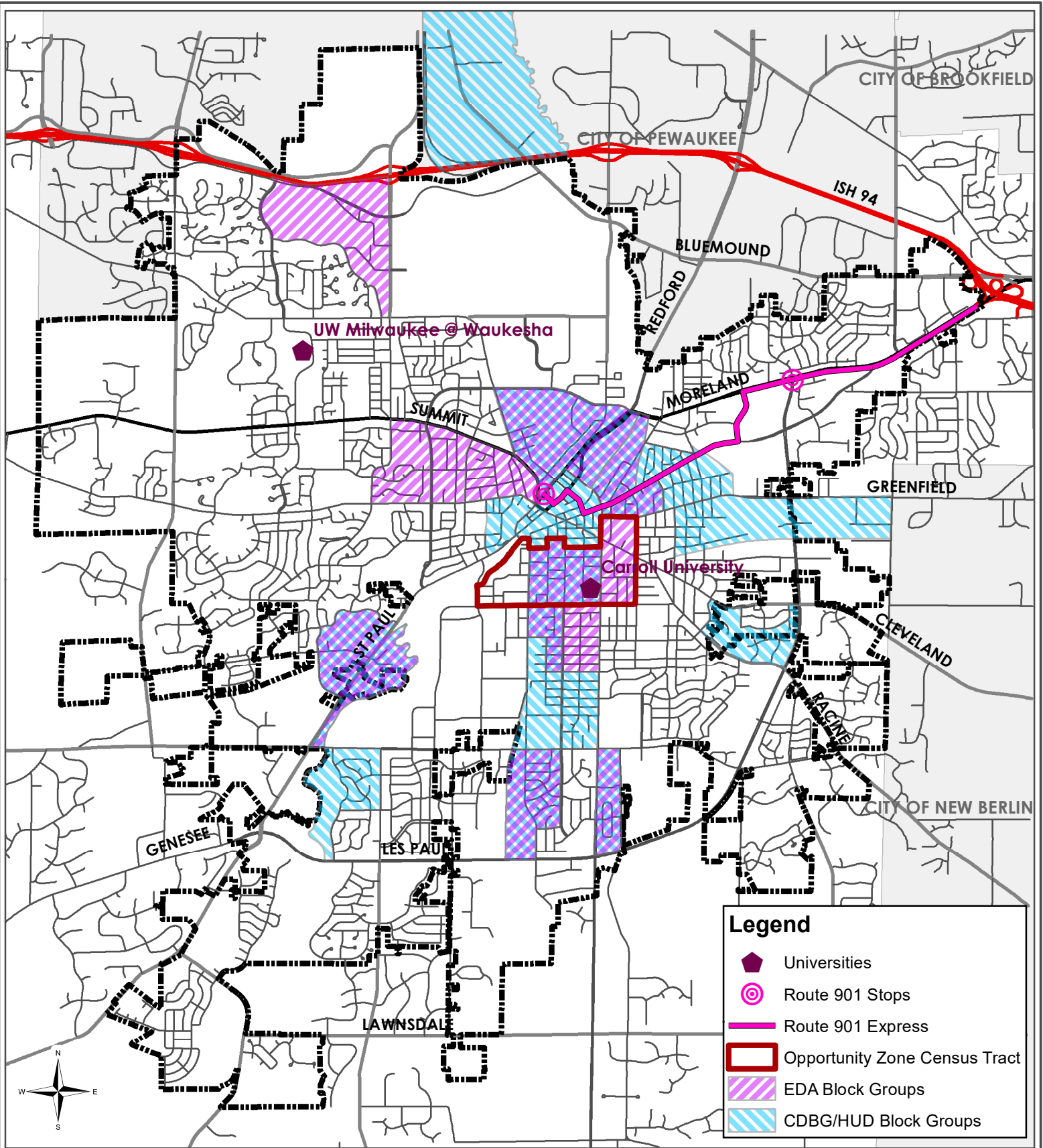
The priorities for objectives in all chapters range from one (1) to six (6), with one (1) being the highest priority and six (6) being the lowest priority. The implementation matrix also includes potential cost and potential staff hours to complete.

A timeframe is provided which outlines how long each strategy could take to accomplish, once undertaken. Finally, responsible organizations, the City as well as other government agencies, as well as housing partners, mainly non-profit organizations, are listed as the entities needed to accomplish each strategy.

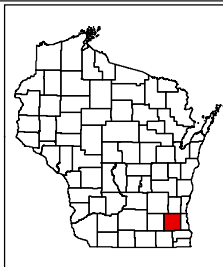
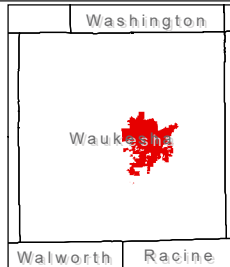
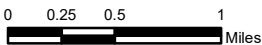
Funding Initiatives Goal:

To encourage greater current and future utilization of Local, State, Federal, and other housing-related funding programs in order to encourage the housing rehabilitation and construction projects which result in more affordable housing stock and which provide more financial assistance options to renters and home buyers.

The objective and strategies needed to implement this goal are listed in the Implementation matrix at the end of this chapter. In addition, objectives and strategies from other chapters could be relevant to those listed here. Examples of strategies in greater detail and the municipalities using those strategies are listed in Chapters 2 and 3.



Map 4.1 Designated Census Tracts/Block Groups



City of Waukesha Housing Study
January 10, 2019

vierbicher
planners | engineers | advisors



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Waukesha Housing Study - Funding Initiatives						
Objective	Priority	Strategy	Potential Cost	Potential Staff Hours	Timeframe	Responsible Organizations
			*Annual Cost	* Annual Allocation	As of 2024	
Expand effectiveness of HUD funding utilization to apply to more areas of the City	1	Identify areas where HUD housing rehabilitation and infill rental/for-sale construction may become more likely to be eligible if local area financial characteristics were to be studied.	-	20	< 2 yrs	City/Housing Partners
		Prepare a Housing Price Study and submit it to HUD for HOME/CDBG housing programs/projects for specific target area(s) to increase improvement to value amounts.	\$10,000	20	< 2 yrs	City/Housing Partners
		Prepare Rental Rate Study and submit to HUD for HOME/CDBG housing programs/projects for specific target area(s) to increase percentage of rent paid amounts.	\$10,000	20	< 2 yrs	City/Housing Partners
Evaluate potential for current TIF districts to fund workforce and affordable housing construction and rehabilitation	1	Evaluate the current use of Tax Increment Financing to determine how TIF can be used to support identified housing projects.	\$10,000	40 & 20*	Completed	City
		Utilize existing Tax Increment Districts to promote workforce housing.	\$10,000	40 & 20*	Completed	City
		Utilize the affordable housing TIF extension program to create affordable housing development program.	\$5,000	20 & 20*	Completed	City
		Utilize the affordable housing TIF extension program to create a housing stock improvement program.	\$5,000	20 & 20*	Completed	City
Match designated redevelopment areas with additional organizational capacity	3	Establish new Community Development Corporations (CDCs) for designated redevelopment areas and certify CDCs as Community Development Entities (CDE) in order to directly apply for CDFI funds and New Market Tax Credits (NMTC).	-	40	< 2 yrs	City

Waukesha Housing Study - Funding Initiatives						
Objective	Priority	Strategy	Potential Cost	Potential Staff Hours	Timeframe	Responsible Organizations
			*Annual Cost	* Annual Allocation	As of 2024	
Establish public/private partnerships to fund City purchase and rehab and/or City purchase and build housing programs	2	Initiate partnership with Community Development Financial Institution (CDFI) or Certified Community Development Entity (CDE) to access CDFI funds for purchase and rehab/build program.	-	20 & 10*	< 2 yrs	City/Housing Partners
		Initiate a partnership with the IFF and other FHLBank members to access FHLBank funding for purchase and rehab/build program.	-	20 & 10*	< 2 yrs	City/Financial Institutions
		Coordinate with SEWRPC to update Comprehensive Economic Development Strategy (CEDs) to include City housing program and initiatives funding.	-	20 & 10*	< 2 yrs	City/SEWRPC
		Maximize the use of Opportunity Zone area incentives in combination with Low Income Housing Tax Credits, New Market Tax Credits, Historic Rehabilitation Tax Credits by partnering with a financial advisement firm to create developer interest in City purchase & build/rehab program in the designated Census Tract.	-	40 & 10*	3-5 yrs	City/Financial Advisors
		Establish partnerships with large local employers, such as GE, Pro Health, Kohls, Eaton, Generac, MetalTek, Waukesha Heart hospital, and Carroll University.	-	20 & 10*	< 2 yrs	City/Local Employers
		Seek housing program funding and donation of Other Real Estate Owned (OREO) properties from financial institutions needing to satisfy Community Reinvestment Act (CRA) requirements.	-	10*	Ongoing	City/Financial Institutions
Encourage developer/builder participation in local, state, federal and non-profit housing assistance and initiatives	3	Develop & distribute local, state, federal and non-profit housing assistance programs list developers, builders and realtors.	-	40*	Completed	City/Housing Partners
		Coordinate, advertise and host rehabilitation workshops to educate existing homebuyers on government and nongovernment organization/partner home rehabilitation funding.	-	40*	Ongoing	City/Housing Partners
		Promote WHEDA loan programs created by 2023 Wisconsin Act 14 (Vacancy to Vitality, Restore Main Street, and Infrastructure Access) which target redevelopment and infrastructure investment with the goal of positively impacting housing affordability.	-	40*	Ongoing	City/Housing Partners

Conclusions and Key Findings

Housing, employment, and location are closely related to each other in their impacts upon the Waukesha housing market and just as relevant since the City's Comprehensive Plan and Central City Master Plan were written. The supply of single-family homes is currently healthy, although affordability for different family types and income levels is becoming a more significant consideration as local and regional demographics change. Housing development has addressed demographic needs and characteristics through the decades; however, this report shows a continued need for greater housing diversity in neighborhoods, including different densities and housing types. Meeting this need for diversity may have to occur in more homogenous neighborhoods as the supply for available and re-developable land becomes scarcer. As Waukesha approaches greater build out, fewer parcels will be available to meet housing needs and new housing will need to utilize isolated parcels as well as re-developable properties in different neighborhoods.

New housing should also be seen as an opportunity to support local businesses as well as providing options for current and future residents. As Waukesha becomes more and more integrated in the suburban metropolitan area, housing needs will likely need to accommodate the desires of workers who currently live outside the city limits yet who live in the County and are familiar with the area. Housing supply will also need to reflect different demographic types looking for amenities and opportunities the growing metropolitan area can offer. Intergovernmental cooperation amongst neighboring communities and Waukesha County will most likely focus on access to transit and transportation, as this report will show this issue to be important to new home buyers and renters in the younger age brackets. Local attention to pedestrian access, walkability and appropriate placement of housing developments will help support transit efforts as well. Cooperation with State agencies

will be important to consider when looking at redevelopment, lower income needs, and the potential for brownfield development.

In particular, the City center will provide an opportunity to satisfy identified housing needs and also to support the amenities, walkability and transit options that have become so important. With the varied needs identified in the assessment phase, a strong effort downtown will be reinforced by a strong housing effort. A combination of design, funding, redevelopment and State assistance should create the perfect opportunity to address housing, employment, visitor and other opportunities downtown.



Appendix: State of the Housing

Introduction

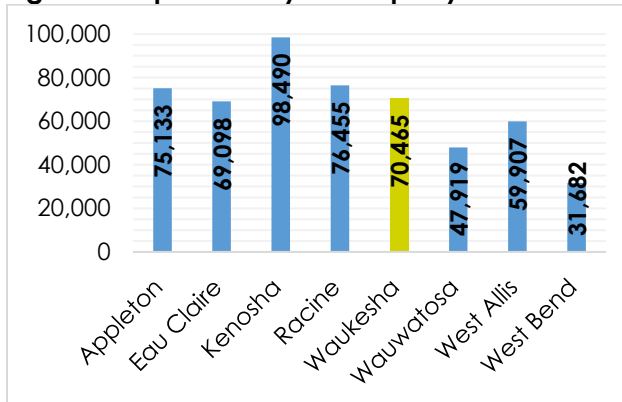
This section provides a snapshot of the characteristics present in the City of Waukesha at the time this study was conducted. To be effective, a plan must not only convey a direction for the community to strive toward, but also a sense of where the community currently resides. Chapters 1 through 4 of this Plan provide direction, while this section provides the background context. The following sections examine housing related data and analysis. This Appendix is comprised of four sections: Housing Market Analysis, Housing Stock Analysis, Sales Market Analysis and Housing Affordability Analysis.

Housing Market Analysis

Historical and Current Population

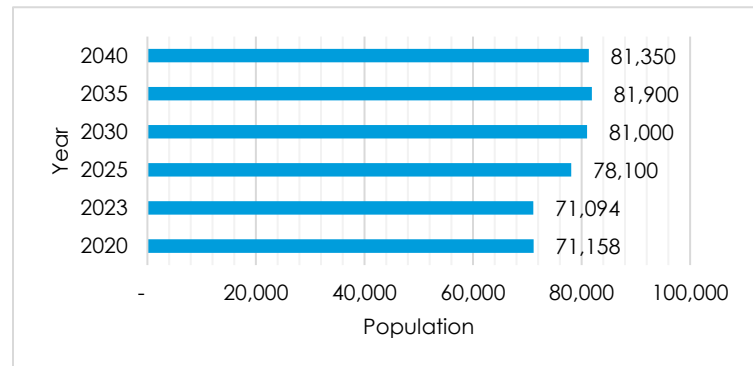
The City of Waukesha is estimated to have a population of 70,450 persons. Since 1990, the City has grown steadily in population from 56,894 to the current estimate. Other communities similar to Waukesha were evaluated in order to gauge the strength of the City's growth compared to others. Figure 1 shows the 2020 population of the City of Waukesha and comparable communities. Figure 2 shows the data for the County. Looking at population projections, Figure 3 shows Waukesha's population based upon Department of Administration projections. Waukesha projections are 78,100 persons in 2025, 81,000 persons in 2030, and 81,900 in 2035.

Figure 1: Population by Municipality



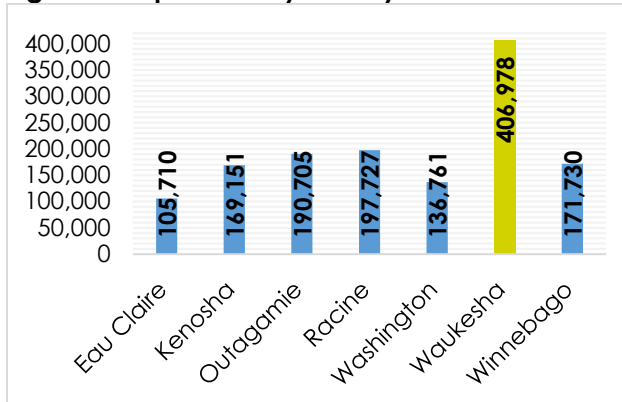
Source: "S0101 Age and Sex." 2022 ACS. Accessed May 11, 2024 by Vierbicher staff.

Figure 3: City of Waukesha Population Projections



Source: "Population and Household Projections." Wisconsin DOA. Accessed by Vierbicher Staff May 12, 2024. Notes: 2020 Decennial Census Value Used; DOA Annual estimate for 2023. 2025 Through 2040 estimates projected from 2010 Census.

Figure 2: Population by County



Source: "S0101 Age and Sex." 2022 ACS. Accessed May 11, 2024 by Vierbicher staff.

The City of Waukesha's historical population shows that there was a steady increase in people from 2010 to 2020, and a small decrease from 2020 to 2022. This remains consistent with the comparable communities as shown in Figure 4.

Waukesha County remains the largest county out of the comparable counties in the region. The City of Waukesha has seen positive, yet slowing, growth rates in this environment. In the future, they need to compete in the housing market to attract new residents and avoid the potential negative rates seen in other communities. Strong County growth shows there is an opportunity for the City to increase its housing stock and to capitalize on these in-migration populations.

Figure 4: Historical Population – Municipality

	2010	2015	2020	2022
Appleton	72,623	73,737	73,891	75,133
Eau Claire	65,931	67,006	69,313	69,737
Kenosha	99,623	99,116	99,733	98,484
Racine	78,860	78,336	77,578	76,462
Waukesha	70,718	71,316	72,419	70,945
Wauwatosa	46,396	46,947	48,302	47,289
West Allis	60,411	60,329	60,223	58,950
West Bend	31,078	31,599	31,681	31,604

Source: "S0101 Age and Sex," 2022, 2020 ACS. Accessed May 11, 2024 by Vierbicher staff.

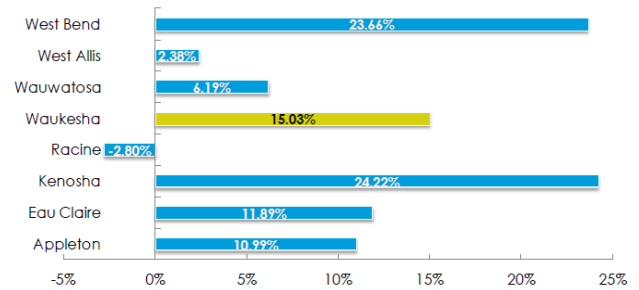
Figure 5: Historical Population – County

	2010	2015	2020	2022
Eau Claire	98,736	98,736	105,260	105,710
Kenosha	166,426	166,426	169,671	169,151
Outagamie	176,695	947,695	188,766	190,705
Racine	195,408	195,408	77,578	197,727
Washington	131,887	133,486	136,445	136,761
Waukesha	389,891	393,927	406,172	406,978
Winnebago	166,994	168,526	171,631	171,730
Wisconsin	5,686,986	5,783,278	5,893,718	5,890,543

Source: "S0101 Age and Sex," 2022, 2020 ACS. Accessed May 11, 2024 by Vierbicher staff.

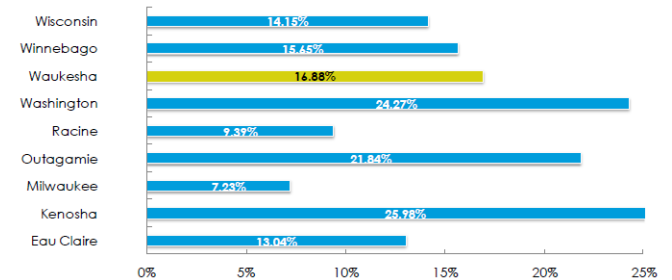
Figure 6: Projected Population – By Municipality

Figure 6: Projected Population Growth Rate by Municipality (2010-2040)



Source: US Census 2010 – WDOA 2020-20240.

Figure 7: Projected Population Growth Rate by County and State (2010-2040)

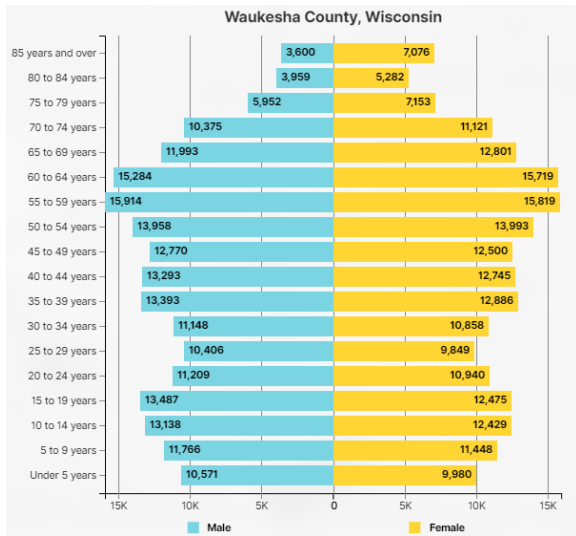


Source: US Census 2010 – WDOA 2020-20240.

Similar to the municipality projected population figures, the County figures are significantly higher from 2020 to 2030, when compared to the 2010-2017 rates.

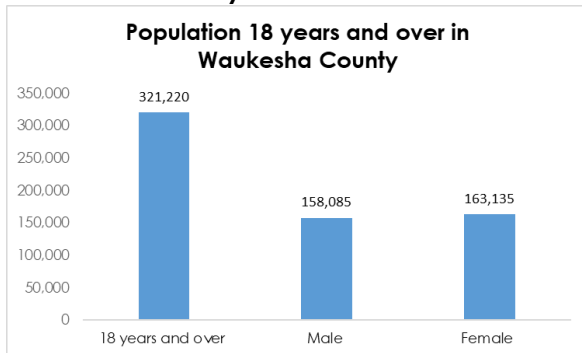
Waukesha County had one of the highest annual projected growth rates from 2020 to 2025 of 0.94% per year. Only Washington and Kenosha Counties had higher rates of 1.2% and 1.06% per year respectively. Comparable to similar municipalities, growth rates remain strong through 2030 and drop off, some even to negative rates, from 2035 through 2040. Figures 6 and 7 show the projected growth rate from 2010-2040. The median age in Waukesha County is 43.3 years old. There are approximately 202,216 males and 205,074 females in Waukesha County. Figure 8 displays a population pyramid for the county by age and sex.

Figure 8: Waukesha County Age-Sex Pyramid (2022)



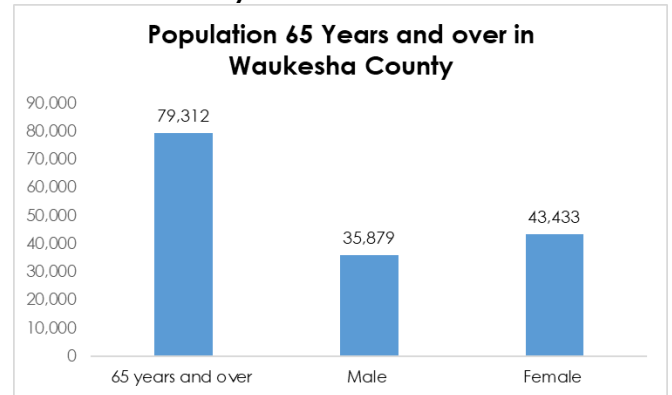
Source: "S0101 Age and Sex." 2022 ACS. Accessed May 11, 2024 by Vierbicher staff.

Figure 9: Population 18 years and over Waukesha County.



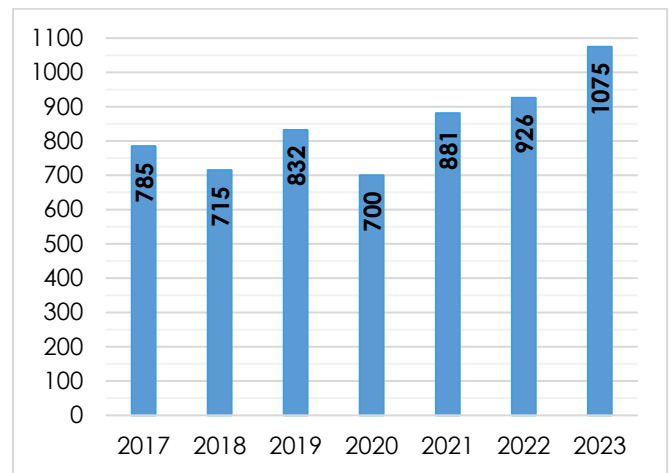
Source: "DPO5 Population." 2022 ACS. Accessed May 11, 2024.

Figure 10: Population 65 years and over in Waukesha County



Source: "DPO5 Population." 2022 ACS. Accessed May 11, 2024.

Figure 11: City of Waukesha Code Violations

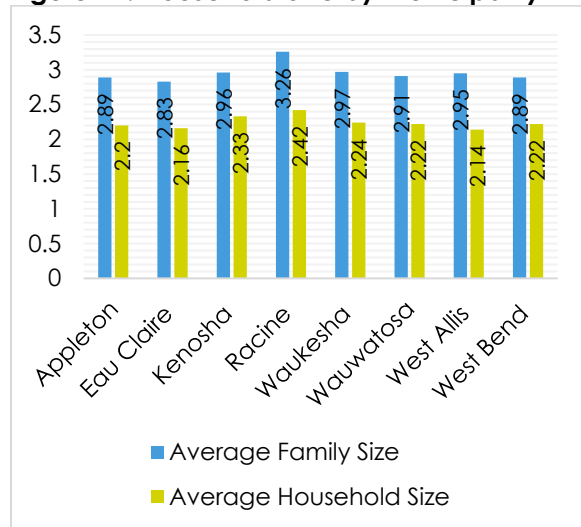


Source: City of Waukesha.

Code Enforcement

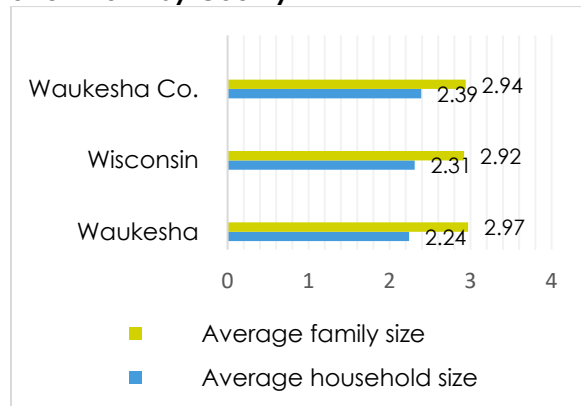
Figure 11 shows that the City of Waukesha experienced significant increases in code enforcement violations between 2017 and 2023. Code violations have dramatically increased by 53.75% from 2020 to 2023. The most common form of code violation resulted from disorderly lawns (tall grass or junk and debris in the yard). Building permit 16.03 (1)A) is becoming a more frequent violation within the City of Waukesha.

Figure 12: Household Size by Municipality



Source: "[S1101 Households and Families](#)." 2022 ACS. Accessed May 11, 2024 by Vierbicher staff.

Figure 13: Average Household and Family Size – 2022 by County



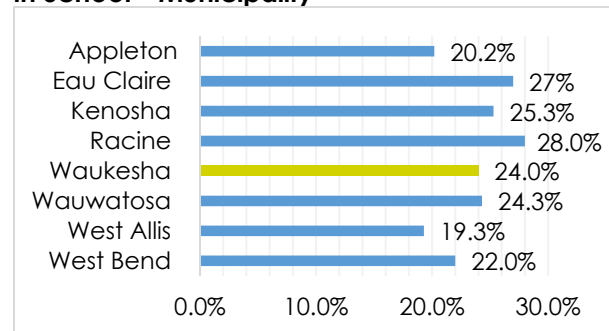
Source: "[S1101 Households and Families](#)." 2022 ACS. Accessed May 11, 2024 by Vierbicher staff.

Looking at households, the City had an average family size of 2.97 persons in 2022 and an average household size of 2.24 persons. Compared to similar communities, family size was represented as right in the middle range, with Racine and Kenosha both having large family sizes. Waukesha also had a middle of the range average household size, with Racine, Kenosha and West Allis having larger households. Figure 12 shows household differences between communities and Figure 13 shows the difference between the City of Waukesha and County of Waukesha as well as the State of Wisconsin. When compared to the County and State, the City of Waukesha

had a very similar average family size of 2.94, compared with 2.92 for Wisconsin. However, the average household size was higher in the City at 2.39 persons, versus 2.31 for the State. Household size is a crucial metric in understanding the dynamics of the housing market, reflecting demographic trends and influencing housing demand and supply.

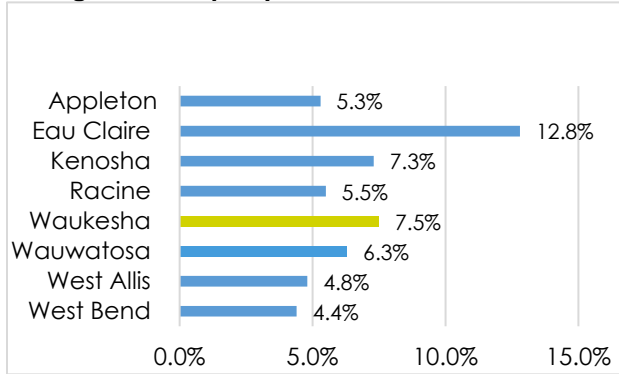
In Waukesha County, households typically consist of 2.39 people, slightly higher than the statewide average of 2.31 individuals per household in Wisconsin. Interestingly, within the City of Waukesha, the household size slightly decreases to 2.24 people per household. These figures underscore the importance of tailoring housing options to accommodate varying household sizes and preferences. For instance, smaller household sizes in urban areas like the City of Waukesha may drive demand for compact housing units, while larger household sizes in the county may necessitate larger homes or multi-bedroom configurations. Understanding these nuances is critical for policymakers, developers, and real estate professionals to effectively address housing needs and ensure a diverse range of housing options in the market.

Figure 14: Percentage of Population 3+ Years in School – Municipality



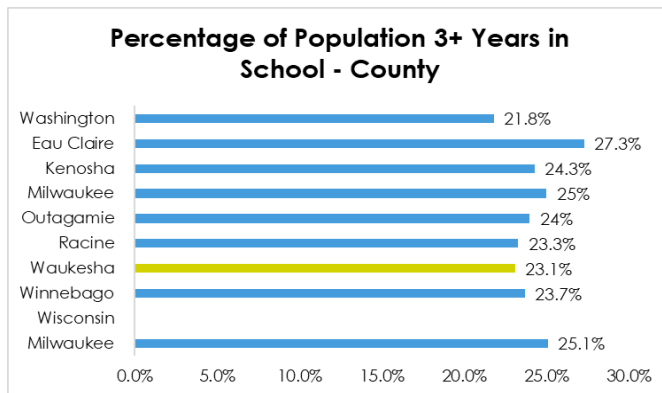
Source: "[S1501 Educational Attainment](#)." 2022 ACS. Accessed May 11, 2024 by Vierbicher staff.

Figure 15: Percentage of Population Enrolled in College – Municipality



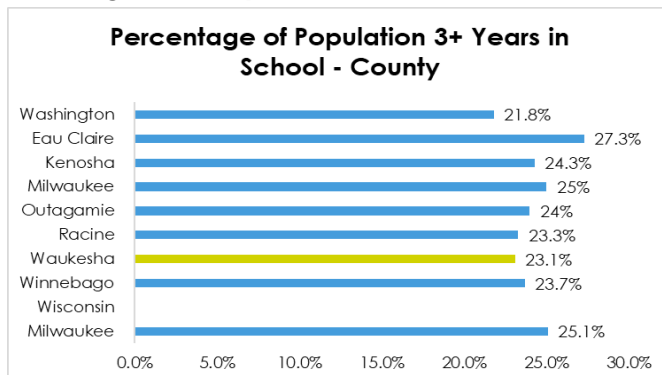
Source: "[S1501 Educational Attainment](#)," 2022 ACS. Accessed May 11, 2024 by Vierbicher staff.

Figure 16: Percentage of Population 3+ Years in School – County & State



Source: "[S1501 Educational Attainment](#)," 2022 ACS. Accessed May 11, 2024 by Vierbicher staff.

Figure 17: Percentage of Population Enrolled in College – County & State



Source: "[S1501 Educational Attainment](#)," 2022 ACS. Accessed May 11, 2024 by Vierbicher staff.

Educational Attainment

Figure 15 shows that Waukesha had a high percentage of the population enrolled in college, at 7.5%. Only Eau Claire—also a college town, had a higher percentage at 12.8%. This is reflective of a population that had a higher percentage of younger persons and a higher percentage of older persons having children at home under the age of three and having more children old enough for college. Figure 16 and Figure 17 illustrate this data visually.

Looking at Waukesha County, in 2022 the County had 23.1% of the total population three years and older enrolled in school. This was very similar to other Counties, which had a high of 27.3% in Eau Claire and a low of 23.3% in Racine.

Employment

The civilian employed population 16 years and older accounted for 39,797 people in 2022. This was the third largest employed workforce of the comparable communities, with Kenosha having the largest amount of people at 50,690 employed persons. Figure 18 shows the largest industrial sector for employment was Educational Services, Health Care and Social Assistance with 22% of the workforce. The second largest sector was Manufacturing at 17.5%. The third largest sector was Retail Trade at 11.9%, closely followed by Finance and real estate. Other communities had similar employment characteristics, with Education and Health Care accounting for the largest percentage. The largest sector for Appleton and Racine was manufacturing, although the percentage of their workforce devoted to manufacturing was only 2%-5% higher than Waukesha's. In Waukesha, where industrial and educational services sectors dominate, this understanding becomes particularly pertinent. Industrial sectors often attract a diverse workforce seeking affordable housing options close to their workplaces. Simultaneously, the presence of educational services indicates a demand for housing for professionals such as educators and administrators, who may

prioritize proximity to schools and universities. Recognizing these employment patterns can inform the City planning and housing development strategies, guiding the creation of housing options that cater to the varied needs of the city's workforce while fostering vibrant, inclusive communities.

Figure 18: Employment Sectors by Municipality

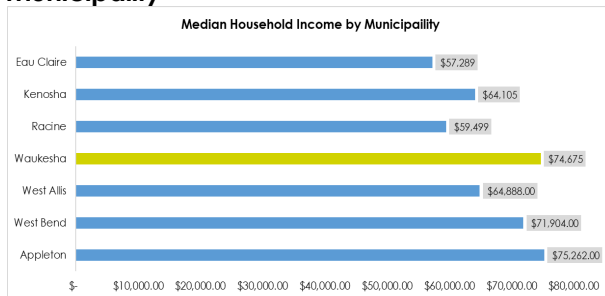
Employment by Sector	Appleton		Eau Claire		Kenosha		Racine		Waukesha		West Allis	
	Estimate	Percent	Estimate	Percent	Estimate	Percent	Estimate	Percent	Estimate	Percent	Estimate	Percent
Civilian employed population 16	41,740		40,117		50,690		35,253		39,797		31,296	
Agriculture, forestry, fishing and hunting, and Construction	203	0.5%	81	0.2%	60	0.1%	74	0.2%	245	0.6%	140	0.4%
Manufacturing	1,462	3.5%	888	2.2%	2,136	4.2%	1,524	4.3%	2,326	5.8%	1,645	5.3%
Wholesale trade	8,459	20.3%	4,747	11.8%	10,042	19.8%	8,845	25.1%	6,952	17.5%	5,282	16.9%
Retail trade	1,045	2.5%	299	0.7%	2,422	4.8%	1,233	3.5%	1,014	2.5%	1,198	3.8%
Transportation and warehousing, and utilities	6,060	14.5%	6,459	16.1%	6,858	13.5%	3,547	10.1%	4,755	11.9%	3,092	9.9%
Information	1,821	4.4%	1,496	3.7%	3,336	6.6%	3,184	9%	2,085	5.2%	2,116	6.8%
Finance and insurance, and real estate and rental and leasing	990	2.4%	257	0.6%	326	0.6%	544	1.5%	225	0.6%	385	1.2%
Professional, scientific, and management, and administrative	3,436	8.2%	2,294	5.7%	1,412	2.8%	2,399	6.8%	3,251	8.2%	1,769	5.7%
Educational services, and health care and	4,897	11.7%	3,295	8.2%	5,288	10.4%	2,650	7.5%	4,016	10.1%	3,427	11%
Arts, entertainment, and recreation, and	8,828	21.1%	12,046	30%	11,049	21.8%	7,245	20.6%	9,109	22.9%	7,345	23.5%
Other services, except public administration	2,836	6.8%	4,594	11.5%	3,618	7.1%	2,299	6.5%	1,773	4.5%	2,634	8.4%
Public	982	2.4%	2,124	5.3%	2,352	4.6%	547	1.6%	2,692	6.8%	1,312	4.2%
	721	1.7%	1,537	3.8%	1,791	3.5%	1,162	3.3%	1,354	3.4%	951	3%

Source: "DP03 Economic Characteristics," 2022 ACS. Accessed May 11, 2024 by Vierbicher staff.

Household Income

A preliminary look at Median Household Income shows the City to have had a median income of \$59,248 in 2010 and a median income of \$59,866 in 2016, a 6.4% increase. The 2016 income statistic was higher for the City than for the State, which was \$54,610, yet was considerably lower than the County which had a median income of \$78,268. The City increase from 2010 was higher than for the County though, at 4.3%, so City incomes appear to be catching up to the County at this point.

Figure 19: Median Household Income by Municipality



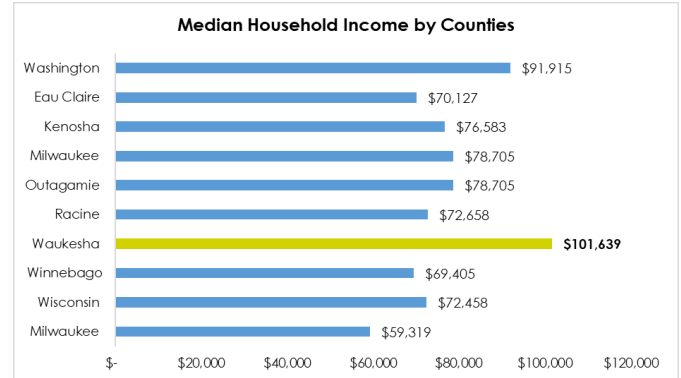
Source: "[S2503 Financial Characteristics](#)," 2022 ACS. Accessed May 12, 2024 by Vierbicher staff.

Figure 20: Percentage of Households by Income – Municipality

HOUSEHOLD INCOME IN THE PAST 12 MONTHS (IN 2022 INFLATION-ADJUSTED DOLLARS)	Waukesha	Appleton	Wauwatosa
Less than \$5,000	2.0%	1.4%	2%
\$5,000 to \$9,999	1.4%	2.2%	0.9%
\$10,000 to \$14,999	3.2%	2.8%	1.9%
\$15,000 to \$19,999	2.2%	2.8%	2.0%
\$20,000 to \$24,999	3.9%	2.6%	3.2%
\$25,000 to \$34,999	6.7%	6.4%	5.8%
\$35,000 to \$49,999	12.6%	13.3%	8.5%
\$50,000 to \$74,999	15.9%	18.3%	17.9%
\$75,000 to \$99,999	14.9%	16.9%	10.8%
\$100,000 to \$149,999	20.3%	19.5%	20.9%
\$150,000 or more	16.8%	13.9%	26%
Median household income (dollars)	77,558	75,262	93,812

Source: "[S2503 Financial Characteristics](#)," 2022 ACS. Accessed May 12, 2024 by Vierbicher staff.

Figure 21: Median Household Income by County & State



Source: "[S2503 Financial Characteristics](#)," 2022 ACS. Accessed May 12, 2024 by Vierbicher staff.

A more detailed analysis of household income was conducted using 2022 figures, in order to benchmark against Household and Population numbers used by the Department of Administration for projections. The median household income for the City in 2022 was \$74,675 per year, the highest amongst comparable municipalities, with the exception of Appleton. The largest income bracket was \$100,000 to \$149,999. The second largest was the \$50,000 to \$74,999 bracket. Waukesha County had the largest median income of comparable counties, by far. Figure 19 - 21 illustrate these findings.

Home Ownership

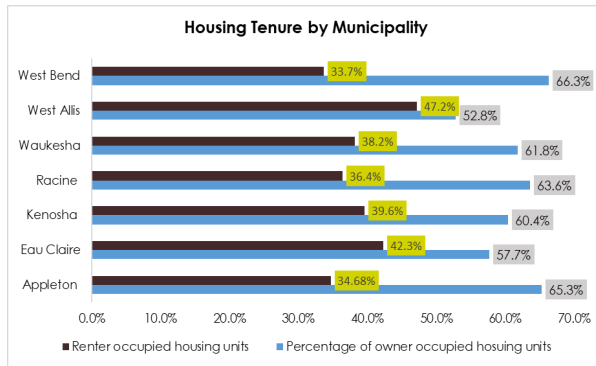
Figure 22 illustrates the City had an owner-occupied housing unit percentage of 61.8%, similar to comparable municipalities, with West Bend having the highest at 66.3% and Appleton 65.3%. The renter-occupied percentage is similar as well. The City of Waukesha statistic is 38.2%, while West Allis is the highest at 47.2% and West Bend is the lowest at 33.7%.

Comparing home ownership by county from the 2022 ACS data, Waukesha County had a higher percentage (76.7%) of owner-occupied housing units, than comparable communities, except Washington County. This is a different result from the municipal numbers, which showed the City to have an average percentage of owner-occupied homes.

Mortgage Status

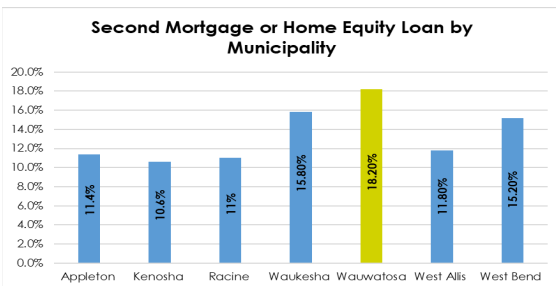
Regarding mortgage status, Figure 23 shows that the City of Waukesha has the second highest percentage of homeowners with a second mortgage or home equity loan in 2022. Of those, the majority had home equity loans only. Figure 24 shows that Waukesha County had the second highest rate of homeowners with either a second mortgage or a home equity loan during 2022 (18.6%), with only Washington County having a higher rate. This rate was also higher than the State percentage of 14.4%. The County also had a higher rate of homeowners with no second mortgage or home equity loan as well.

Figure 22: Housing Tenure by Municipality,



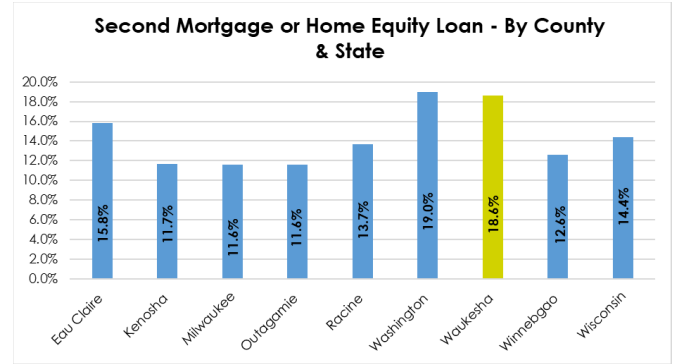
Source: "DP04 Selected Housing Characteristics," 2022 5-yr ACS. Accessed May 20, 2024 by Vierbicher staff.

Figure 23: Second Mortgage by Municipality



Source: "S2506 Financial Characteristics," 2022 ACS Accessed May 12, 2024 by Vierbicher Staff.

Figure 24: Second Mortgage by County & State

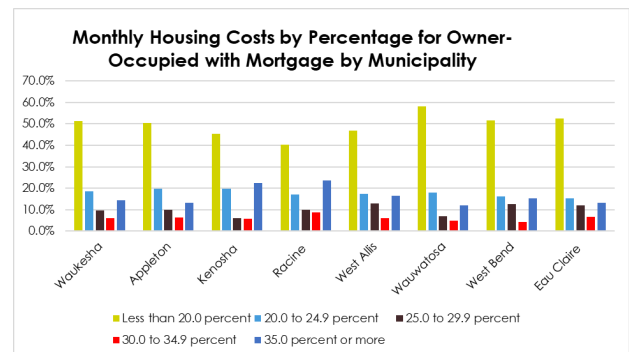


Source: "S2506 Financial Characteristics," 2022 ACS Accessed May 12, 2024 by Vierbicher Staff.

Income and Monthly Housing Cost

Looking at the percent of income spent for owner-occupied housing units in the City, only 51.3% of households with a mortgage spent less than 20% of their household income on housing in 2022. This is a lower percentage than Appleton, Kenosha and Racine. In this category, 18.6% of Waukesha households also spent between 25% to 29% on housing and 14.4% spent 35% or more.

Figure 25: Monthly Housing Costs by Percentage for Owner- Occupied with Mortgage by Municipality



Source: "S2503 Household Financial Characteristics," 2022 5-yr ACS. Accessed May 20, 2024 by Vierbicher staff.

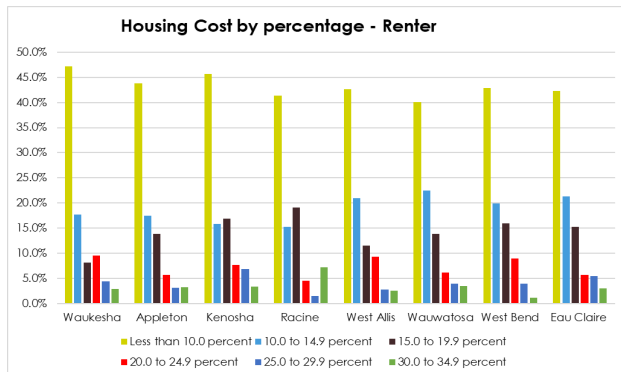
These numbers are higher than average when compared to other municipalities. Waukesha is slightly higher in the 20% to 25% monthly housing cost category compared to others and higher than others in the 30% or more category. Figure 25 shows how Waukesha may have some issues with percent of income spent on housing, compared to other municipalities. A

breakdown of housing affordability will be discussed later in the chapter.

Again, this is most likely a factor of more second mortgages and home equity loans, as Wauwatosa simply had higher home values driving up monthly costs instead. Regarding renters, Figure 25 shows 47.2% of households spent less than 10% of their household income on housing in 2022. This is the high end of the range for comparable municipalities, with Appleton and Wauwatosa having similar percentages.

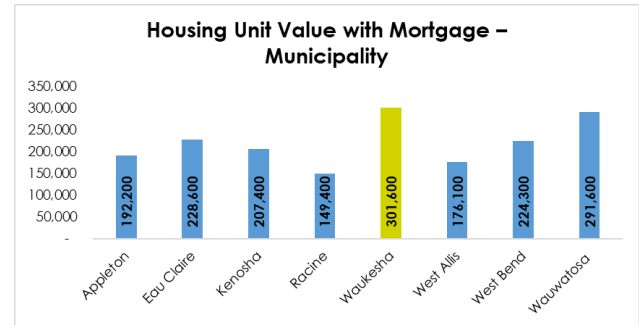
The City is in the high range with 9.6% spending between 20% and 25% and in the low range with 2.9% spending 30% or more. Figure 26 shows that renters are clearly spending a much higher percentage of their income on housing than are owner households. The median rent for Waukesha in 2022 was \$1,115.

Figure 26: Monthly Housing Cost by Percentage for Renters by Municipality



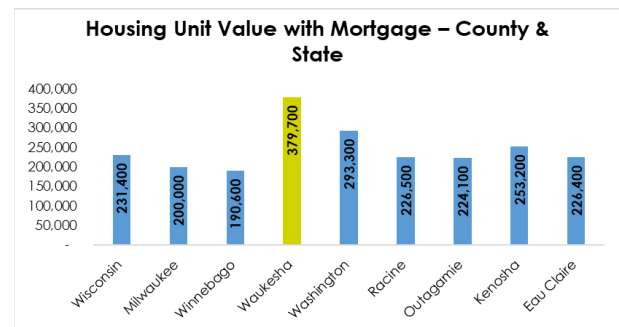
Source: "S2503 Household Financial Characteristics & B25094 Selected Monthly Owner Costs." 2022 5-yr ACS. Accessed May 20, 2024 by Vierbicher staff.

Figure 27: Housing Unit Value with Mortgage – Municipality



Source: "S2506 Financial Characteristics." 2022 ACS Accessed May 12, 2024 by Vierbicher Staff.

Figure 28: Housing Unit Value with Mortgage – County & State



Source: "S2506 Financial Characteristics." 2022 ACS Accessed May 12, 2024 by Vierbicher Staff.

Housing Stock Analysis

Housing Unit Value

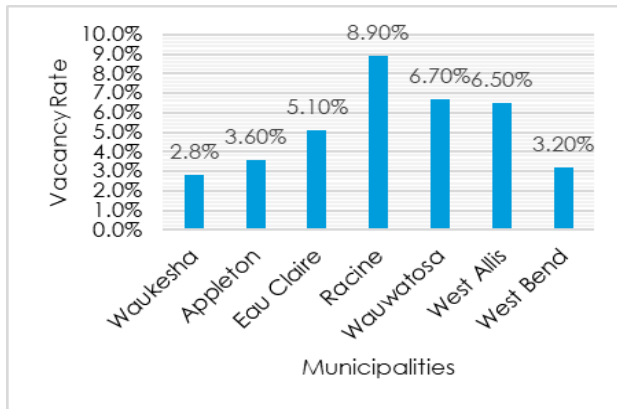
Looking at home values for owner-occupied housing units with a mortgage in 2022, the City of Waukesha had a median home value of \$301,600 in 2022. This is a 54.74% increase from 2016, when the reported median home value was \$194,900. West Bend, had a median value of \$224,300. Other communities had more homes in the \$150,000 to \$199,999 range. As shown in Figure 28, home values in the County were even higher, with the median value for Waukesha being \$379,700. This was significantly higher than the state median value of \$231,400.

Vacancy

Turning to housing structures themselves, the City had 30,861 total housing units in 2023. Figure 29 shows the vacancy rate for those units was among the lowest of the comparable municipalities, at 2.8%. Only Appleton and West Bend had a similar rate. A low vacancy rate means there is a very small percentage of available unoccupied properties. This is significant because it indicates a high demand for housing. The existing housing stock is being utilized to its maximum capacity. When vacancy rates are low, it increases the cost for renters and buyers, which can make housing unaffordable.

However, this can signal to developers and investors that there is a demand for housing within the City. This can lead to increased construction activity and investment in the housing sector.

Figure 29: Housing Vacancy Rates by Municipality



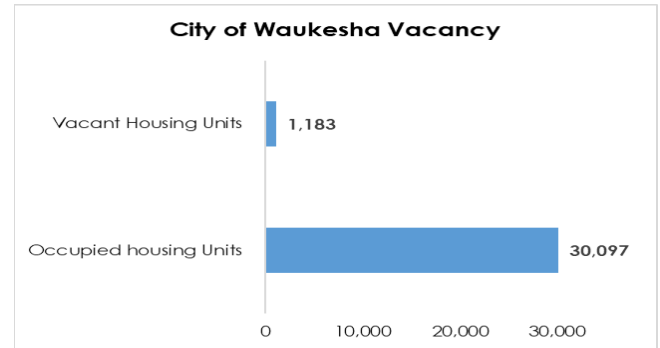
Source: "CP04 Comparative Housing Characteristics." 2022 5-year ACS. Accessed May 12, 2024 by Vierbicher staff.

Figure 30: Total Housing Units and Vacancy

Total Units and Vacancy	Appleton	Wauwatosa	Waukesha
Total Housing Units	31,747	23,148	31,280
Occupied Housing Units	30,353	21,822	30,097
Vacant	1,394	1,326	1,183

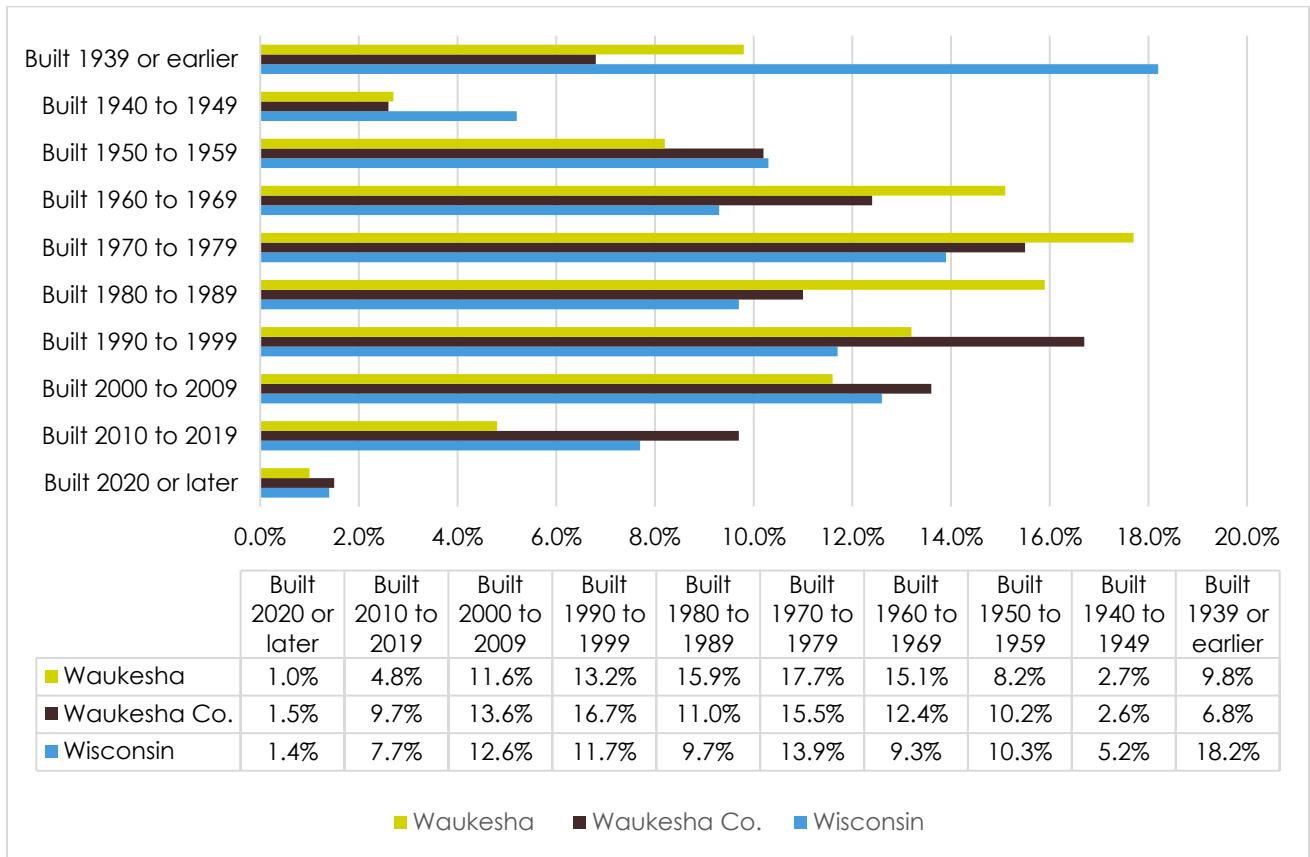
Source: "Occupancy Characteristics H1." 2020 U.S. Census. Accessed May 20, 2024 by Vierbicher staff.

Figure 31: City of Waukesha Vacancy as a Total and Occupied Units



Source: "Occupancy Characteristics H1." 2020 U.S. Census. Accessed May 20, 2024 by Vierbicher staff.

Figure 32: Year Structure Built – Municipality, County, & State



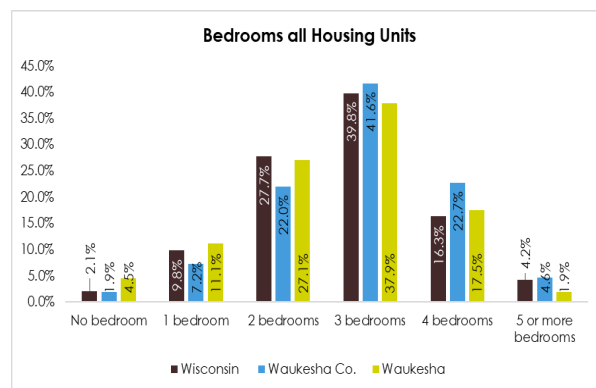
Source: "S2503 Household Financial Characteristics & DP04 Selected Housing Characteristics," 2022 5-yr ACS. Accessed May 20, 2024 by Vierbicher staff.

Figure 33: Year Structure Built: Renter-Occupied

Year Structure Built - Rental Units	Total	Percent
2020 or later	230	2.0%
2010 to 2019	549	4.7%
2000 to 2009	743	6.3%
1980 to 1999	4,138	35.1%
1960 to 1979	4,763	40.4%
1940 to 1959	440	3.7%
1939 or earlier	913	7.8%

Source: "S2504 Household Financial Characteristics & DP04 Selected Housing Characteristics," 2022 5-yr ACS. Accessed May 20, 2024 by Vierbicher staff.

Figure 34: Bedrooms: Owner-Occupied



Source: "S2503 Household Financial Characteristics & DP04 Selected Housing Characteristics," 2022 5-yr ACS. Accessed May 20, 2024 by Vierbicher staff.

Figure 35: Bedrooms: Renter-Occupied

BEDROOMS: Renter - Occupied	Total	Percent
No bedroom	980	8.3%
1 bedroom	3,165	26.9%
2 or 3 bedrooms	7,536	64.0%
4 or more bedrooms	95	0.8%

Source: "S2504 Household Financial Characteristics & DP04 Selected Housing Characteristics," 2022 5-yr ACS. Accessed May 20, 2024 by Vierbicher staff.

Structural Age & Bedrooms

Looking at the year structures were built, of owner-occupied units, the 2022 ACS shows 32%, of these homes were built between 1960 and 1979, and 29%, were built between 1980 and 1999. A smaller percentage of homes, 16.4%, were built between 2009 and 2019. Figure 32 shows the

County has slightly newer housing stock and the State has slightly older housing stock.

Regarding renter-occupied units, the largest group (40.4%) were built from 1980 to 1999. A significant number (35.1%) were built between 1980 and 1999. Other construction year brackets for rental units were relatively small, with 4.7% being built between 2010 and 2019.

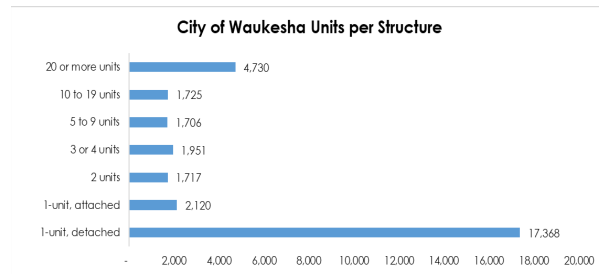
Owner-occupied homes in Waukesha for 2022 were predominantly 2–3-bedroom units (65%), with 4 or more bedrooms representing 17.5%. The County had slightly more 4-bedroom units. The State had similar numbers to the City Renter-occupied units showing greater diversity in housing types, with 26.9% being 1-bedroom units, and 64.0% being 2 or 3 bedrooms (see Figure 39).

Housing Units per Structure

Looking at a more detailed analysis of units per occupied structure, Figure 36 showed the City of Waukesha had predominantly 1 unit, detached, housing inventory in 2022. This represents most owner-occupied housing types.

Figure 37 shows the rental housing inventory for Waukesha was more evenly distributed. The majority of rental structures were composed of 10 or more units. Compared to the County, the City had a higher percentage (17.8%) of rental structures, with 20 or more units, and a higher percentage (6.2%) of structures with 10 to 19 units. However, the City had a smaller percentage (13.55%) of rental structures with 50 or more units. Nationwide, the average housing unit increased in size each decade until the housing bubble burst in the late 2000s. However, the City of Waukesha did not experience the same building trends as the nation. Figures 38-39 show the Existing Historical Inventory by decade.

Figure 36: City of Waukesha Units per Structure – Owner



Source: "S2504 Household Financial Characteristics & DP04 Selected Housing Characteristics," 2022 5-yr ACS. Accessed May 20, 2024 by Vierbicher staff.

Figure 37: Rental Units Per Structure – County & State

Rental Units Per Structure	Total	Percent
Occupied housing units	11,776	100.0%
1, detached	979	8.3%
1, attached	472	4.0%
2 apartments	1,382	11.7%
3 or 4 apartments	1,637	13.9%
5 to 9 apartments	1,467	12.5%
10 or more apartments	5,839	49.6%

Source: "S2504 Household Financial Characteristics & DP04 Selected Housing Characteristics," 2022 5-yr ACS. Accessed May 20, 2024 by Vierbicher staff.

Figure 38: Existing Inventory of Units by decade - City of Waukesha

Building Type	2010's	2020's
SFR/Duplex	16,729	16,821
Apartment	11,066	11,469
Condo	3,161	3,288

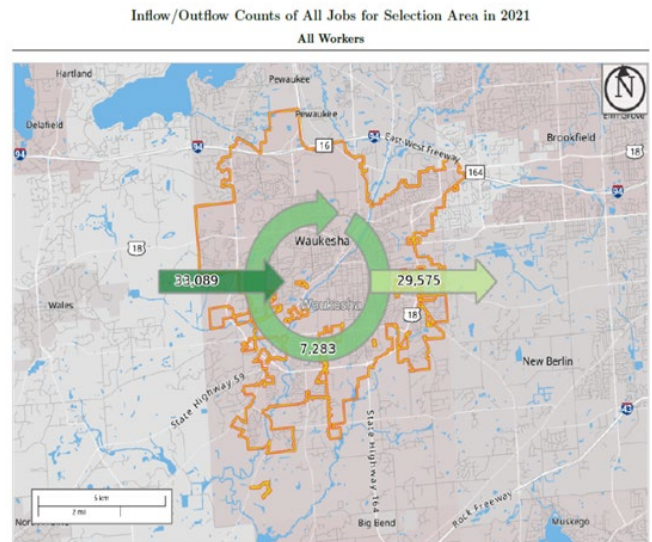
Source: City of Waukesha.

Commuting and Place of Work

On average, employees in Waukesha, WI have a shorter commute time (21.8 minutes) than the normal US worker (26.7 minutes). Additionally, 1.42% of the workforce in Waukesha, WI have "super commutes" (more than 90 minutes). In 2022, 78.1% of workers in Waukesha, WI drove alone to work, 9.58% worked at home and 7.51% carpoled to work. Figure 39 shows 33,089

in-flow commuters, those driving into the City for work, matched by 29,575 leaving the City and 7,283 staying within. The largest share of households in Waukesha has 2 cars per household as illustrated in Figure 40.

Figure 39: Inflow – Outflow Comparison – City of Waukesha



Source: "US Census OnTheMap." Accessed by Vierbicher Staff May 6, 2024.

Figure 40: Vehicles Available – Occupied Housing Units

Transportation	Total	Percent
No vehicles available	1,723	5.7%
1 vehicle available	11,005	36.7%
2 vehicles available	12,206	40.7%
3 or more vehicles available	5,072	16.9%

Source: "DP04 Selected Housing Characteristics," 2022 5-yr ACS. Accessed May 20, 2024 by Vierbicher staff.

Sales Market Analysis

Real Estate Sales and Listings

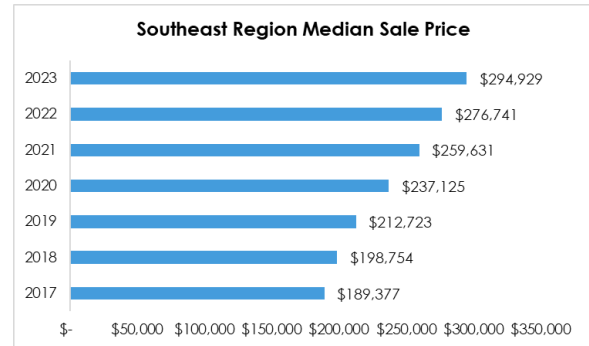
Vierbicher analyzed unit and median sale price data from Multiple Listing Services for single family homes throughout the State of Wisconsin. The areas analyzed were the Southeast Wisconsin region, the Milwaukee metropolitan region, and Waukesha County from 2017 to 2023. This review provided the market analysis data needed to evaluate Waukesha County's position, relative to

surrounding communities and the state as a whole.

Data shows that Waukesha County median sale prices have remained consistently higher compared to the Milwaukee region, Southeast Wisconsin, or the State as a whole. During our period of analysis, the average annual median sale prices reached a low in 2017. They rapidly increased, reaching an average monthly median price of \$435,000 in 2023. Likewise, the Milwaukee region, Southeast Wisconsin region, and the State of Wisconsin all echoed similar trends. The Milwaukee region jumped from a low of \$162,000 in 2017 to \$250,000 in 2023. The Southeast Wisconsin region rebounded from \$189,000 in 2017 to \$294,929 in 2023. The State of Wisconsin as a whole, jumped from a low of \$172,900 in 2017 to \$285,000 in 2023. The increase in median sale price is consistent with the 2020 pandemic trends. Figures 41-46 graphically illustrate the median sales trends for these geographic areas.

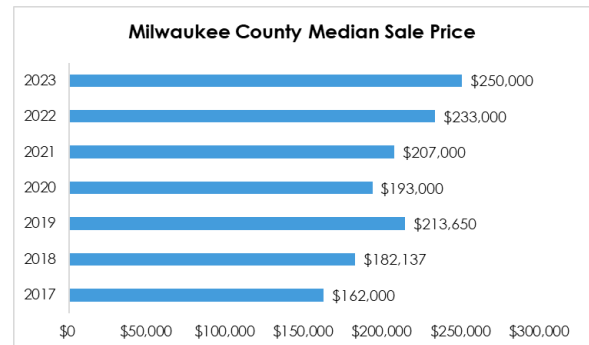
When observing annual total unit sales, Waukesha County, the Milwaukee region, the Southeast Wisconsin region, and the State of Wisconsin all mirror the same phenomenon. They had a dip in total unit sales between 2017 and 2019, followed by a sharp increase in 2020. Sales numbers have steadily increased each year since. Final total unit sales for 2023 showed Waukesha County sold 4,570 owner-occupied units. The City of Milwaukee sold 9,614 units in 2023, 23,299 were sold throughout all Southeast Wisconsin, and 64,481 were sold statewide.

Figure 41: Southeast Region Median Sale Price



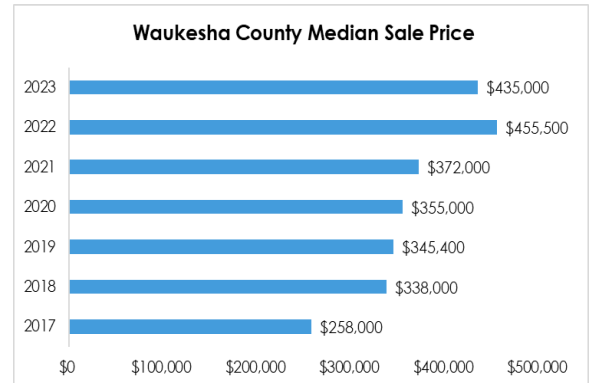
Source: "Wisconsin Realtor Association." Accessed by Vierbicher Staff May 15, 2024.

Figure 42: Milwaukee County Median Sale Price



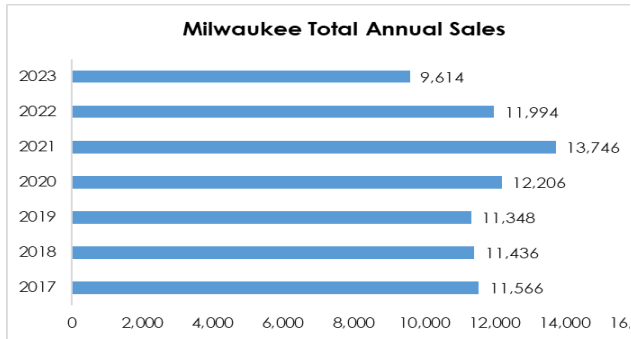
Source: "Wisconsin Realtor Association." Accessed by Vierbicher Staff May 15, 2024.

Figure 43: Waukesha County Median Sales



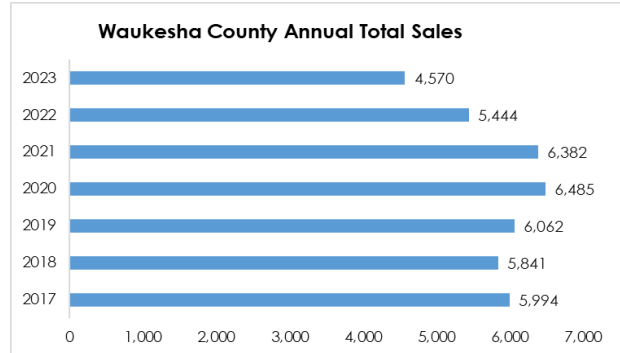
Source: "Wisconsin Realtor Association." Accessed by Vierbicher Staff May 15, 2024.

Figure 44: Milwaukee County Annual Total Sales



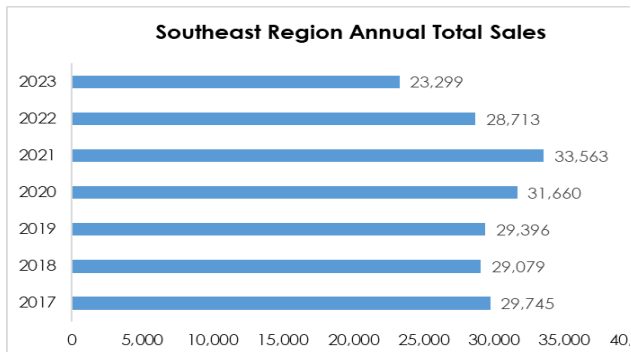
Source: "Wisconsin Realtor Association." Accessed by Vierbicher Staff May 15, 2024.

Figure 47: Waukesha County Annual Total Unit Sales



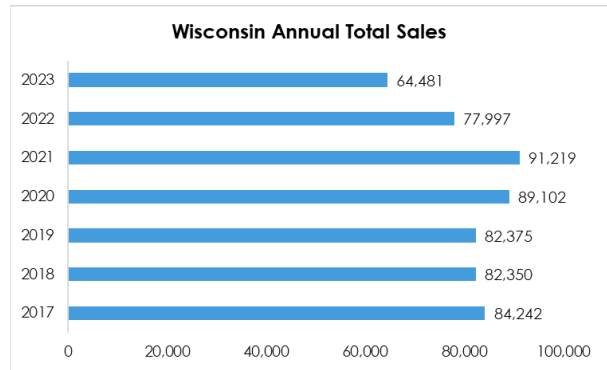
Source: "Wisconsin Realtor Association." Accessed by Vierbicher Staff May 15, 2024.

Figure 45: Southeast Region Annual Total Sales



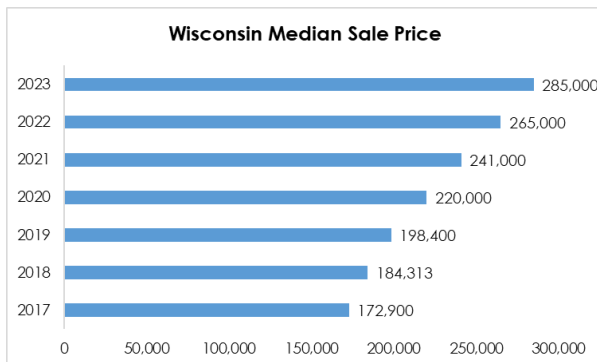
Source: "Wisconsin Realtor Association." Accessed by Vierbicher Staff May 15, 2024.

Figure 48: Wisconsin Annual Total Sales



Source: "Wisconsin Realtor Association." Accessed by Vierbicher Staff May 15, 2024.

Figure 46: Wisconsin Median Sale Price



Source: "Wisconsin Realtor Association." Accessed by Vierbicher Staff May 15, 2024.

Other Trends

In 2022, the industries offering the highest median earnings for men were Wholesale Trade (\$74,167), Public Administration (\$73,883), and Finance & Insurance, Real Estate, and Rental & Leasing (\$72,241).

For women, the top-earning industries were Public Administration (\$61,288), Finance & Insurance, Real Estate, and Rental & Leasing (\$60,304), and Agriculture, Forestry, Fishing & Hunting, and Mining (\$48,375).

These income disparities highlight the broader issue of housing affordability. As home prices continue to rise, individuals and families must rely heavily on their earnings to secure housing. The industries with higher median earnings provide a better buffer against escalating home prices, making homeownership more attainable for those

employed in these sectors. Conversely, individuals working in lower-paying industries may find it increasingly difficult to afford homes, exacerbating the housing affordability crisis. Thus, the intersection of industry-specific earnings and rising home prices underscores the growing challenge of achieving housing affordability for many households. Figures 41–48 illustrate the annual total unit sales and median sale prices for the City of Waukesha, the Southeast region, Milwaukee, and the State of Wisconsin. Monitoring these trends is crucial for understanding the dynamics between asking prices and community affordability. A successful housing market depends on aligning home prices with what local residents can afford. By regularly analyzing these data points, stakeholders can identify emerging affordability issues and implement strategies to ensure the housing market remains accessible to a diverse population. This approach is imperative to fostering economic stability and sustainable growth within the region.

Housing Market Analysis

Vierbicher analyzed the City's Housing market to determine affordability using a cross-section of available housing and income data sourced from ESRI Business Analysis and the American Community Survey.

The Average Median Income (AMI) for the City of Waukesha is \$74,675 and is 100% of AMI in Figure 49. Additional income levels were calculated from the identified City 100% AMI point. Figure 49 below illustrates the City of Waukesha's owner-occupied and renter-occupied affordability analysis, using Average Median Income (AMI) percentages of 60% to 180%. Figure 49 also groups the established income levels into three broad categories: Below Average Median Income, Moderate Income and Above Average Median Income Housing. The figure also compiles housing data into two categories: Owner-Occupied and Renter-Occupied.

Affordability of owner-occupied units is typically defined as annual mortgage payments less than or equal to 2.5 times the AMI value. Analysis of the Waukesha market shows there is an affordability gap for owner-occupied units at all income levels from 60% of AMI to 150% of AMI. Figure 49 documents the calculated affordability gap. Individuals at these income tiers may need assistance with securing mortgages, down payments, and potentially monthly mortgage payments. Individuals at 180% of AMI do not face the same challenges with affordability as those at 150% of AMI or below.

Please note, continued upward pressure on owner-occupied home prices may create greater affordability gaps than calculated here.

Affordability of renter-occupied units is typically defined as less than or equal to 30% of the AMI value. Analysis of the Waukesha market indicates that rental housing units are affordable across all income levels. However, at the 60% AMI level, a small increase in rent will make units unaffordable.

Figure 49 illustrates the renter-occupied affordability results. It should be noted that the renter-occupied affordability analysis was completed based on annual median rental rates.

The City should monitor median rental rates and the number of units in the income tiers over the next few years. Rental prices are facing upward pressure similar to owner-occupied costs.

The housing market has been broken down into six broad unit types, which typically correspond to the three income levels identified. 60% of AMI or Eligible of Subsidies category typically consists of subsidized housing and "low-cost units". Subsidized housing leverages federal, state and local agencies to provide subsidized rental assistance to below average median income households. An example would be

Section 8 housing programs pay a portion of or the full rental costs on behalf of tenants.

Public housing is priced much below the market rate.

Housing unit types for the Moderate-Income category (incomes ranging from 80% to 120% of AMI) consist of entry-level homes for first time buyers and income-controlled rental housing. Entry-level market housing is defined as small one- or two-bedroom houses, often older homes or low-cost new developments. Income-controlled housing units are commonly associated with the Low-Income Housing Tax Credit Program (LIHTC). This program provides developer incentives at the time of construction, reducing the construction cost, which enables the developer to charge below market rate rents for high-quality housing units.

Above Average Median Income earning households are associated with housing consisting of step-up units and high-end units. Step-up units are broadly defined as larger units with more amenities and features than the entry level unit. High-end units are considered executive or luxury units. These housing units are market rate, meaning their rental prices are based on demand, location, and amenities.

Market rate rental is defined as the monthly amount of rent a property type is likely to receive in a particular area. It is important to note that market rate housing exists at all the defined income levels. However, the size, quality, and amenities of the units will vary across the income levels.

There are also programs to assist first-time home buyers in the low to moderate income categories. These programs include HUD, USDA, WHEDA, and VA. First-time home buyers in Wisconsin use HUD's definition of a first-time homebuyer. Someone is qualified as a first-time buyer if they have not owned a principal residence in the last three years.

Figure 49: Housing Affordability Analysis

City of Waukesha Housing Affordability Analysis	Below Average Median Income	Moderate Income			Above Average Median Income	
	Owner-Occupied Housing Units					
Owner-Occupied Affordability	60% AMI	80%AMI	100%AMI	120% AMI	150%AMI	180% AMI
Waukesha Median Income	\$44,805	\$59,740	\$74,675	\$89,610	\$112,012	\$134,415
Median Single-Family Home Value	\$283,166	\$283,166	\$283,166	\$283,166	\$283,166	\$283,166
Affordable Mortgage (2.5 x income)	\$112,012	\$149,350	\$186,687	\$224,025	\$280,030	\$336,037
Affordability Gap - Owner Occupied	\$171,153	\$133,816	\$96,479	\$59,141	\$3,136	\$52,871
Renter-Occupied Affordability	60% AMI	80%AMI	100%AMI	120% AMI	150%AMI	180% AMI
Renter Occupied Housing Units						
Waukesha Median Income	\$44,805	\$59,740	\$74,675	\$89,610	\$112,012	\$134,415
Median Annual Rent (\$1,115 x 12)	\$13,380	\$13,380	\$13,380	\$13,380	\$13,380	\$13,380
Affordable Rent (30% of income)	\$13,441	\$17,922	\$22,402	\$26,883	\$33,603	\$40,324
Affordability Gap - Renter Occupied	\$61	\$4,542	\$9,022	\$13,503	\$20,223	\$26,944