

CHAPTER 4

Housing

Introduction

Housing in the City of Cornell is significant for several reasons. First, it is typically one of the largest expenditures in a person's life. Second, housing and the land it occupies generates significant tax revenue. Finally, the desire to develop land for housing can have visible effects on the town's land use patterns.

Housing in the City is influenced by the age of the structure, income of the residents, and occupancy characteristics. Housing also can affect the image of a community by the design of subdivisions, housing styles, and property maintenance. The Housing Chapter includes an analysis of the impact of the local government's policies and regulations on the development of various types of housing. The analysis is intended to take into account the current and projected housing needs in the community and result in policies that provide opportunities for the development of the types and amounts of housing projected for the next 20 years. The Housing Chapter analyzes various housing characteristics in order to identify housing seeds in the future. Land use issues related to housing will be addressed in the Land Use chapter.

Housing is also a major source of revenue through property taxes for the City. These taxes also go to the school district (Cornell School District), vocational technical college (Chippewa Valley Technical College), and county (Chippewa County).

Survey Results

Below are the results from the Community Survey:

The City of Cornell needs more.....	Count
a. Single family houses	41
b. Multi-family rental apartments	20
c. Elderly housing	55
d. Low-rent housing	42
e. High-rent housing	9
f. Condominiums	22
g. Mobile homes	1
h. No additional housing	9
i. Not sure	31

In the survey residents were asked the type of housing the City of Cornell needs more in the future. The category with the greatest number of responses was “elderly housing” with 55 responses followed by “low-rent” (42) and “single family” (41).

In general, where should future residential development occur in the City?	
	Count
a. South side of City	35
b. West side of City	24
c. North side of City	43
d. East side of City	44
e. No growth is needed	14
f. Not sure	44

Residents were also asked where they would like to see future residential development in the City. The most common responses besides “not sure” were “East side of the City” and “West side of the City.”

SWOT Exercise Results

Strengths

- Affordable housing
- Low cost utilities
- Low taxes
- Low vacancy rates
- Abundance of emergency services
- Good schools
- Abundance of churches
- Housing program
- Inviting community atmosphere
- Good sidewalk network
- Low crime
- High quality utilities
- Great care facility
- Available medical – health care facility
- School consolidation

Weaknesses

- No assisted living
- Housing stock is old
- Limited variety of housing stock

- Small lots
- Current subdivision ordinance – discourages development

Opportunities

- Assisted living facilities
- Elderly housing – condos
- Single family housing
- Revise subdivision ordinance
- Housing on riverfront – revitalization project
- Trees – aesthetic for homes
- Overall aesthetics of the community

Threats

- Industries closing
- Loss of jobs
- Poor housing market
- Continued increases in the cost of fuel
- Cost of heating
- High cost of construction materials
- School consolidation
- Tornado – natural disasters

Housing Needs

Currently, the City of Cornell is considered by many to be a “bedroom community” referring to the large numbers of residents that commute some distance to their jobs. If this trend continues, availability of housing will be a major factor in attracting new residents as they will likely require a variety of housing stock.

Due in part to the demographic breakdown of the City, residents see there is a need to provide assisted living facilities to support its growing elderly population.

Generalizations can be made concerning the state of housing in the City of Cornell by analyzing US Census Bureau statistics without doing an extensive housing survey.

- A growing population with increased buying power is driving property values up.
- The cost of single family housing had jumped significantly since the mid 1990s.
- Foreclosures have been increasing throughout the U.S.
- Residents need to be aware of programs that assist in housing/rental costs and repairs including low income assistance.

Some important issues to consider when planning the current and future housing needs of the City of Cornell include: types of housing, amount of housing, and demands of housing within the community.

Age Characteristics

Table 4-1 shows the year a home in the City of Cornell was constructed within a specified time period. Nearly all of the housing stock was constructed before 1980 and 33% of the housing stock is over 60 years old or older. An aging housing stock could indicate a need to replace sewer/septic systems, siding, furnaces, windows, and other repairs. There are available programs discussed later in this chapter that can assist eligible homeowners with some repairs.

Table 4-1 – Year Structure Constructed

Year Built	Homes	Percent
Total	671	100.0%
1999 to March 2000	5	0.7%
1995 to 1998	23	3.4%
1990 to 1994	17	2.5%
1980 to 1989	35	5.2%
1970 to 1979	116	17.3%
1960 to 1969	71	10.6%
1940 to 1959	182	27.1%
1939 or earlier	222	33.1%

Source: U.S. Census Bureau

Depending on the condition of some of the housing, older houses may provide an opportunity to designate some of the homes as historic, or possibly designate an entire area as a historic district.

Table 4-2 – Building Permits Since 2000

Year Issued	Total Housing Units	Singe Family Housing Units	Percent
2000	3	2	66.7%
2001	0	0	0.0%
2002	6	1	16.7%
2003	3	3	100.0%
2004	4	4	100.0%
2005	10	4	40.0%
2006	2	2	100.0%
2007	3	3	100.0%
Total	31	19	61.3%

Source: City Office

The City has had a total of 31 new building permits since 2000. 61% of the new construction has been single family homes. New construction is often an indication of growth. Although the housing market seems to be leveling off

throughout the Country, Cornell has added some new houses in the last few years.

Structural Characteristics

The type of heating fuel used in homes can indicate potential energy expenditures within the City and reveal trends in heating systems related to new construction. Most homes are heated by Utility Gas or Fuel Oil/Kerosene (see *Table 4-3*).

Table 4-3 – Types of House Heating Fuel

Fuel Type	Number	Percent
Utility Gas	350	56.6%
Bottled, Tank, or LP Gas	29	4.7%
Electricity	56	9.1%
Fuel Oil, Kerosene, Etc.	157	25.4%
Coal or Coke	0	0.0%
Wood	24	3.9%
Solar Energy	0	0.0%
Other Fuel	0	0.0%
No Fuel	2	0.3%
Total	618	100.0%

Source: 2000 U.S. Census Bureau

The number of units in a structure or home provides an indication of the type of housing stock the City has. The City contains a variety of housing units with over 70% single family units and nearly 15% multiple family units (see *Table 4-4*). The variety of housing units meets the needs of area residents and prospective residents because they have access to municipal utilities and services.

A 1-Unit, detached structure is a separate building that has open spaces on all sides. A 1-Unit, attached structure is separated from other structures by dividing walls that extend from ground to roof.

Table 4-4 – Housing Units in Structure

Units	Number	Percent
Total Housing Units	671	100.0%
1 Unit, detached	519	77.3%
1 Unit, attached	10	1.5%
2 Units	28	4.2%
3 or 4 Units	34	5.1%
5 to 9 Units	23	3.4%
10 to 19 Units	13	1.9%
20 or more Units	0	0.0%
Mobile Home	44	6.6%
Boat, RV, Van, etc	0	0.0%

Source: 2000 U.S. Census Bureau

Home Values

Table 4-5 reveals that the median owner-occupied housing value doubled between 1990 and 2000. The increases can be attributed to normal appreciation or the construction of new homes by residents. The recent decline in the housing market may slow the appreciation in home values in the future.

Table 4-5 – Median Owner-Occupied Housing Value

1990	2000	% Change
\$36,400	\$55,600	52.7%

Source: US Census Bureau 1990, 2000

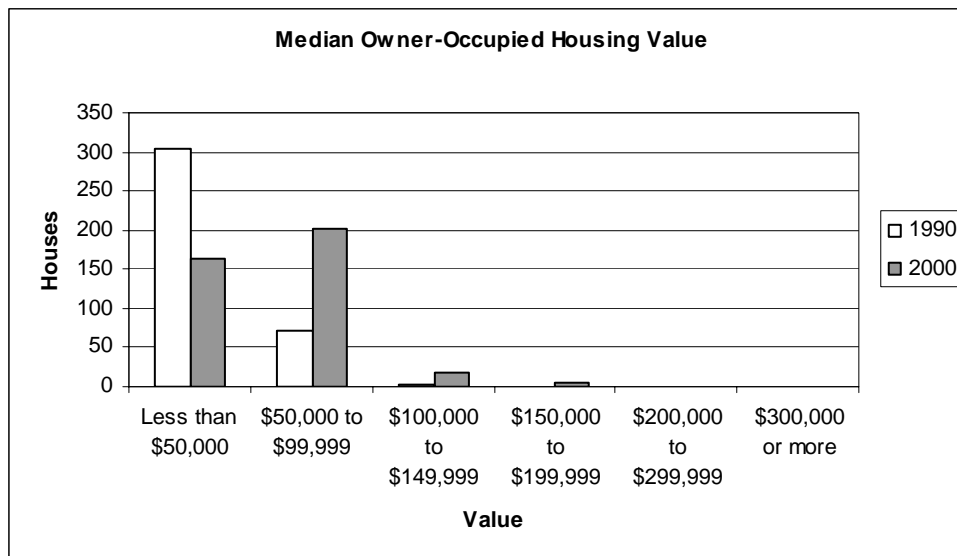
Table 4-6 and Figure 4-1 show that a majority of housing in 2000 is valued between \$50,000 and \$99,999. There has been a notable increase in the number of homes valued at \$100,000 to \$149,999 but little to no increase in homes valued over \$150,000. These numbers are already 8 years old and most of the home values have increased since that time. However, due to the recent economic situation and the increase in foreclosures, home prices have leveled off.

Table 4-6 – Owner-Occupied Housing Value

Value	1990	2000	Numerical Change	% Change
Less than \$50,000	305	163	-142	-46.6%
\$50,000 to \$99,999	71	203	132	185.9%
\$100,000 to \$149,999	2	17	15	750.0%
\$150,000 to \$199,999	0	5	5	-
\$200,000 to \$299,999	0	0	0	-
\$300,000 or more	0	0	0	-

Source: US Census Bureau 1990, 2000

Figure 4-1 – Owner- Occupied Housing Value



Occupancy Characteristics

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

In 2000, the majority of housing in the City of Cornell was owner-occupied (72%). This compares to Chippewa County (75.7%) and the State of Wisconsin (68.4%). This percentage for the City decreased slightly since 1990. The renter-occupied units are primarily multi-family dwellings which have increased in numbers and slightly in the overall percentage of housing units.

Table 4-7 – Occupied Housing Units

	1990	% of Total	2000	% of Total	Numerical Change	% Change
Owner-Occupied Housing Units	439	74.3%	438	72.2%	-1	-0.2%
Renter-Occupied Housing Units	152	25.7%	169	27.8%	17	11.2%
Total	591	100.0%	607	100.0%	16	2.7%

Source: 1990 and 2000 U.S. Census

Another occupancy characteristic to consider is the amount of vacant housing in the City. Table 4-8 shows that the vacancy rates have dropped from 1990 to 2000. It appears that in 2000, more of the vacancy rate was made up of season housing so for full time residents their occupancy rate has actually increased.

Table 4-8 - Total Housing Units - City of Cornell

	1990	2000
Total Housing Units	635	652
Occupied Housing Units	591	607
Homeowner Vacancy Rate	3.7%	2.0%
Rental Vacancy Rate	5.6%	4.5%
Vacant Housing	44	45
Seasonal Vacant Housing	3	8

Source: 1990 and 2000 U.S. Census

Another occupancy characteristic to consider is the City population has slightly declined from 2000 to 2007. During that same time span, 31 new building permits have been issued adding new housing to the area. This could indicate a possible increase in vacant housing in the City, or a decline in the number of people per household. Based on local observations, the likely answer is the latter – low vacancy rates with fewer people per household.

Housing Affordability Analysis

HUD defines affordable housing as housing (for rent or purchase) for which the occupant is paying no more than 30% of their household income for gross housing costs.

Table 4-9 reveals that over 80% of residents owning homes pay less than 30% of their household income for housing costs. The monthly owner costs are calculated from the mortgage payment, real estate taxes, home owners insurance, utilities, fuels, mobile home costs, and condominium fees.

Table 4-9 – Monthly Housing Costs-Percentage of Household Income

Year 1999	Number	Percent
Less than 15%	191	49.2
15 to 19%	60	15.5
20 to 24%	46	11.9
25 to 29%	30	7.7
30 to 34%	11	2.8
35% or more	48	12.4
Not computed	2	0.5
Total	388	100.0%

Source: US Census Bureau 2000

Costs associated with renting can vary significantly compared to homeownership. Renters do not have to directly pay property taxes, insurance costs are less, and utility costs may be included with the rent.

Gross rent is the amount of the contract rent plus the estimated average monthly cost of utilities (electricity, gas, water and sewer) and fuels if these are paid for by the renter or for the renter by someone else (*Table 4-10*). Approximately 53% of the households that rent are paying less than 30% of their income on housing.

Table 4-10 – Gross Rent-Percentage of Household Income - City of Cornell

Year 1999	Number	Percent
Less than 15%	38	21.0%
15 to 19%	20	11.0%
20 to 24%	21	11.6%
25 to 29%	17	9.4%
30 to 34%	22	12.2%
35% or more	36	19.9%
Not Computed	27	14.9%
Total	181	100.0%

Source: US Census Bureau 2000

Units for which no cash rent was paid and units occupied by households that reported no income or a net loss in 1999 comprise the category "Not computed."

Housing Unit Projections

The Department of Administration's population projections show a decline in City population for the next 20 years. However, many factors or scenarios can change those projections and the City should still plan for some growth as projections may not accurately predict what will happen. Also, the City has a more positive outlook for the community and is striving to add more people, jobs, and housing to the City in the future. They are a proactive community and despite a recent history of declining population, they are searching for new opportunities to attract new businesses that will spur on new housing.

Table 4-11 - Housing Forecasts - City of Cornell

Year	2000	2005	2010	2015	2020	2025
Persons Per Household	2.42	2.38	2.34	2.30	2.26	2.23
Total Occupied Housing Units	607	597	607	617	627	637
Additional Units Needed	-	-10	10	10	10	10

Source: WI Dept of Administration: Population and Housing Projections

The table above (Table 4-11) indicates a projected housing goal of adding two new households per year. If new households are established that means more housing will be needed along with more jobs.

One interesting thing to note is even though the population has been decreasing and new homes have been constructed, there is a very low vacancy rate in the City. This primarily indicates that the people per household have been declining.

Cornell's Housing Program

Cornell applied for and received a Community Development Block Grant (CDBG) from the Bureau of Housing, Department of Commerce. This grant has been used to establish a Housing Rehabilitation Loan Program to conserve, rehabilitate, and improve residential property occupied by low- and moderate-income (LMI) residents of the City of Cornell.

The primary objectives of this program are to expand the affordable housing stock for LMI persons, eliminate neighborhood blight and structural deterioration, and eliminate housing conditions that are detrimental to public health, safety and welfare. The assistance is in the form of 0% interest deferred payment home repair loans for LMI occupants, 0% interest loans for repairing units rented to LMI tenants and homebuyer assistance. Eligible projects can include weatherization, siding, roofing, windows, replacement of septic systems, furnaces, and other program approved maintenance. The goal of each project is to make the home Decent, Safe, and Sanitary.

The program now becomes a Revolving Loan Fund (RLF) for the City so as the loans are repaid, that money then becomes available to other home owners for future needs.

Housing Assistance Programs and Agencies

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

HUD

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

Rural Development –United States Department of Agriculture

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

Wisconsin Housing and Economic Development Authority (WHEDA)

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

West CAP

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

Movin' Out

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

Habitat for Humanity

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

Community Development Block Grants (CDBG)

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

Low Income Energy Assistance Program (LIEAP)

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

Housing Cost Reduction Initiative (HCRI)

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

Goals, Objectives, and Policies

Once an inventory has been taken of the existing housing stock and conditions, the next logical step is to look at what the community hopes to achieve in the near future regarding housing stock, density and conditions.

Goal 1: Attract new residents to live in the area.

Objectives

1. Plan for growth in the City of Cornell.
2. Increase the City's population.
3. Increase the number of occupied housing units in the City.

Policies

1. Work with groups or programs to attract elderly housing and assisted living facilities to the City of Cornell.
2. Work with the County to attract jobs to the area that will lead to an increase in population.
3. Promote the City as a place to live, work, and recreate.

Goal 2: Ensure land is available for future housing needs.

Objectives

1. Maintain steady and planned growth in the City of Cornell.

Policies

1. Use proposed land use map to guide residential growth.
2. Explore extra-territorial plat review and zoning with surrounding towns to avoid land use conflicts.
3. Consider revising subdivision ordinance to make it more developer-friendly.
4. Develop a plan for the land area along State Highway 64 east of the City, between the current City Limits and the airport.

Goal 3: Provide a balance between single family and multi family housing.

Objectives

1. Maintain 70/30 owner-occupied home ownership ratio.
2. Protect property values.

Policies

1. Help residents locate housing programs and agencies that will help them achieve home ownership.
2. Encourage developers to provide a variety of housing sizes and styles to meet the needs of all residents.
3. Encourage the use of Traditional Neighborhood Development (TND) that is served by a network of paths, streets and lanes suitable for pedestrians as well as vehicles and includes a variety of housing types and land uses in a designated area.

Goal 4: Address the aesthetics of new developments and housing.

Objectives

1. Encourage residential development that uses a variety of styles and colors.

Policies

1. Encourage the use of Traditional Neighborhood Development (TND) that is served by a network of paths, streets and lanes suitable for pedestrians as well as vehicles and includes a variety of housing types and land uses in a designated area.
2. Encourage developments to use a variety of building footprints, colors, windows, etc...
3. Discuss possible ordinances on property maintenance code.
4. Discourage development which is unsightly or costly to the community.
5. Preserve and improve the quality of existing neighborhoods and assure that the new neighborhoods are well designed.

Goal 5: Support and encourage sustainable design of residential development including “Green Building.”

Objectives

1. Reduce energy consumption.
2. Promote environmental sustainability and responsibility.

Policies

1. Work with local contractors to construct a home that meets the Leadership in Energy and Environmental Design (LEED) Standards.
2. Encourage architects and developers to incorporate LEED Standards and promote “green buildings.”

3. Review ordinances to identify opportunities to provide incentives for green building.
4. Develop standards and incentives for promoting green space and walkability in residential developments.

Goal 6: Maintain and rehabilitate the City of Cornell housing stock.

Objectives

1. Provide housing opportunities for existing and future residents.

Policies

1. Identify local, state, and federal programs to help rehabilitate housing in the City.
2. Provide housing program information to residents throughout the City.
3. Undertake municipal improvement to maintain and improve neighborhood conditions, including street reconstruction, sidewalk replacement, sewer and water improvements, and park facilities.
4. Consider creating a blighted Tax Incremental Finance District (TID) in areas of residential and commercial blight to provide incentives to help property owners improve their building facades.

Goal 7: Promote the availability of land for the development or redevelopment of low-income housing.

Objectives

1. Provide housing opportunities for low-income residents.

Policies

1. Identify local, state, and federal programs to help rehabilitate housing in the City.
2. Provide housing program information to residents throughout the City.
3. Consider creating blighted TIF District in areas of residential blight.
4. Assist in efforts to provide affordable housing to residents, especially low- and moderate-income families and elderly.