



# CITY OF WHITEWATER HOUSING REPORT

February 2022

Prepared By:



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## Section 1: Introduction

Like most of the region, state, and country, the City of Whitewater is experiencing challenges in meeting housing needs for its residents. A combination of factors, including dramatic fluctuations in economic and market conditions, personal preference and demographic shifts, and the global pandemic, have created a unique, challenging, and difficult housing situation for many small to mid-size communities.

The City of Whitewater's median household incomes (\$36,176) do not support the cost of new homes being constructed (\$259,050) or the available homes being sold in the market (\$240,650).

*Source: U.S. Census Bureau, 2015-2019 American Community Survey 5-Year Estimates, Realtor.com 2020-2021, and Joseph Douglas Home Builders, 2020.*

The purpose of this report is to provide an understanding of the existing housing crisis, identify gaps and needs, and provide strategies to address them, with a focus on market rate and owner-occupied housing. The report combines in-depth data analysis, local stakeholder insight, and best practices to identify recommended opportunities for the city to help reverse trends, increase housing units, and provide opportunities for all residents to live in the community.

This report was developed for the city in 2021-2022, with assistance from Vandewalle & Associates. It builds on existing reports, plans, documents, and data analysis already completed to provide an updated picture of the existing housing situation in the community.

Beyond quantitative analysis, development of this report featured discussions with city staff and local stakeholders who work in the market. Interviews with stakeholders were conducted on August 26, 2021.

Following completion of the final draft report, a summary presentation was provided to the City Plan & Architectural Review Commission and City Council in February 2022.

Vandewalle & Associates is a Wisconsin-based planning, economic development, and implementation firm. Working for both the private and public sectors, V&A has assisted communities throughout the state and across the Midwest in long-range planning, redevelopment, corridor and neighborhood planning, and neighborhood design for more than 40 years. This includes assisting Whitewater with its Comprehensive Plan updates, neighborhood planning, public input events, ordinance amendments, day-to-day planning, and its state-mandated Housing Affordability Report.

## Section 2: Key Report Findings

Issues
On average, only seven new, single-family homes have been constructed per year in the past decade.
The older population in the City is increasing, and more than half of owner-occupied units are headed by someone over 55 years old.
35% of all housing units are occupied by a single person.
There is aging housing stock, with a lack of turnover.
There are low vacancy rates for owner-occupied units and a low existing, owner-occupied supply.
The median price for homes sold has increased by 17% over the past two years.
There is enrollment decline in the Whitewater Unified School District and the University of Wisconsin-Whitewater.
Building material prices have continued to rise post-Great Recession.
Zoning options to accommodate diverse new housing types are lacking (i.e. higher density, zero lots lines, and infill).
A shortage of developers exists in Jefferson and Walworth counties following the Great Recession.
Better municipal partnerships with developers are needed (i.e. municipal incentives).
There is a shortage of missing middle housing (1-4 unit) for key demographics.

### **What is missing middle housing?**

A concept that highlights a time-proven way to provide more housing and more housing choices in sustainable, walkable places. These building types, such as duplexes, fourplexes, cottage courts, and courtyard buildings, provide diverse housing options and support locally-serving retail and public transportation options. Typically referred to as “missing”, these building types, whether owner- or renter-occupied, sit in the middle of a spectrum between large-lot detached single-family homes and high-density apartment buildings. Overall, housing types within this range provide opportunities to meet people’s needs throughout their life whether they are just starting out, having a family, downsizing, or aging.

Source: *Missing Middle Housing: Thinking big and Building Small to Respond to Today’s Housing Crisis.*  
Daniel Parolek.



Opportunities
Whitewater has experienced population growth over the past decade (4.5%).
There are existing Tax Incremental Financing Districts and a recently created Affordable Housing Fund.
Some existing, affordable housing stock is available.
Nearly half of the City's households can afford a monthly housing cost of \$1,250 or more, which is 30% of a \$50,000 annual income.
There have been several new business openings and local business expansions in the past five years.
Projected demand exists for between 200-340 new housing units over the next decade to accommodate projected population growth.
There is additional demand for houses that cost between \$200,000-\$299,999.
New housing units have positive ripple effects on many other challenges faced by the city.
New county, state, and federal funding sources are available.
Model zoning ordinance revisions are available to accommodate diverse housing types.
Tools and methods are available to the city to attract new developers and builders.

## Section 3: Existing Housing Situation

Whitewater, as an independent city with a University of Wisconsin campus, is a unique community with a variety of housing challenges. While its existing housing market may be similar to those of others in Jefferson and Walworth counties, the University of Wisconsin Whitewater (UW-W) significantly impacts the community's population, housing, and economic climate. Below is a summary of the City's existing housing situation.

### Demographics

As of 2020, Whitewater had 14,889 residents, a 3.5% increase since 2010. However, the number of total housing units has not kept pace with population, having only increased by 2% over the past decade.

In the previous decades of both 1990-2000 and 2000-2010, the population in the city increased at slightly higher rates (6.3% and 7.1%), while the total number of housing units increased at a considerably higher rate (13% and 23%).

The City also has a unique age demographic breakdown due to the presence of UW-W. As of 2019, the largest segment of the population fell between 18 and 24 years old, comprising 58% of the population. This age group can be used to estimate the student population. UW-W enrollment trends are discussed later in this report.

Of the remaining population under 18 years old and age 25 or older (assumed to be the permanent population), 34% were 55 or older. This figure has increased from 27% in 2000. Additionally, in 2019, 54% of owner-occupied housing units in the City were headed by a person 55 years or older, a higher percentage than comparable communities in Delavan, Fort Atkinson, Jefferson, and East Troy. In combination, much of the city's "permanent" population is aging.

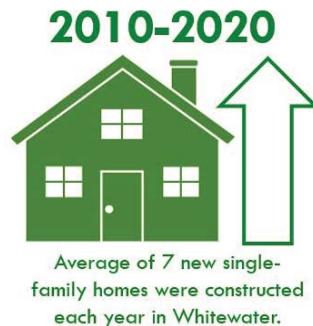


Figure 1.1 Age of Head of Household, Owner-Occupied, 2019

	Percentage of Owner-Occupied Housing Units Headed by Someone 55 Years or Older
Whitewater	54%
Delavan	49%
Fort Atkinson	51%
Jefferson	45%
East Troy	41%

Source: U.S. Census Bureau, 2015-2019 American Community Survey 5-Year Estimates.

An additional factor that impacts housing is the percentage of single-person households. A high rate of single-person households requires a higher number of total housing units, as fewer people are living within a single housing unit. Single person occupied households make up 35% of all households in the City. A much higher percentage than that of a non-university community.

### **Housing Stock and Tenancy**

Another key to understanding the City's existing housing situation is housing tenancy. Only 30% of the City's housing stock is owner-occupied, a rate which has continued to decrease for the past 20 years. Overall, that percentage is the opposite trend of most other comparable communities, both Jefferson and Walworth County, and the state as-a-whole, which have well over 50% owner-occupied housing units.

Further, there is a lack of housing turnover in owner-occupied housing units. 30% of homeowners have not moved in more than 20 and 18% haven't moved in more than 30 years. Overall, people who own a home in a community tend to live in those housing units longer, meaning Whitewater has a much higher percentage of residents who move on a more frequent basis. Additionally, this further limits the supply of the city's already limited owner-occupied housing stock.

The city's housing stock is also aging. As of 2019, more than 40% of the existing housing units in Whitewater were built prior to 1970. The result is only 10% of the homes listed for sale over the past three years in the city are classified as a Class A property. Class rankings for properties are based on desirability, age, and quality.

Class A means extremely desirable and less than 15 years old. Class B homes have some deferred maintenance and are 15 years or older. Class C is the least desirable, requiring significant reinvestment and are at least 25 years or older. Approximately 90% of homes for sale in the past three years were Class B or C. This means that buyers looking for Class A property may not be able to find a suitable home in Whitewater.

### **Housing Market**

Whitewater has always had a relatively high percentage of vacant housing units due to the number of renter-occupied units and consistent turnover. As of 2019, the city had 11% vacant housing units, but for owner-occupied housing units that rate was only 1%. This is a consistent pattern for more than a decade. This indicates a very high market demand for owner-occupied housing that has not been met for the past decade.

In addition, home prices are exceeding list prices, and homes are selling faster. Nearly every month between July of 2020 and July of 2021, the average sold price of a home in the city exceeded the average list price. In 2018 through 2019, that trend was only experienced during the peak (summer) selling times of the year. From July 2018 to July 2021, the city's average sold price increased by 17%.

Additionally, between June of 2020 and July of 2021, homes listed for sale in Whitewater have lasted an average of 60 days on the market. In comparison, between the summer of 2018 and the summer of 2020, homes averaged 85 days on the market.

According to the Jefferson County Housing Report (2021), Whitewater had 1.79 months of housing available in 2020. A six-month supply is considered optimal in a balanced market. Additionally, the housing absorption rate in 2020 was 55.8%, well above a balanced market rate of 20%. The absorption rate compares the number of homes sold in a given time period to the total number of homes on the market. Overall, these figures indicate that there is high demand that is not being met by current supply.

### **Housing Costs**

The median value of an owner-occupied home in Whitewater was \$168,700 in 2019 (according to the U.S. Census American Community Survey) - lower than the median for Jefferson County, Walworth County,

and the state overall. Partially due to the lack of new owner-occupied housing construction and an aging housing stock, that value has remained virtually unchanged over the past decade.

Despite lower median values as compared to surrounding communities, demand for homes in Whitewater has grown, as indicated by recent sale prices. The average price for a home sold in Whitewater between July 2020- July 2021 was \$240,650 (according to Realtor.com data), or about 30% higher than the median owner-occupied home value in 2019, indicating a clear mismatch between price of homes being sold and home values.

Additionally, in 2019, the median cost of rent was \$774 per month and the median cost of owner-occupied housing units with a mortgage was \$1,440. As shown below, about 43% of Whitewater households can afford a monthly housing cost of \$1,250 or more based on annual income and 30% utilized for housing costs. This plays a role in housing demand and price point which are both further explored later in this report.

Figure 1.2 Affordable Monthly Housing Costs, City of Whitewater, 2019

Annual Household Income	Number of Households	Affordable Monthly Housing Cost*
Less than \$24,999	1,696	\$625 or less
\$25,000 to \$49,999	1,176	\$625 to \$1,250
\$50,000 to \$74,999	871	\$1,250 to \$1,875
\$75,000 to \$99,999	731	\$1,875 to \$2,500
\$100,000 or more	562	\$2,500 or more

Source: U.S. Census Bureau, 2015-2019 American Community Survey 5-Year Estimates.

\*Assumed 30% of annual income used for housing costs.

In 2019, the city's median household income was \$36,176 and per capita income was \$17,542. Both figures are much lower than the state and county's average due to the large student population in Whitewater. In terms of city residents outside of the traditional college age (18-24), the median household income for people aged 25 to 44 was \$55,075 and those age 45 to 64 was \$67,902. These figures for households age 25 and older are very similar to Jefferson and Walworth counties median household incomes.

As of 2017, 48% of the city's households were cost burdened, meaning they spend greater than 30% of their average income on housing related costs and a much higher total than both Jefferson and Walworth counties and Wisconsin overall. This indicates that many residents in Whitewater are struggling to pay their rent or mortgage and are forced to make choices related to other expenses in order to afford their monthly housing costs.

### Impact of UW-W and Other Factors

A large component of the city's housing situation is impacted by the University of Wisconsin-Whitewater. Overall, UW-W enrollment in both undergraduate and graduate programs for degree-seeking students has been declining since 2016 (10%). This has been particularly felt in the enrollment of new freshman, which has declined by 26% between 2016-2020. Additionally, the number of people living in the dorms has also declined by 17% since 2017.

Of the 9,165 degree-seeking students enrolled in 2020 in undergraduate degrees, 66% lived off-campus or commuted, while only 34% lived in college-owned, operated, or affiliated housing. However, 2020 was potentially an anomaly due to the impacts of COVID-19. In 2019, 59% of undergrads lived off-campus or commuted, while 41% lived in college-owned, operated, or affiliated housing. Both the decline in the number of students enrolled and the rates of living off-campus versus on-campus significantly impacts the number of available housing units for non-student residents and the city's housing market as-a-whole.

Figure 1.3 On and Off Campus Living, Comparable Wisconsin Universities, 2020

	Undergrads Living Off-Campus	Undergrads Living On-Campus
University of Wisconsin-Whitewater*	66%	34%
University of Wisconsin-River Falls	68%	32%
University of Wisconsin-Stevens Point	72%	28%
University of Wisconsin-Platteville*	63%	37%

\*Source: University of Wisconsin-Whitewater and University of Wisconsin-Platteville

Source: U.S. News World Report, 2021

In part due to the lack of new housing units created over the past decade and the increase in population greater than 55 years or older, the Whitewater Unified School District's enrollment decreased by 9% in the last decade. The largest enrollment declines occurred at the elementary school level.

The city also has a large number of commuters. Only 23% of the people employed in Whitewater live in the City. By comparison, both Jefferson and Walworth counties are over 40%. Additionally, Whitewater's labor force was estimated to be 8,701 in 2018 (Source: 2018 WEDC Community Profile, Whitewater).

Since 2016, 12 new businesses have opened in Whitewater, with several more expected this year, and many different, local employers have expanded in recent years. One of note is Generac, that announced in the summer of 2021 that it will be creating at least 400 new jobs over the next five years in its Waukesha, Oshkosh, Jefferson, Eagle, Whitewater, and Berlin locations. This means new jobs created in the community are potentially being filled by people outside of Whitewater.

## Section 4: Addressing Existing Housing Gaps and Needs

### **Housing Demand**

In order to understand future housing needs, population projections were prepared based on past growth trends the city has experienced and Wisconsin Department of Administration projections. As shown in Appendix A, the city could grow by anywhere from 7%-29% by 2040. That translates to an increase of between 1,000-4,000 new residents.

The preferred population projection for this report was the linear growth rate based on population changes between 1990-2020 because it represents both the largest sample size and accounts for both pre- and post-Recession. Based on this methodology, the city's population is projected to be 15,640 in 2030, or 751 new residents at approximately the rate of 75 new residents per year. In 2040, the population is projected to increase to 16,016 or 1,502 new residents.

While UW-W enrollment has decreased over the past five years, this trend is not reflective of historical university enrollment which has steadily remained consistent between 1990 and 2010. Due to these differences, it is assumed that enrollment will remain somewhere around 11,000 over the next 10 years. Additionally, due to the anomaly in 2020 caused by the pandemic and its impact on the University's in-person attendees, the WisDOA population estimate for 2021 (14,133) was not used in the city's overall population projections.

If UW-W enrollment stays relatively the same over the next 10 years, then the proportion of permanent residents will increase as the city's total population grows. New housing units will be needed to accommodate the increase in population. In 2019, approximately 6,157 people, or 42% of the city's population, was estimated to be under 18 years old or 25 years old or older. This is assumed to be the "permanent" resident population.

Another factor in the number of new housing units needed is average household size. The average household size in Whitewater varies greatly by whether the dwelling unit is renter-occupied (2.20 persons per household) or owner-occupied (2.58 persons per household). Based on these average household sizes continuing into 2040, the number of new housing units needed were calculated based on the projected population increase and type of new units (owner versus renter).

Figure 1.4: Housing Unit Projections

	In the Year 2030	In the Year 2040
	New Residents	
Projected Population	15,640	16,391
Projected Population Increase	751	1,502
New Housing Units		
All Rental Units*	341	683
All Owner Units*	291	582
50% Renter Units, 50% Owner Units*	316	632
25% Renter Units, 75% Owner Units*	194	389

\*Assumed the 2019 average household size for owner-occupied (2.58) and renter-occupied (2.20) per the U.S. Census Bureau, 2015-2019 American Community Survey 5-Year Estimates.

No matter what type of housing units are constructed over the next decade, the city will need between 200-340 new units to meet the projected population demand by 2030. The form, type, occupancy, and diversity of these units will be influenced by policy decisions, market factors, developers, and builders.

### Price Point

Based on data from the U.S. Department of Housing and Urban Development (HUD), the 2021 median family income in Walworth County was \$78,700 and in Jefferson County it was \$78,800. Based on these figures, a home priced at \$236,100-\$236,400 would be considered affordable for a household earning 100% of median income for the area. At 80% of area median income, a home priced at \$188,850-\$189,150 would be considered affordable for a household of four.

Of the 1,462 owner-occupied housing units in the City in 2019, approximately 18% of those units are valued between \$200,000 and \$299,999. This means that there may be additional demand for this price range of housing in the city that is currently being unmet.

Figure 1.5 Owner-Occupied Housing Unit Value Between \$200,000-\$299,999, 2019

	Percentage of Owner-Occupied Housing Units Valued Between \$200,000-\$299,999
Whitewater	18%
Delavan	13%
Fort Atkinson	23%
Jefferson	24%
East Troy	41%

Source: U.S. Census Bureau, 2015-2019 American Community Survey 5-Year Estimates.

### Unit Type

About 43% of all housing units in the city in 2019 were single-family (detached or attached), only 9% were two-unit structures, and only 6% were 3-4 unit structures. These unit types present the most possibility for the city, in terms of new housing unit types that could help meet the existing demand. Whether owner or renter-occupied, single-family attached, single-family detached, two-family, and small-scale multi-family housing units (1-4 units) offer opportunities for young professionals just starting out their careers, young families looking for starter homes, and older residents looking to downsize or reduce their overall maintenance costs and demands. As shown below, different housing unit types accommodate a wide

variety of persons per household, meaning that increasing unit diversity can help fill existing gaps in the housing stock and meet the needs of different household types.

Figure 1.6 Housing Unit Types and Persons Per Household

<b>Housing Option</b>	<b>Persons Per Household</b>			
	<b>1</b>	<b>2</b>	<b>3</b>	<b>4+</b>
Efficiency*	X			
One Bedroom*	X	X		
Two Bedroom*	X	X	X	
Three+ Bedrooms*		X	X	X
Townhome/Duplex*	X	X	X	X
Single-Family Detached*	X	X	X	X

\*Could be owner or renter occupied units.

Another way that the city could accommodate the types of new housing units needed is through providing opportunities for new types of housing. While the construction of a new single-family home is dependent on outside market forces, the cost of land and infrastructure can be influenced by the city's policies. This could make a significant difference in lowering price points of new units. A way to do this is through a smaller lot, single-family development and/or small, multi-family units that increase development density. This spreads land and infrastructure costs over a greater number of units, reducing the individual cost per unit. For example, single-family lots that are 60 feet wide have roughly 40% lower development costs verses 100-foot-wide lots (Source: The Municipality, Wisconsin League of Municipalities, October 2021).

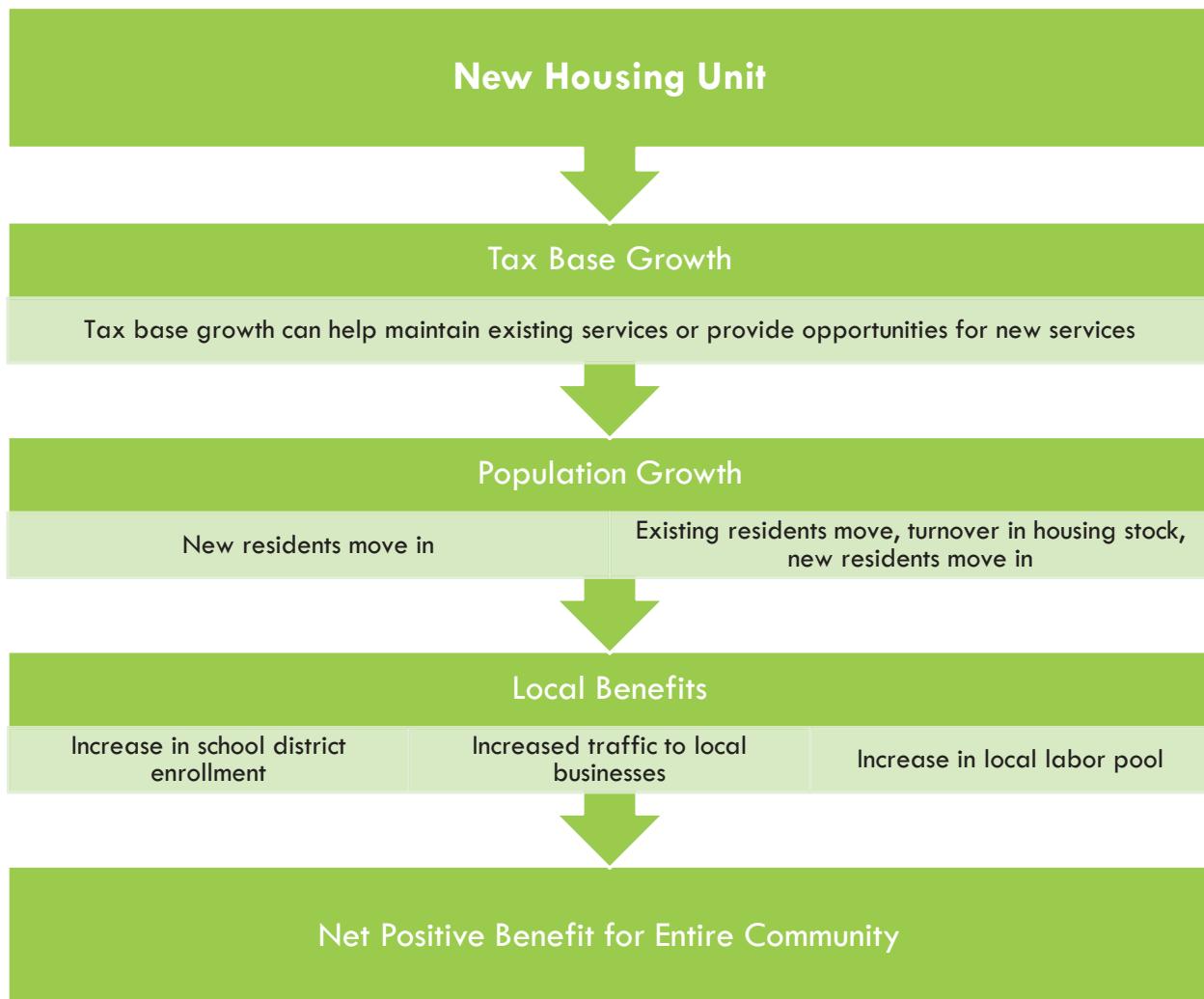
Figure 1.7 Housing Unit Densities Comparison

<b>Zoning District</b>	<b>Minimum Lot Area Per Unit</b>	<b>Potential Units Per Net Acre</b>
R-1*	10,000 square feet	4
R-2*	8,000 square feet	5
New Small Lot Single-Family**	6,000 square feet	7
New 2-4 Unit Townhome	3,600 square feet	12

\*City of Whitewater's existing Zoning Ordinance standards.

\*\*Example Zoning Ordinance standards adopted in the City of Jefferson and Fort Atkinson.

Finally, it is important to consider the impact that one new housing unit in the community can have. A ripple effect occurs each time a new unit is added to the city's housing supply. As shown below, the potential benefits from new housing units in Whitewater can directly affect many other existing challenges the city faces.



## Section 5: Stakeholder Interview Summary

On August 26, 2021, an interview session was held with local area realtors, city staff, and Chamber of Commerce representatives. The meeting was facilitated by Vandewalle & Associates, with the goal of gathering area-specific insight on the existing housing market and local issues/opportunities. Below is a summary of the discussion. Additional data provided by the local realtors at this meeting is also provided above and in the Appendix.

### **Existing Housing Market in Whitewater**

- Many different groups of people are facing issues finding housing in the city that meets their needs, and this problem has persisted for more than a decade.
  - People interested in a detached, single-family owner-occupied home in the city today are mostly first-time home buyers and people looking to downsize. Both are seeking opportunities for housing in the \$200,000-\$300,000 range, with it being nearly impossible to find anything under \$200,000.
  - People interested in an owner-occupied alternative to a detached single-family home are people looking to downsize in a unit that requires less maintenance and provides an opportunity to age in place. They also include university staff.

- People interested in a rental-occupied home are mostly young professionals looking for a 1–2-bedroom unit that is clean, quiet, affordable, and well-kept, not located within a predominantly college student rental area.
- Several attendees noted issues with the condition of the existing housing stock. Many noted instances where home buyers had to put significant investment into the unit for structural repairs to make it livable long-term. Most of the homes on the market today are Class B or C, meaning they need work.
- UW-W enrollment fluctuations have a significant impact on the housing market in the Whitewater. During peak times, there has been a lack of student housing, driving the student housing market to spread into established neighborhoods and impacting the community's supply of housing and housing stock condition. During decreased enrollment periods, this leaves opportunities for reestablishing neighborhoods; however, it is rare to find someone who will convert a two-flat back into a single-family home.
- The price of the rental units available today is oriented toward college students, where multiple roommates split the rent per room to drive down their costs. However, a family on one income has trouble paying those rents.
- One of the main reasons people are choosing other communities over Whitewater is because of the availability of the housing unit they desire and can obtain. This is not just an issue in Whitewater, but throughout the region. It is exasperated by the presence of UW-W.

### **Ways to Attract and Retain Residents**

- Several area groups are working together to improve the branding strategy for the city through the Community Branding Guide, which will provide a uniform message on future marketing efforts.
- People choose to live in Whitewater because of its rural components, natural resources, parks, arts and musical amenities, events, employment opportunities, and central location to Madison, Milwaukee, and Chicago.
- Addressing zoning barriers such as small lot sizes could accommodate new and alternative housing unit development (i.e. higher density, infill, and zero lot line).
- There is a need to provide opportunities for local workers to live in the community. Local employers keep expanding in the city, but those positions are being (largely) filled by people who live in other communities.
- More overall housing units, especially a diversity of unit types (condo, townhomes, professional rentals, etc.) benefits the city as-a-whole. Curbing the negative opposition to anything new that is proposed in the city, in particular related to multi-family housing, can help during the development review phases of the project.
- Eliminating barriers such as long wait times for meetings, permit processes, committee meetings, etc.
- The city is committed to continuing to improve local amenities for residents including events, recreational facilities, redevelopment, etc.
- There are opportunities to further leverage the “urban” art, cultural, and recreational components offered at UW-W.

### **Top Overall Priority for Addressing the Current Housing Situation**

- Increase the supply of attached and detached single-family housing units in the community through new units and the rehabilitation of the existing aging housing stock.
- Develop an action plan for how to combat the existing housing issues.
- Leverage the available resources, tools, and incentives the city can offer and be a proactive partner to make new housing happen.

## Section 6: Recommendations

1. **Allow smaller-lot single-family housing options by right in residential zoning districts.** The existing ordinance provides options between 8,000 - 10,000 square foot minimum lot sizes for single-family development. Either by modifying the existing zoning districts or establishing a new district, the city could further reduce these requirements to a minimum lot size of between 4,000 - 6,000 sf. It also provides flexibility for developers and the potential for new starter or down-sizing options for residents.
2. **Create and adopt new zoning districts or amend existing zoning districts to allow mixed-use development by right or by conditional use.** Allowing mixed-use development with a residential component within a zoning district could eliminate the need for a Planned Development (PD) in many instances where a developer pursues a mixed-use project. This could expedite the time and costs associated with mixed-use development.
3. **Utilize tax incremental financing (TIF) to help supplement some of the cost of new affordable housing in the community.** Utilize the special provision in tax increment financing law that allows the city to keep a tax increment financing district open for an extra year to support affordable housing and improve housing stock anywhere within the city. This approach has been utilized in Milwaukee, Madison, Appleton, La Crosse, Oregon, and other Wisconsin communities. In 2021, the city created an Affordable Housing Fund and, in the future, this should be leveraged to support affordable housing.
4. **Develop new and update existing Neighborhood Plans.** The City of Whitewater has several existing Neighborhood Plans dating back to the early 2000's. The market has dramatically changed in that time, and reevaluating and updating those plans may offer opportunities not previously considered. These plans should focus on encouraging diverse types of housing in the same neighborhood to provide developers with the ability to sell lots and units quicker, hitting multiple price points. It also helps address the need for diversifying the city's housing supply.
5. **Work with the University of Wisconsin-Whitewater (UW-W) to annually review data for enrollment and off-campus living percentages.** Continue to work with UW-W on future projections or planning related to changes in policies, campus planning, and trends in these figures.
6. **Permanently establish a Whitewater Housing Committee.** This could be done through partnering with the City's Community Development Authority, the Jefferson County Housing Authority, Walworth County Housing Authority, and other government entities, in addition to private sector partners. The development and establishment of a Housing Committee helps provide leadership on the topic and can drive initiatives on housing within the community.
7. **Set goals for the future that clearly define the number of housing units that need to be added to the community by a given year (i.e. 2030).** This is often done through an adopted policy by the City Council. Many communities throughout the state have started setting ambitious and clearly defined targets for needed housing units, which has helped set the stage for construction of new units.
8. **Encourage developers to leverage existing economic development tools and incentives.** Explore Opportunity Zones, Low-Income Housing Tax Credits, Historic Preservation Tax Credits, and other state and county programs directly related to housing and redevelopment. Developers should be aware of funding sources that can have a sizeable impact on their bottom lines.
9. **Allow In-Family Suites by-right in residential zoning districts.** This allows for the existing residential capacity of the city to be increased on the footprint of existing residential lots. In-Family Suites, or Granny Flats, are an opportunity for a family to accommodate an older adult such as a grandparent within the existing house. They are typically additions or remodeling to the existing home that provides a separate entryway, kitchenette, and bathroom with shared walls and access to the remainder of the home. This is a great opportunity to accommodate affordable housing for residents and/or their families in well-established neighborhoods outside of the student housing areas.
10. **Proactively work with landowners and pursue developer recruitment.** There are several developable greenfield areas either within the city's existing municipal boundary or adjacent to it

where future residential development is planned. City staff and other local groups can take an increasingly proactive approach to working with the landowners in these areas to inform them of the City's housing situation and connect them to possible developers. Consistent communication with these individuals, in addition to targeted developer recruitment efforts helps facilitate connections between the two groups that could lead to actionable steps being taken toward development of new residential units in the city.

11. **Purchase land for new affordable residential development.** Over the past decade, both Jefferson and Walworth counties have had very few developers and home builders working in the area. This is a result of multiple factors, including the Great Recession causing many to go out of business, the state's largest developers focusing on metropolitan areas where land values are higher, and local home builders that remain in the area focusing on luxury single-family homes because the return on investment is much higher. This has led to very few new housing units and subdivisions being constructed in Whitewater since 2008. As a result, it may be necessary for the public sector to step in to jump start residential development again. This can be accomplished through the city or other government entities purchasing developable land, making site improvements, connecting the area to infrastructure, and selling the individual new residential lots or the whole new subdivision. However, with this approach there is inherent risk due to unpredictable market fluctuations that could occur at any given time, but it is one alternative to waiting for private developers to immerge.
12. **Leverage upcoming COVID-19 stimulus funding to prepare infrastructure for future residential development.** Over the past year, substantial federal government stimulus packages aimed at providing funds to state, regional, county, and local governments have been passed, and more are likely to pass in the coming years. Like the stimulus money that followed the Great Recession in 2009-2010, government entities that have prepared, pre-identified, and shovel-ready projects will be able to seek those funds most effectively. If the city takes a proactive approach in identifying possible infrastructure projects, there will be opportunities over the next year to seek funds for them. These projects could be new roads or bridges, needed stormwater infrastructure, utility upgrades, expanded capacity or extensions, and more. By leveraging and capitalizing on the upcoming stimulus funding, the city can complete needed infrastructure projects that help facilitate and accelerate redevelopment, infill, or new residential development.
13. **Take a proactive approach to evaluating existing infrastructure.** In order to accommodate additional housing units, the City must understand its existing infrastructure constraints and opportunities. In doing so, Whitewater can develop a plan to accommodate future development, instead of reacting to new development as it comes.
14. **Educate first time home buyers and residents of the opportunities available.** This can be done by producing educational materials or holding periodic outreach and educational events that provide guidance and increase awareness of publicly available programs. These materials or events can be designed to aid homeowners and home buyers.

## Section 7: Action Plan

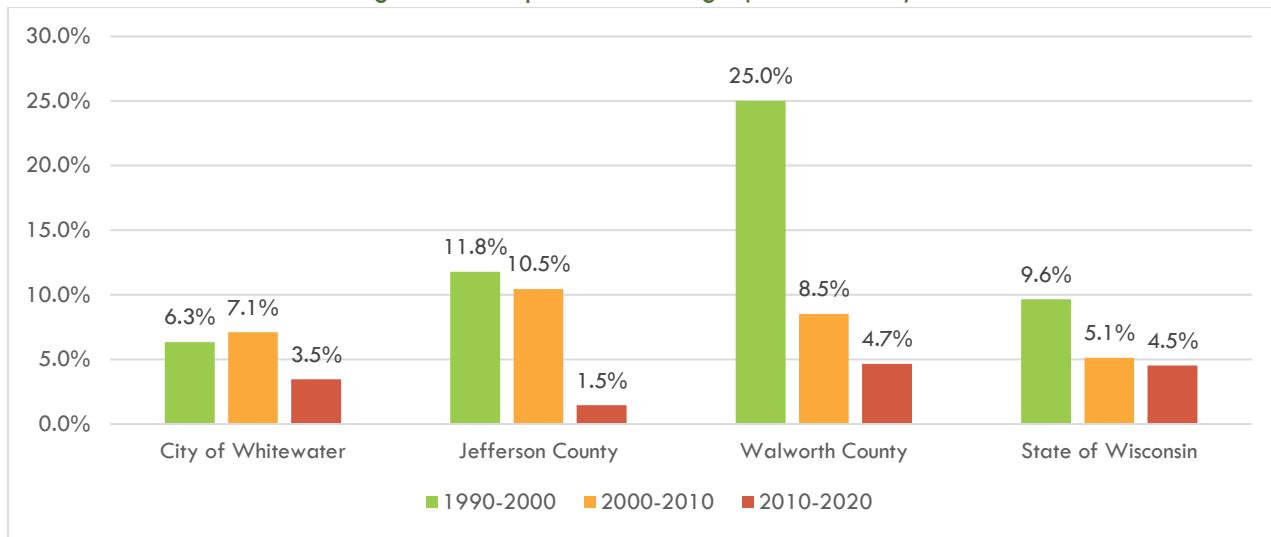
This report identifies housing issues and opportunities in the City of Whitewater. It articulates a need for additional housing units to serve the future population, and highlights the types and price points of housing needed. The city is not on track to meet those needs, but steps can be taken to address the matter and the city's housing challenges.

Figure 1.8 Action Plan

Task	Timing
Annually monitor UW-W enrollment and policy changes related to housing	Ongoing
Adopt zoning changes: <ul style="list-style-type: none"><li>• Small-lot, single-family districts</li><li>• Mixed-use districts</li><li>• In-Family Suites land uses permitted by right</li></ul>	2022
Produce summary incentive materials and provide them to prospective developers	2022
Set goals for future housing units needed	2022
Update Neighborhood Plans	2022
Develop new Neighborhood Plans	2022
Create a developer recruitment strategy and continuously update/monitor community housing data (Housing Affordability and Fee Report)	2022
Establish a plan for how the Affordable Housing Fund will be utilized, including a revolving loan fund component for home renovation	2022
Permanently establish a Housing Committee to lead the implementation of this action plan	2022
Leverage available stimulus money and pursue future grant opportunities	2022
Explore opportunities for the city to purchase and/or develop its own residential subdivision based on Neighborhood Plans	2023
Conduct a utility capacity analysis and evaluate infrastructure needed to serve new neighborhoods	2023
Develop first-time home buyer education events	2023

## Appendix

Figure A.1 Population Change (1990-2020)



Source: U.S. Census Bureau, 1990-2020 Census.

According to the Wisconsin Department of Administration, the City of Whitewater's population in 2021 was 14,133. The population decreased by 902 people between 2020 and 2021. Based on several of the data points below and insight from local stakeholders, it can be reasonably inferred that this population change is directly linked to the University of Wisconsin-Whitewater and not the city's permanent population. This assumption is based on housing demand increasing in 2020-21, while UW-W enrollment decreased, dorm population decreased, the number of commuters and people living off-campus increased, and more classes than ever before were held virtually in 2020.

Figure A.2 Population Projections

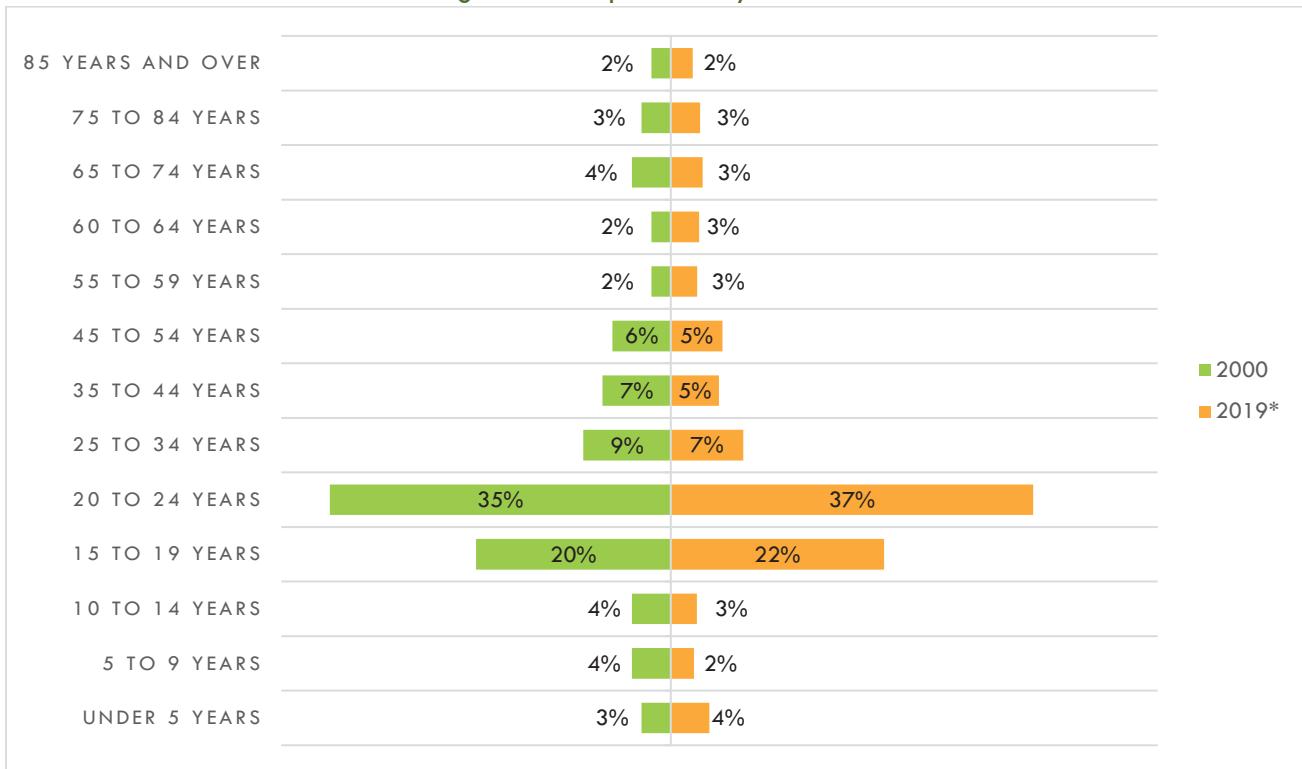
Projection	2010	2020	2025	2030	2035	2040	Percent Change 2020-2040	Total Change 2020-2040
WisDOA Projections	14,390	14,889	17,480	18,505	18,985	19,250	29%	4,361
Linear Growth 1990-2020 (1)	14,390	14,889	15,265	15,640	16,016	16,391	10%	1,502
Linear Growth 2000-2020 (1)	14,390	14,889	15,252	15,615	15,978	16,341	10%	1,452
Linear Growth 2010-2020 (1)	14,390	14,889	15,139	15,388	15,638	15,887	7%	998
Compounded Growth 1990-2020 (2)	14,390	14,889	15,337	15,798	16,273	16,762	13%	1,873
Compounded Growth 2000-2020 (2)	14,390	14,889	15,296	15,713	16,142	16,583	11%	1,694
Compounded Growth 2010-2020 (2)	14,390	14,889	15,149	15,413	15,683	15,956	7%	1,067

Source: U.S. Census Bureau, 1990-2020 Census.

1. Extrapolated based on the average annual population change over the given years.

2. Extrapolated based on the average annual percent change over the given years.

Figure A.3 Population Pyramid



\*Source: U.S. Census Bureau, 2015-2019 American Community Survey 5-Year Estimates.

Source: U.S. Census Bureau, 2010 Census.

Figure A.4 Non-Student Population

Age	2000	2019*
Under 18	1,612	1,472
25 to 34 years	1,199	1,095
35 to 44 years	946	726
45 to 54 years	762	780
55 to 59 years	233	397
60 to 64 years	250	430
65 to 74 years	506	483
85 years and over	447	443
Total	6,237	6,157

\*Source: U.S. Census Bureau, 2015-2019 American Community Survey 5-Year Estimates.

Source: U.S. Census Bureau, 2000 Census.

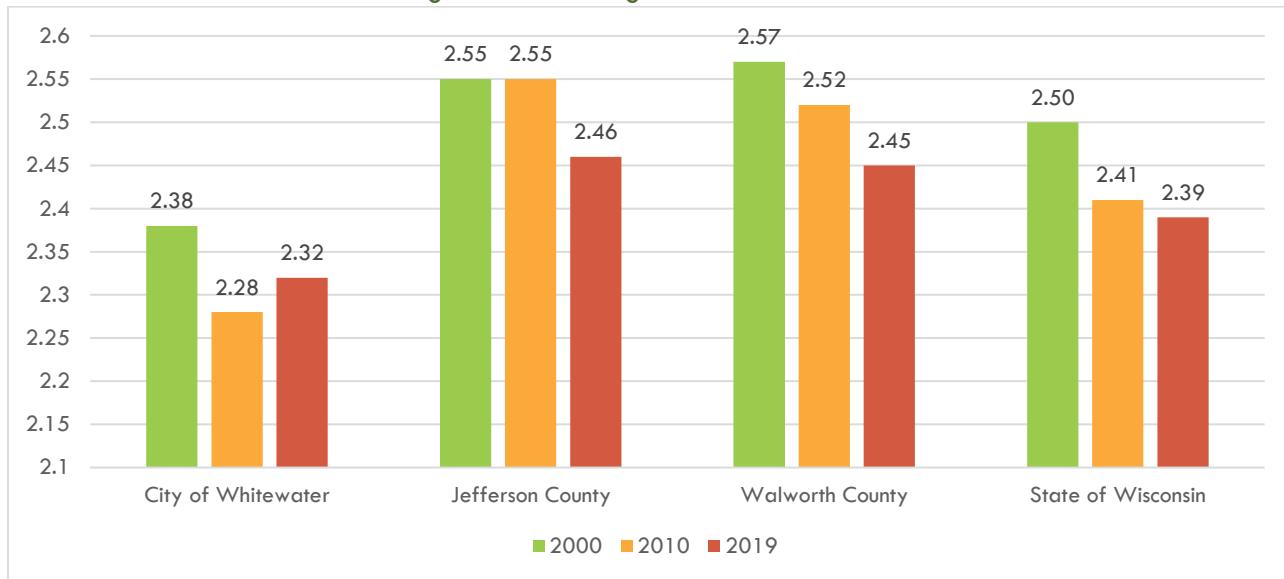
Figure A.5 Total Housing Units

	1990	2000	2010	2020*
City of Whitewater	3,831	4,340	5,319	5,437

\*Source: U.S. Census Bureau, 2015-2019 American Community Survey 5-Year Estimates plus the additional 118 housing units built in the City since 2010 (per the City of Whitewater)

Source: U.S. Census Bureau, 1990, 2000, 2010 Census.

Figure A.6 Average Household Size



\*Source: U.S. Census Bureau, 2015-2019 American Community Survey 5-Year Estimates.

Source: U.S. Census Bureau, 2000 and 2010 Census.

Figure A.7 Housing Tenure

Move In Year	Percentage Occupied Units	Percentage Owner-Occupied Units	Percentage Renter-Occupied Units
2017 or later	26%	6%	35%
2015-2016	24%	13%	29%
2010-2014	25%	16%	29%
2000-2009	14%	34%	5%
1990-1999	4%	12%	1%
1989 or earlier	6%	18%	1%

Source: U.S. Census Bureau, 2015-2019 American Community Survey 5-Year Estimates.

Figure A.8 Head of Householder Age

Age	Percent Occupied Units	Percentage Owner-Occupied Units	Percentage Renter-Occupied Units
Under 35	53%	13%	71%
35 to 44	8%	15%	5%
45 to 54	10%	18%	6%
55 to 64	11%	23%	6%
65 to 74	7%	13%	4%
75 to 84	6%	13%	3%
85 and over	5%	5%	5%

Source: U.S. Census Bureau, 2015-2019 American Community Survey 5-Year Estimates.

Figure A.9 Monthly Housing Costs

	Median Gross Rent			Median Monthly Owner-Occupied Costs (with a mortgage)		
	2000	2010	2019	2000	2010	2019
City of Whitewater	\$504	\$652	\$774	\$1,119	\$1,311	\$1,440
Jefferson County	\$564	\$729	\$857	\$1,091	\$1,527	\$1,485
Walworth County	\$528	\$761	\$880	\$1,125	\$1,554	\$1,492

\*Source: U.S. Census Bureau, 2015-2019 American Community Survey 5-Year Estimates.

Source: U.S. Census Bureau, 2000 and 2010 Census.

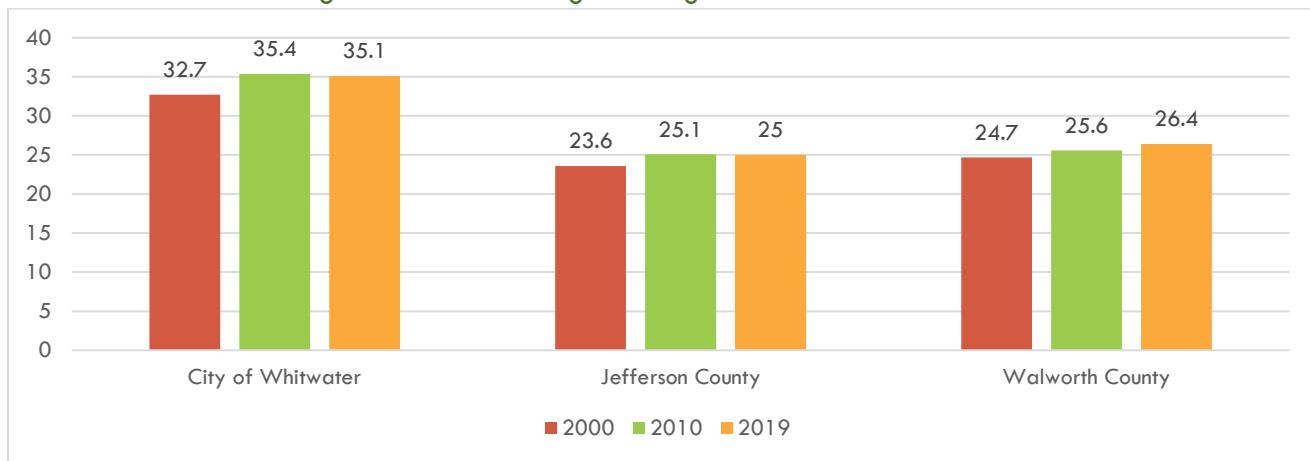
Figure A.10 Value and Percentage of Owner-Occupied Housing Units

	Median Value of Owner-Occupied Units			Percent Owner-Occupied		
	2000	2010	2019	2000	2010	2019
City of Whitewater	\$115,500	\$169,800	\$168,700	36%	35%	31%
Jefferson County	\$123,800	\$174,600	\$190,400	75%	71%	70%
Walworth County	\$128,400	\$191,400	\$203,400	69%	68%	69%

\*Source: U.S. Census Bureau, 2015-2019 American Community Survey 5-Year Estimates.

Source: U.S. Census Bureau, 2000 and 2010 Census.

Figure A.11 Percentage of Single-Person Households



\*Source: U.S. Census Bureau, 2015-2019 American Community Survey 5-Year Estimates.

Source: U.S. Census Bureau, 2000 and 2010 Census.

Figure A.12 Incomes

	Median Household Income			Per Capita Income		
	2000	2010	2019	2000	2010	2019
City of Whitewater	\$31,793	\$30,049	\$36,176	\$13,965	\$18,288	\$17,542
Jefferson County	\$46,901	\$54,769	\$66,291	\$21,236	\$24,729	\$31,992
Walworth County	\$46,274	\$54,487	\$63,776	\$21,229	\$26,769	\$32,302

\*Source: U.S. Census Bureau, 2015-2019 American Community Survey 5-Year Estimates.

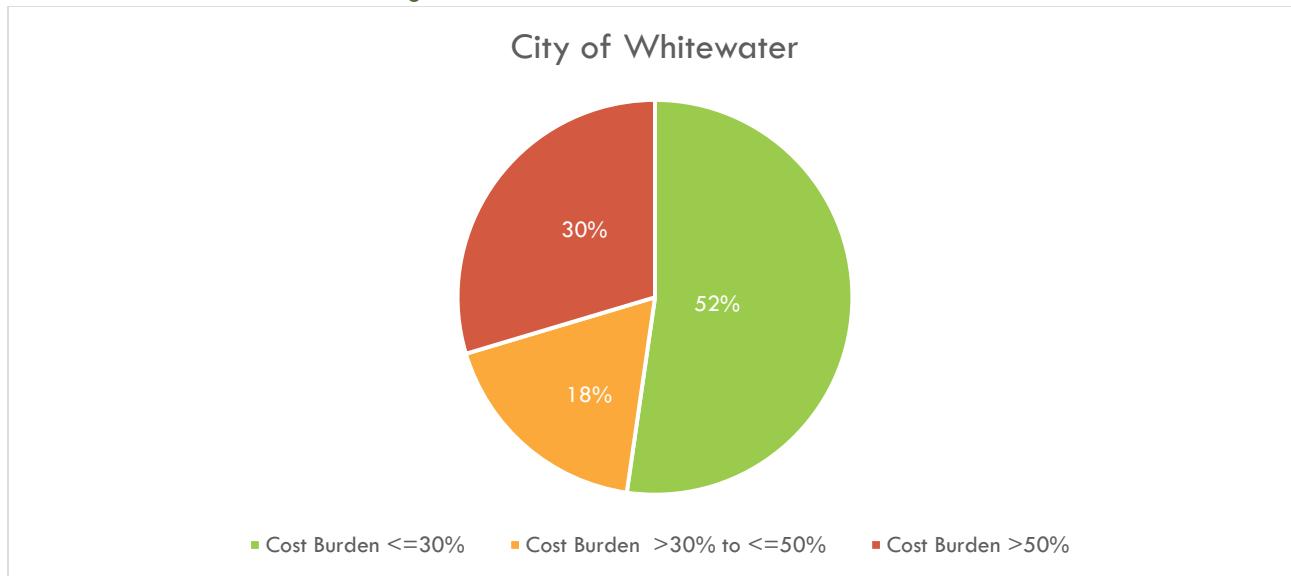
Source: U.S. Census Bureau, 2000 and 2010 Census.

Figure A.13 Median Household Income by Age of Householder

Age	Median Household Income
15 to 24 years	\$ 19,847
25 to 44 years	\$ 55,075
45 to 64 years	\$ 67,902
65 years and over	\$ 37,210

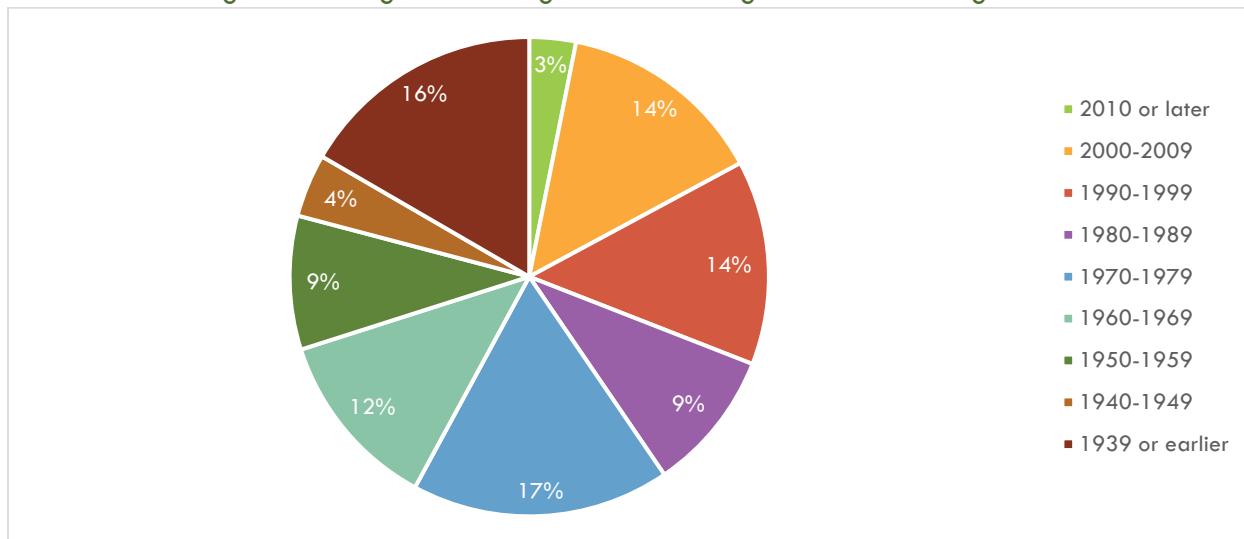
Source: U.S. Census Bureau, 2015-2019 American Community Survey 5-Year Estimates.

Figure A.14 Cost Burdened Households



Source: U.S. HUD 2018 CHAS data calculated using ACS 2013-17

Figure A.15 Age of Housing as a Percentage of Total Housing Stock



Source: U.S. Census Bureau, 2015-2019 American Community Survey 5-Year Estimates.

Figure A.16 Housing Unit Vacancy Rates

Year	Owner-Occupied Vacancy Rate	Renter-Occupied Vacancy Rate
2000	1%	2%
2010	1%	9%
2019*	1%	6%

\*Source: U.S. Census Bureau, 2015-2019 American Community Survey 5-Year Estimates.

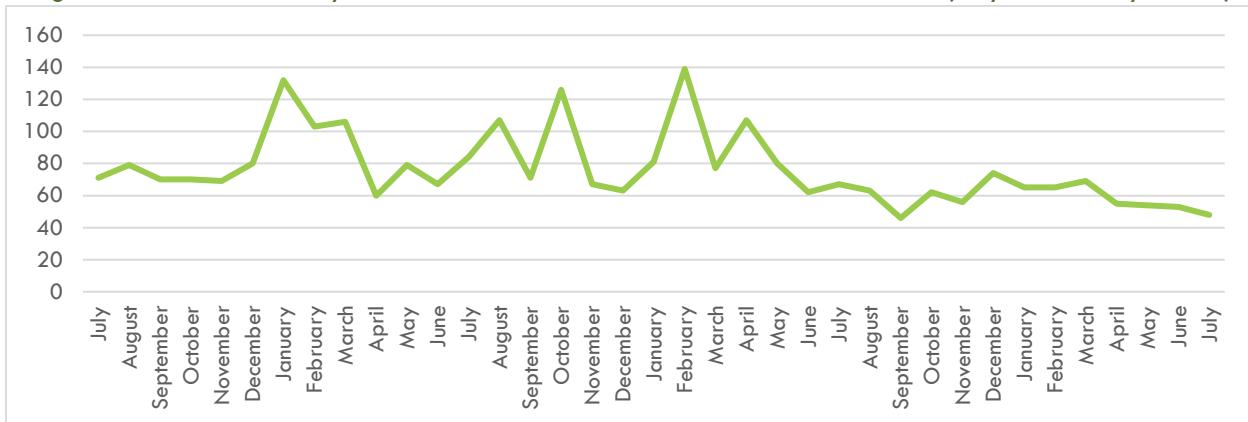
Source: U.S. Census Bureau, 2000 and 2010 Census.

Figure A.17 Median List Price and Median Sold Price for Homes in Whitewater (July 2018-July 2021)



Source: Realtor.com

Figure A.18 Median Days on the Market for Homes Sold in Whitewater (July 2018-July 2021)



Source: Realtor.com

Figure A.19 University of Wisconsin-Whitewater Enrollment and Dorm Population (2011-2020)

Year	New Freshman Enrolled	Total Fall Enrollment (only degree seeking students)	Dorm Population*
2011	2,006	11,276	
2012	2,168	11,608	
2013	2,108	11,494	
2014	2,151	11,604	
2015	2,189	11,670	
2016	2,220	11,945	
2017	2,014	11,726	3,439
2018	1,843	11,454	3,616
2019	1,812	10,961	3,644
2020	1,763	10,677	3,780

Source: UW-W, 2021 and data only available from WisDOA for 2017-2020\*

Figure A.20 UW-W Degree-Seeking Undergraduates Living On and Off Campus (2019-2020)

	2019	2020
Percent who live in college-owned, operated, or affiliated housing	41%	34%
Percent who live off campus or commute	59%	66%

Source: UW-W, 2021

Figure A.21 Whitewater School District Enrollment Trends

School Year	Total Students Enrolled
2010-2011	2,022
2011-2012	2,036
2012-2013	1,948
2013-2014	1,943
2014-2015	1,962
2015-2016	1,940
2016-2017	1,992
2017-2018	1,927
2018-2019	1,940
2019-2020	1,997
2020-2021	1,843

Source: Wisconsin Department of Instruction, 2021

Figure A.22 Whitewater Commuting Patterns

	2018 Percentage
Employed in Whitewater but live elsewhere	80%
Live in Whitewater and work elsewhere	77%
Employed in Whitewater and live in Whitewater	23%

Source: U.S. Census Bureau, 2015-2019 American Community Survey 5-Year Estimates.

Figure A.23 Housing Units by Price

Cost of Owner-Occupied Housing Units	Number of Owner-Occupied Housing Units In that Price Range	Cost of Monthly Rent	Number of Occupied Housing Units Paying Rent In That Price Range
Less than \$50,000	55	Less than \$500	525
\$50,000 to \$99,999	81	\$500 to \$999	1,734
\$100,000 to \$149,999	392	\$1,000 to \$1,499	576
\$150,000 to \$199,999	486	\$1,500 to \$1,999	195
\$200,000 to \$299,999	277	\$2,000 to \$2,499	53
\$300,000 to \$499,999	128	\$2,500 to \$2,999	53
\$500,000 or more	43	\$3,000 or more	9

Source: U.S. Census Bureau, 2015-2019 American Community Survey 5-Year Estimates.

Figure A.24 Affordable Housing Price Points in Walworth County

Walworth County				
Median Family Income	\$78,700			
Median Affordable Home Price	\$236,100			
Persons Per Household				
Incomes	1	2	3	4
Low income (80% of AMI)	\$44,100	\$50,400	\$56,700	\$62,950
Very low income (50% of AMI)	\$27,550	\$31,500	\$35,450	\$39,350
Extremely low income (30% of AMI)	\$16,550	\$18,900	\$21,960	\$26,500
Affordable Home Prices	1	2	3	4
Low income (80% of AMI)	\$132,300	\$151,200	\$170,100	\$188,850
Very low income (50% of AMI)	\$82,650	\$94,500	\$106,350	\$118,050
Extremely low income (30% of AMI)	\$49,650	\$56,700	\$65,880	\$79,500

Source: U.S. HUD, 2021. Affordable home prices use an annual income multiplier of 3 (best practice debt to income ratio).

Figure A.25 Affordable Housing Price Points in Jefferson County

Jefferson County				
Median Family Income	\$78,800			
Median Affordable Home Price	\$236,400			
Persons Per Household				
Incomes	1	2	3	4
Low income (80% of AMI)	\$44,150	\$50,450	\$56,750	\$63,050
Very low income (50% of AMI)	\$27,600	\$31,550	\$35,500	\$39,400
Extremely low income (30% of AMI)	\$16,600	\$18,950	\$21,960	\$26,500
Affordable Home Prices	1	2	3	4
Low income (80% of AMI)	\$132,450	\$151,350	\$170,250	\$189,150
Very low income (50% of AMI)	\$82,800	\$94,650	\$106,500	\$118,200
Extremely low income (30% of AMI)	\$49,800	\$56,850	\$65,880	\$79,500

Source: U.S. HUD, 2021. Affordable home prices use an annual income multiplier of 3 (best practice debt to income ratio).

Figure A.26 Housing Units Per Structure Type (2019)

Unit Type	Total Units
1-unit, detached	1,881
1-unit, attached	389
2 units	475
3 or 4 units	326
5 to 9 units	544
10 to 19 units	510
20 or more units	1,098
Mobile Home	74

Source: U.S. Census Bureau, 2015-2019 American Community Survey 5-Year Estimates.

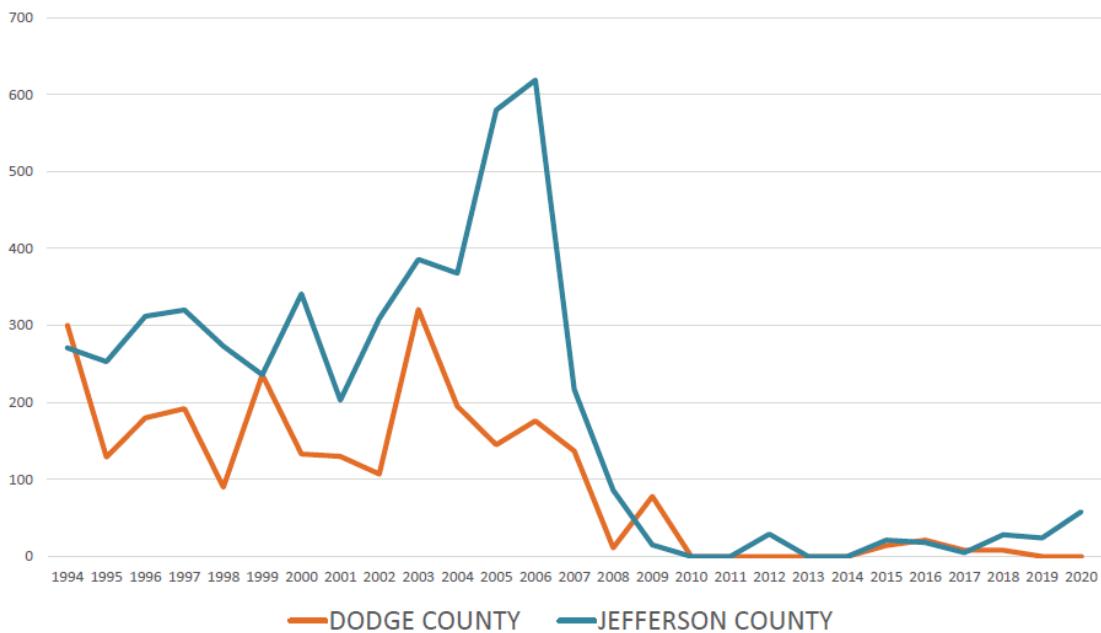
Figure A.27 Residential Unit Sales in Whitewater

Sold Period	# of Sales	Average Sold Price	List/Sale Price Ratio	Average Cumulative Days on Market	Class A	Class B	Class C
<b>Residential Single-Family Sales</b>							
August 2020-August 2021	113	\$208,938	0.99	41	14	78	21
August 2019-July 2020	74	\$202,783	0.96	58	7	57	10
August 2018-July 2019	76	\$188,868	0.97	56	4	61	11
<b>Residential Condo Sales</b>							
August 2020-August 2021	16	\$213,985	1	18	5	11	0
August 2019-July 2020	19	\$171,132	0.98	34	2	10	7
August 2018-July 2019	14	\$176,936	0.99	26	0	13	1

Source: NextHome, MLS data for City of Whitewater

Figure A.28 Number of Lots Platted Per Year (1994-2020)

Dodge and Jefferson Counties



Source: Wisconsin Department of Revenue. Graphic from SEH

Documents Referenced:

- 2021 Jefferson County Housing Study
- 2020 Whitewater Housing Affordability Report
- 2018 Whitewater Housing Workshop
- 2009 UW-W Student Off-Campus Housing Survey and Citizen's Off-Campus Survey
- Joseph Douglas Home Builders, Cost of Building a New Home in Wisconsin in 2020.
- Missing Middle Housing: Thinking big and Building Small to Respond to Today's Housing Crisis.  
Daniel Parolek.