



HOUSING STUDY & NEEDS ASSESSMENT

CITY OF WAUWATOSA

City Council Presentation | February 7, 2023



VISION
ECONOMICS
STRATEGY
FINANCE
IMPLEMENTATION

Image Landsat

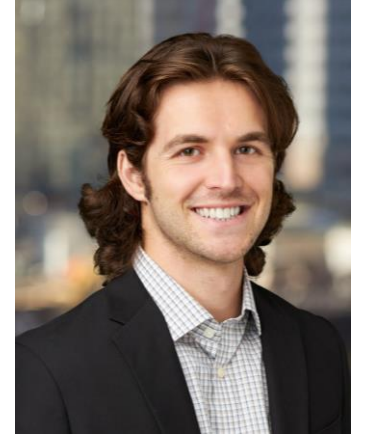
- Real estate, community & economic development advisory firm
- Broad housing-related experience
- Understand both the public & the private perspectives on housing & development issues
- Thought leader in public private partnerships
- Implementation-focused



Fran Rood, AICP
Partner



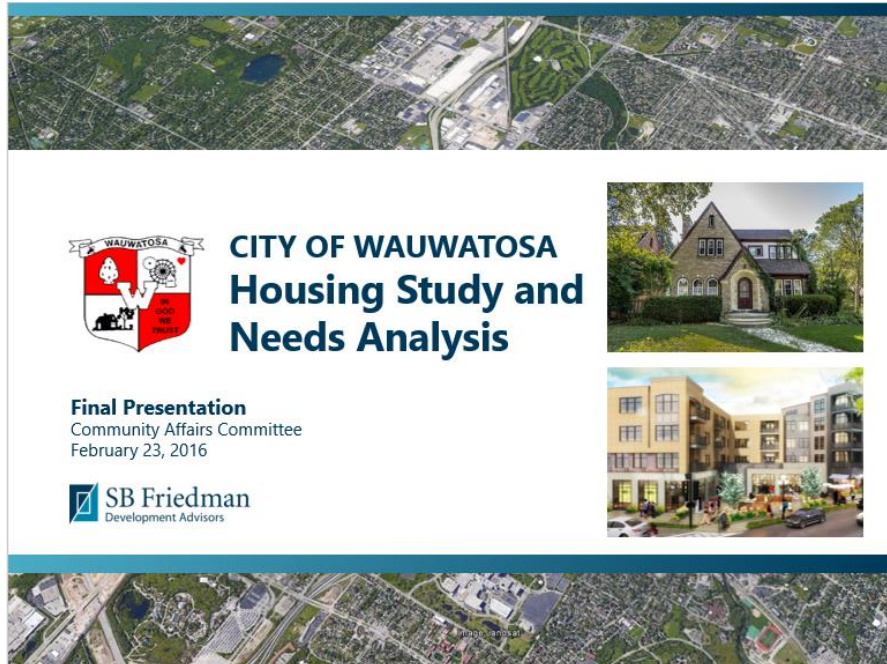
Lance Dorn
Partner



Andrew Glazener
Associate

Housing Study & Needs Analysis

Since the 2016 study, the City has focused on addressing housing-related challenges



Development of
1,857 new multi-family units with
652 more in the development
pipeline

303 are income-restricted &
347 are age-restricted

Establishment of Housing
Rehabilitation Program

Modification of Economic
Development Investment Policy

Adoption of Accessory
Dwelling Unit Ordinance

Initial Modifications of
the City's Zoning Code

2022-2023:

Update to understand how demographics & housing needs have evolved
Identification of additional strategic actions that could be undertaken

2023 Study

Undertaken to understand how housing needs have changed

Updated core analyses from the 2016 study with the most recent data available

Engaged with community groups, City commissions, developers, & other stakeholders to understand unmet needs

Collected feedback from over 1,500 residents, community members, & stakeholders through a public input survey

Evaluated future housing demand

Outlined key housing-related challenges

Identified additional strategic actions that could be undertaken

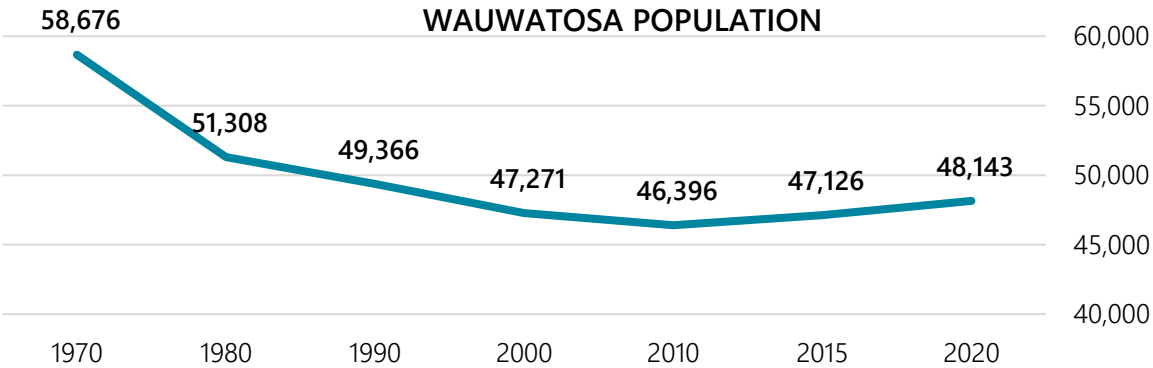
Demographic, Socioeconomic & Workforce Characteristics

Population & Household Size

- Wauwatosa’s population increased by 1,747 residents from 2010-2020 – a reversal of pre-2010 trends
- Approximately 58% of growth occurred since the 2016 study
- Recent population growth is faster than projected
- From 2010 to 2020, the average household size also increased

POPULATION (2010)	NEW RESIDENTS (2010-2020)	POPULATION (2020)
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46,396	+1,747	48,143
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AVERAGE HOUSEHOLD SIZE			
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Owner-Occupied		Renter-Occupied	
2010	2020	2010	2020
2.51	2.61	1.86	1.89

Socioeconomic Characteristics

- Population was aging pre-2016
 - Trend appears to have reversed
 - Citywide median age decreased, despite an increase in the statewide median age
- Residents are increasingly highly educated
- City is becoming more diverse
- Share of the population living with a disability has decreased slightly

SOCIOECONOMIC TRENDS	2010		2020
Citywide Median Age	40	➡	38
Statewide Median Age	38	➡	40
Residents 25+ with a Bachelor's degree or above	51%	➡	59%
Population Identifying as White Alone	88%	➡	82%
Population Born in a Foreign Country	5.1%	➡	5.7%
Population Living with a Disability	9.9% ^[1]	➡	9.3%

[1] Percentage of population living with a disability reflects data available from 2013 due to unavailability of data for 2010.

Median Household Income

- Median household incomes are increasing
- 70% of households earned incomes greater than the Milwaukee County median

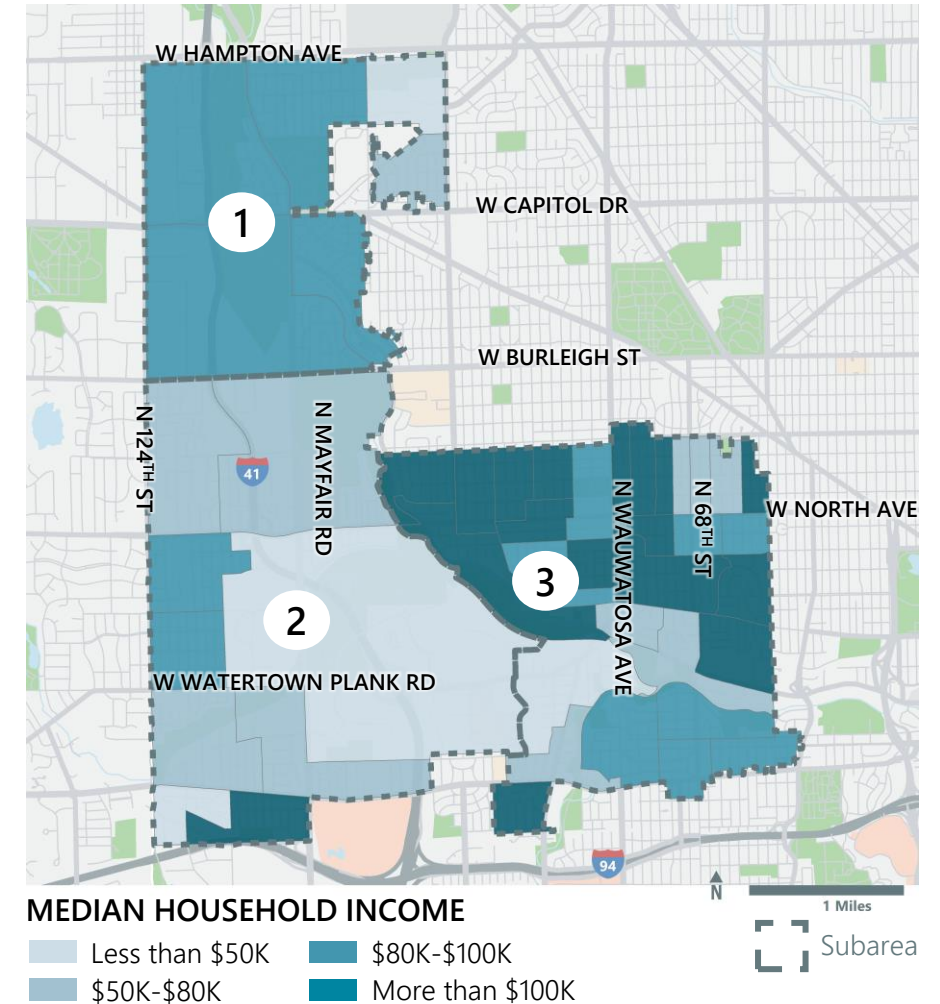
\$52,260

Milwaukee County Median
Household Income (2020)

\$84,306

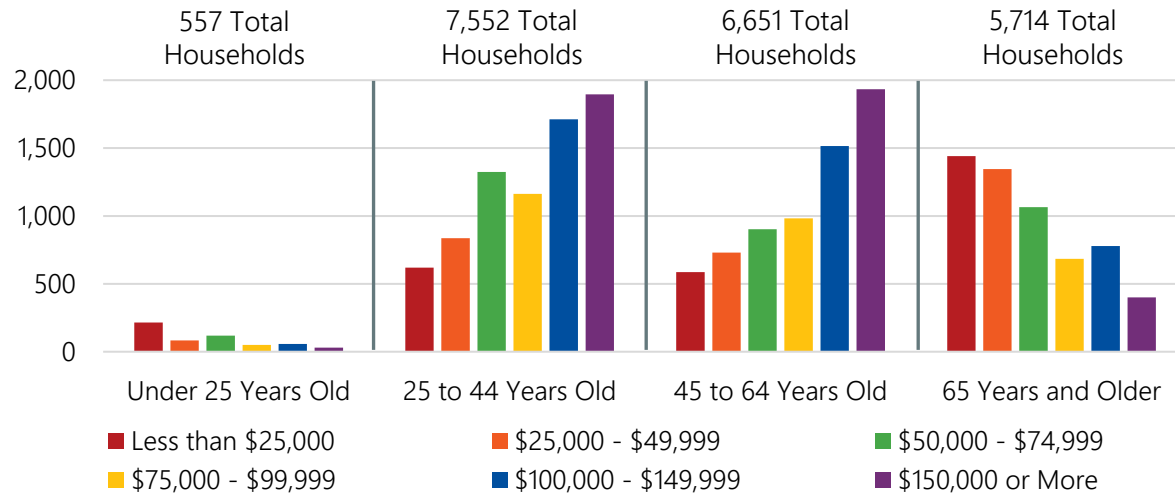
City of Wauwatosa Median
Household Income (2020)

- Median household income appears highest in East Tosa

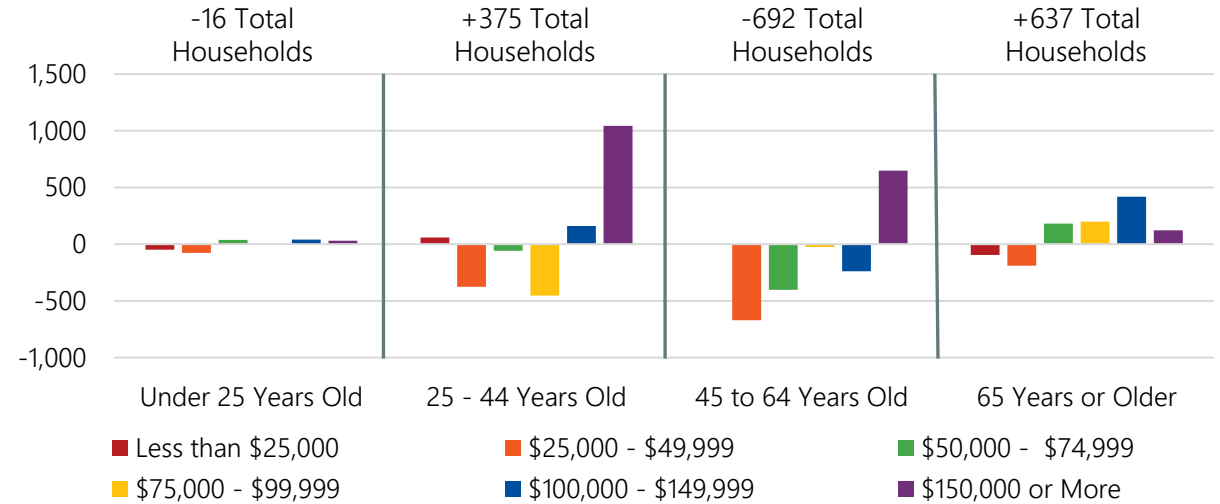


Households by Age & Income

HOUSEHOLDS BY AGE & INCOME, 2020



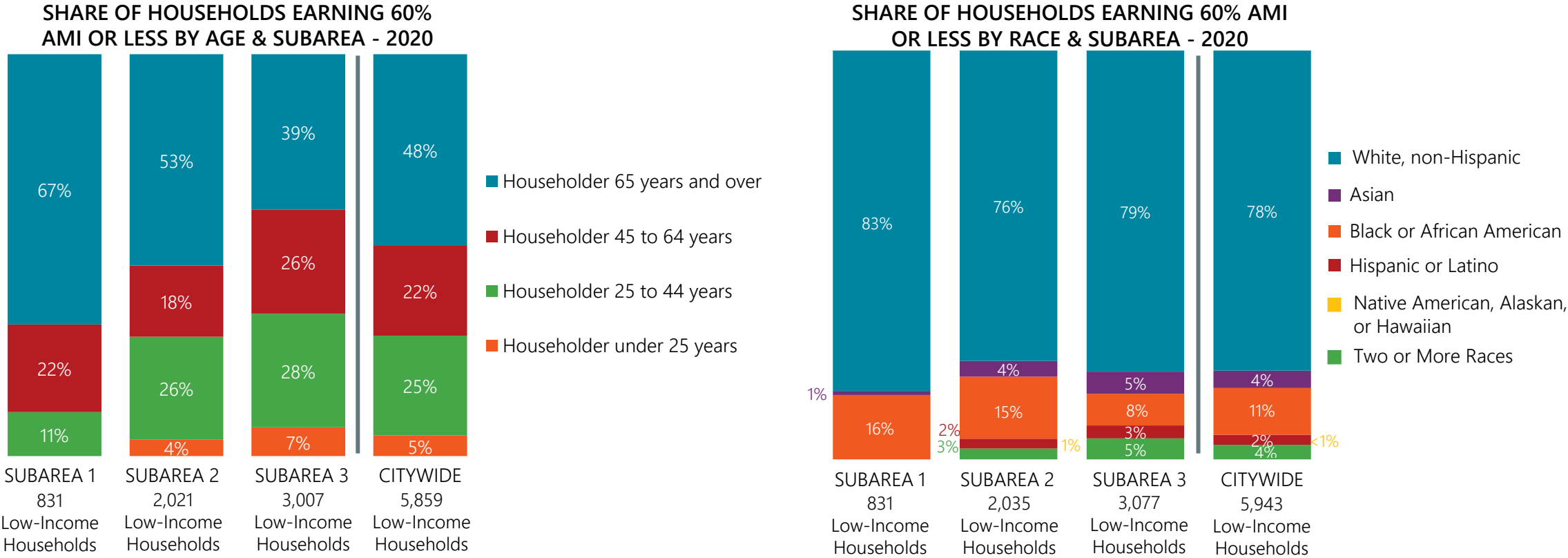
CHANGE IN HOUSEHOLDS BY AGE & INCOME, 2013-2020



- Households earning \$100,000 or more increased by 2,200 citywide
- Youngest cohorts (age 44 or below) grew by 359 households
- Oldest cohorts (age 45+) decreased by 55 households

- Change is likely the result of both in-migration & the aging of existing households into new age & income cohorts since the 2016 study

Low-Income Households by Age & Race

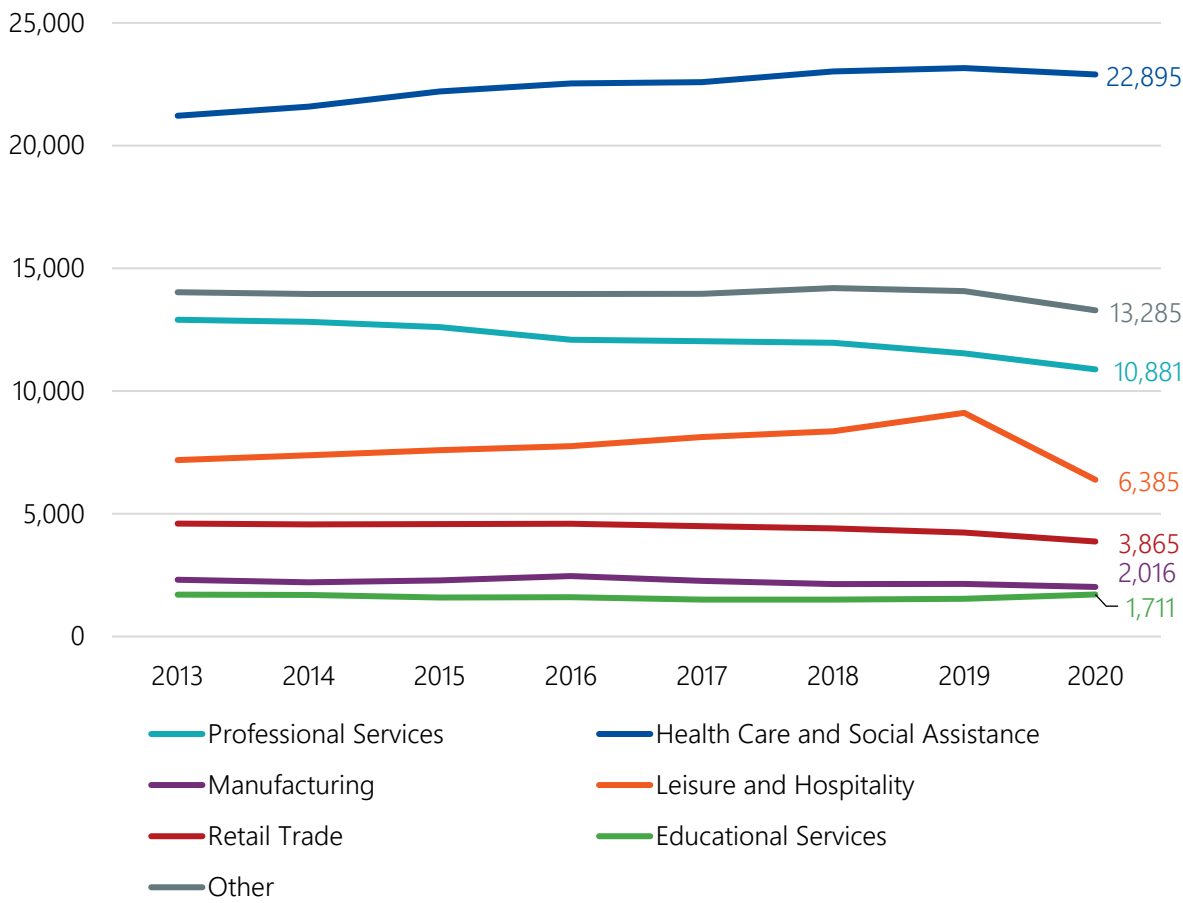


- Seniors & Black households are overrepresented in the share of low-income households

Workforce Characteristics

- Total employment in the City decreased in 2020 due largely to COVID-19 impacts on the leisure & hospitality industry
- Health Care & Professional Services continue to be the largest employment sectors

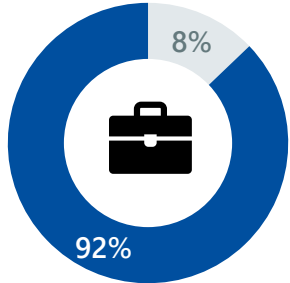
EMPLOYMENT BY SECTOR



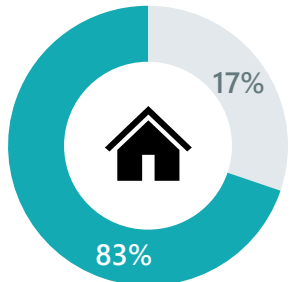
Workforce Characteristics

- 92% of workers live outside of Wauwatosa
- Number of people who live & work in Wauwatosa increased by 550 since the 2016 study

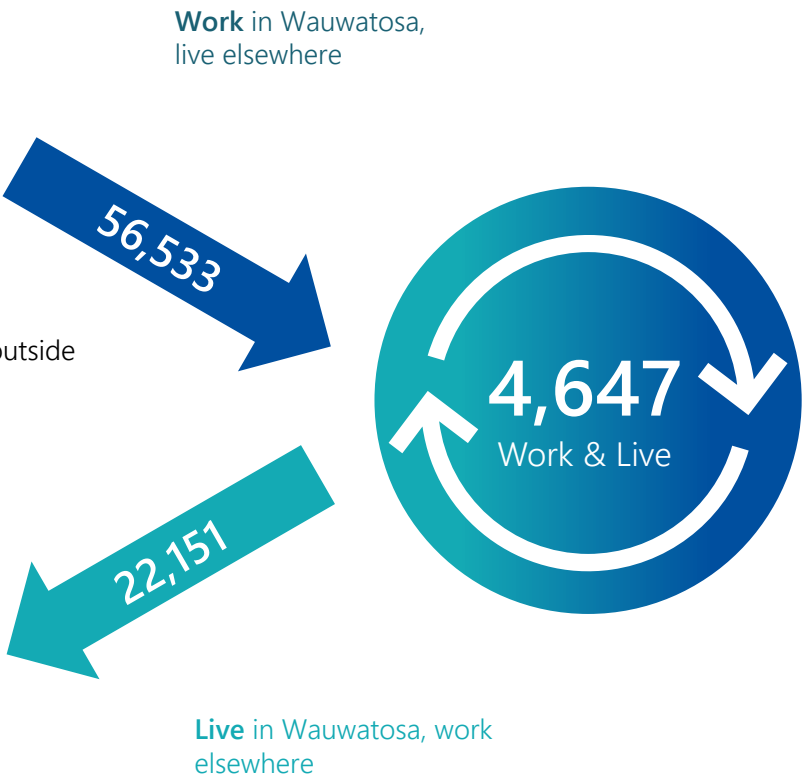
COMMUTING PATTERNS, 2019



Work & Live in Town
Work in Town, Live outside



Work & Live in Town
Live in Town, Work outside

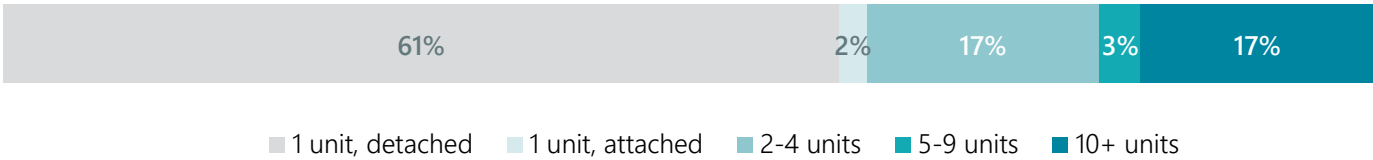


Housing Characteristics

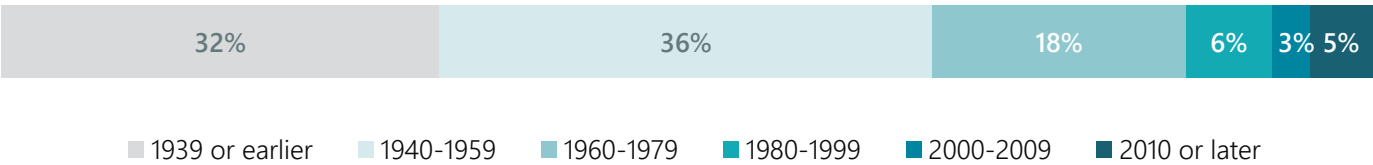
Housing Profile

- 63% of housing units are single-family
- Share of units in multifamily buildings increased by 1% since the 2016 study
- 70% of units are over 60 years old
- Housing stock is relatively balanced (share of owner occupied and renter occupied units) compared to peer communities

WAUWATOSA HOUSING STOCK - 2020



AGE OF WAUWATOSA HOUSING STOCK - 2020

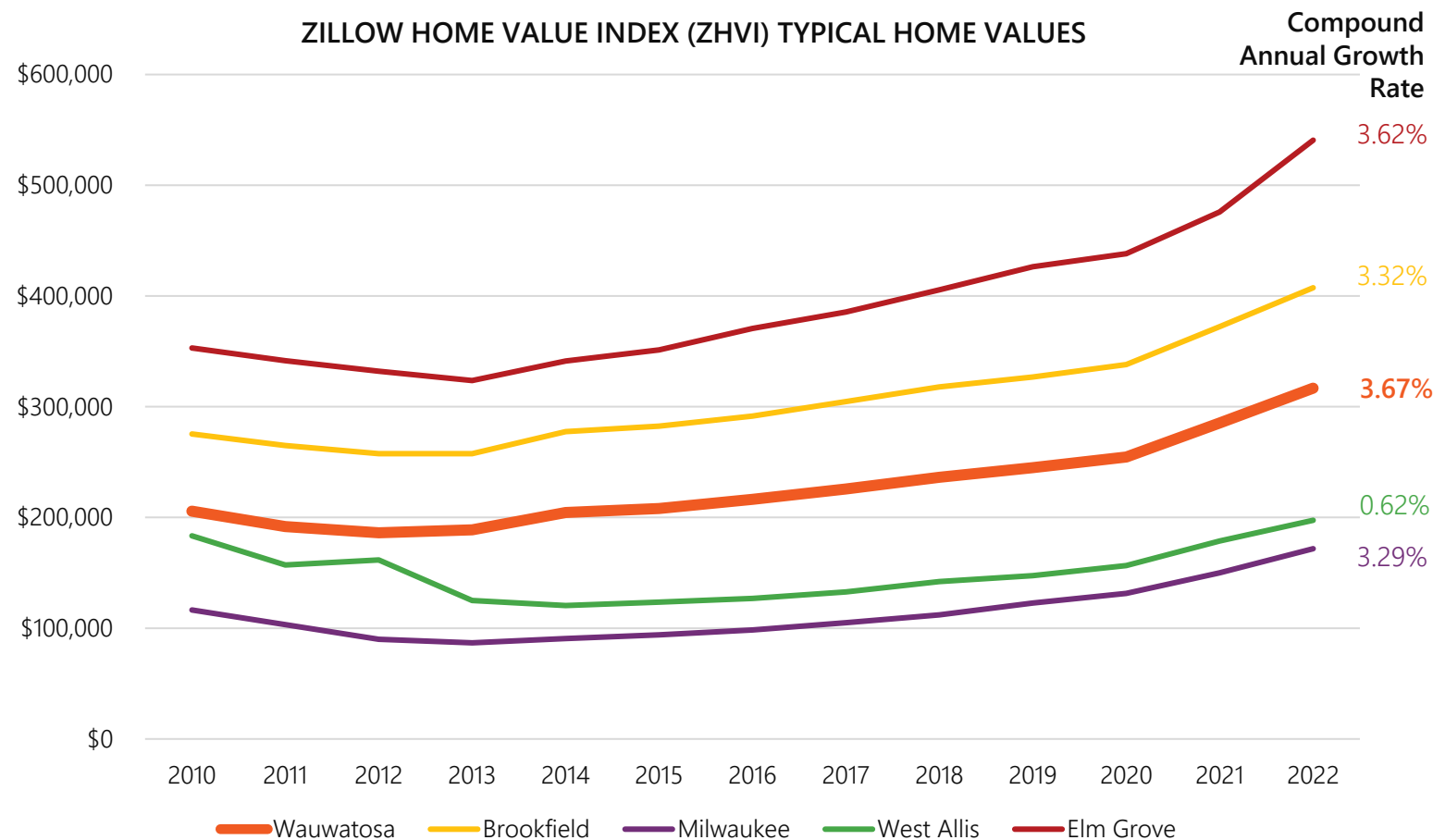


PEER COMMUNITY OCCUPANCY RATES - 2020

City	Number of Housing Units	Owner Occupied	Renter Occupied	Vacant [2]
Brookfield	15,165	83%	14%	3%
Elm Grove	2,321	86%	8%	6%
Wauwatosa	21,714	60%	34%	6%
West Allis	29,221	49%	45%	6%
Milwaukee	258,444	37%	52%	11%

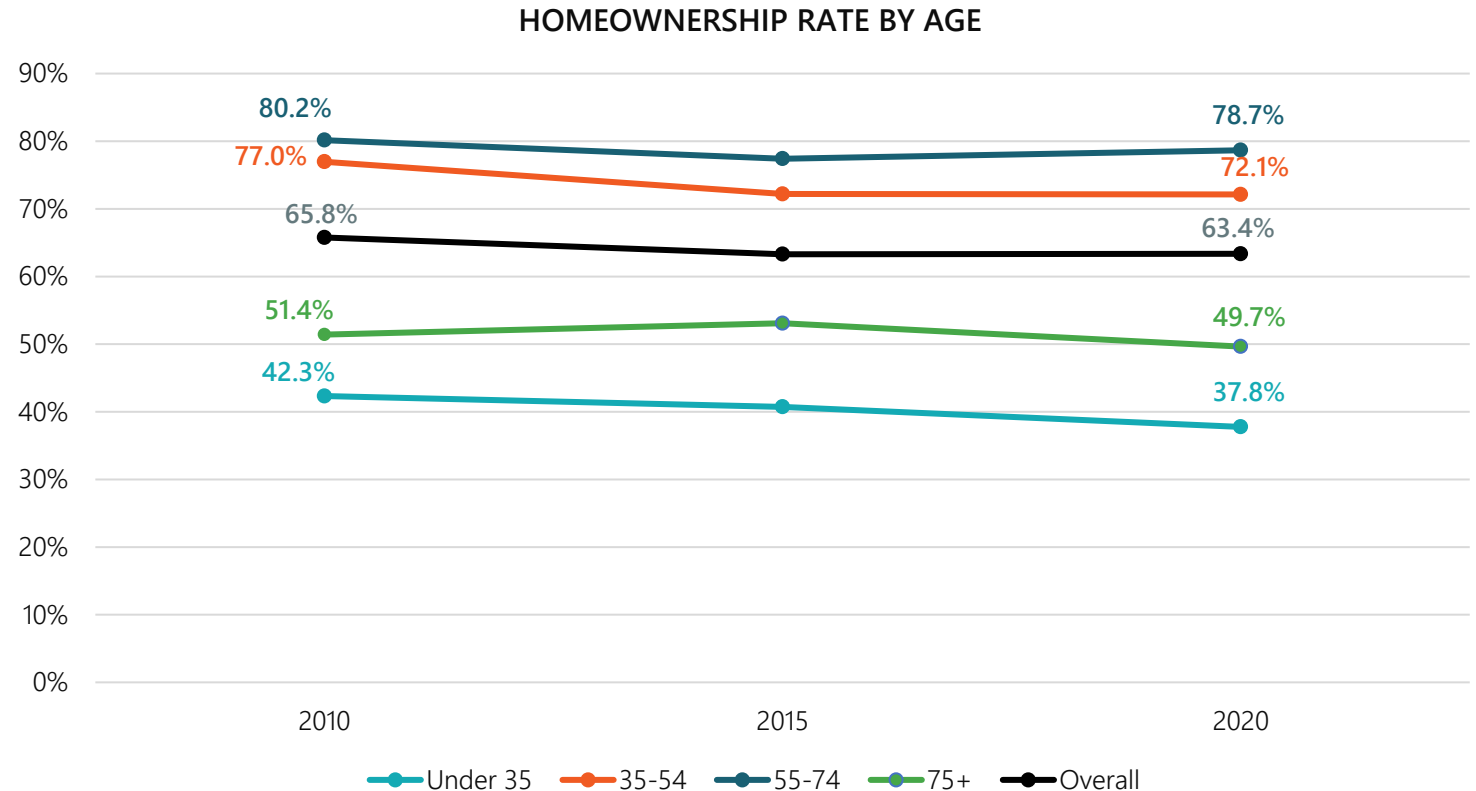
Home Value Trends

- Since 2010, home values have grown at an average rate of 3.67%/year.
- Home value growth rate is faster than some neighboring communities

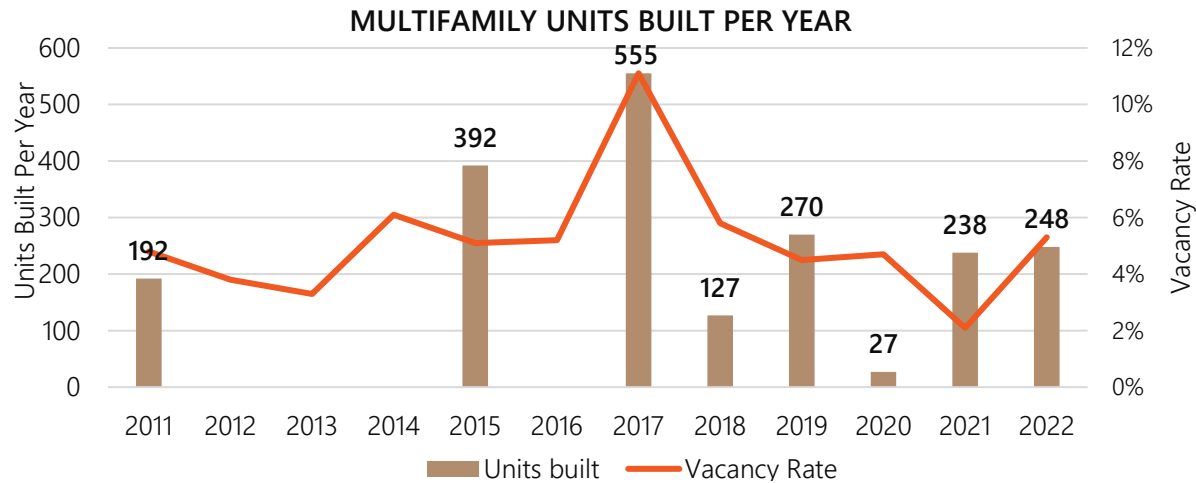


Homeownership Trends

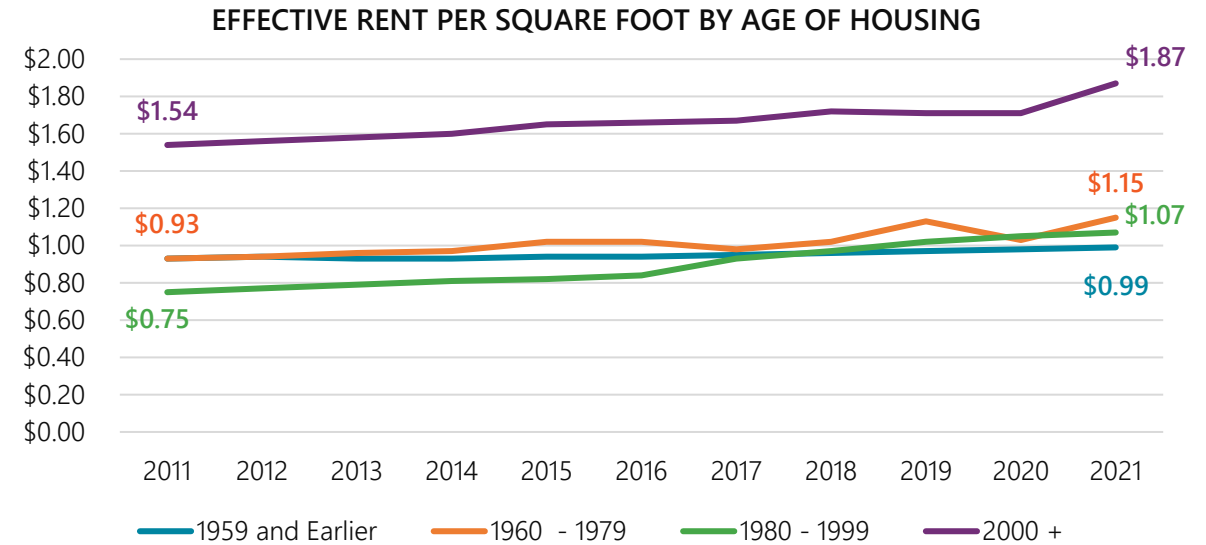
- In 2020, the homeownership rate was approximately 63%
- Homeownership has decreased by 2.5% since 2010 likely due to an increased number of rental units added to the total supply and broader trends where young households rent by choice or cannot access homeownership



Rental Housing Trends



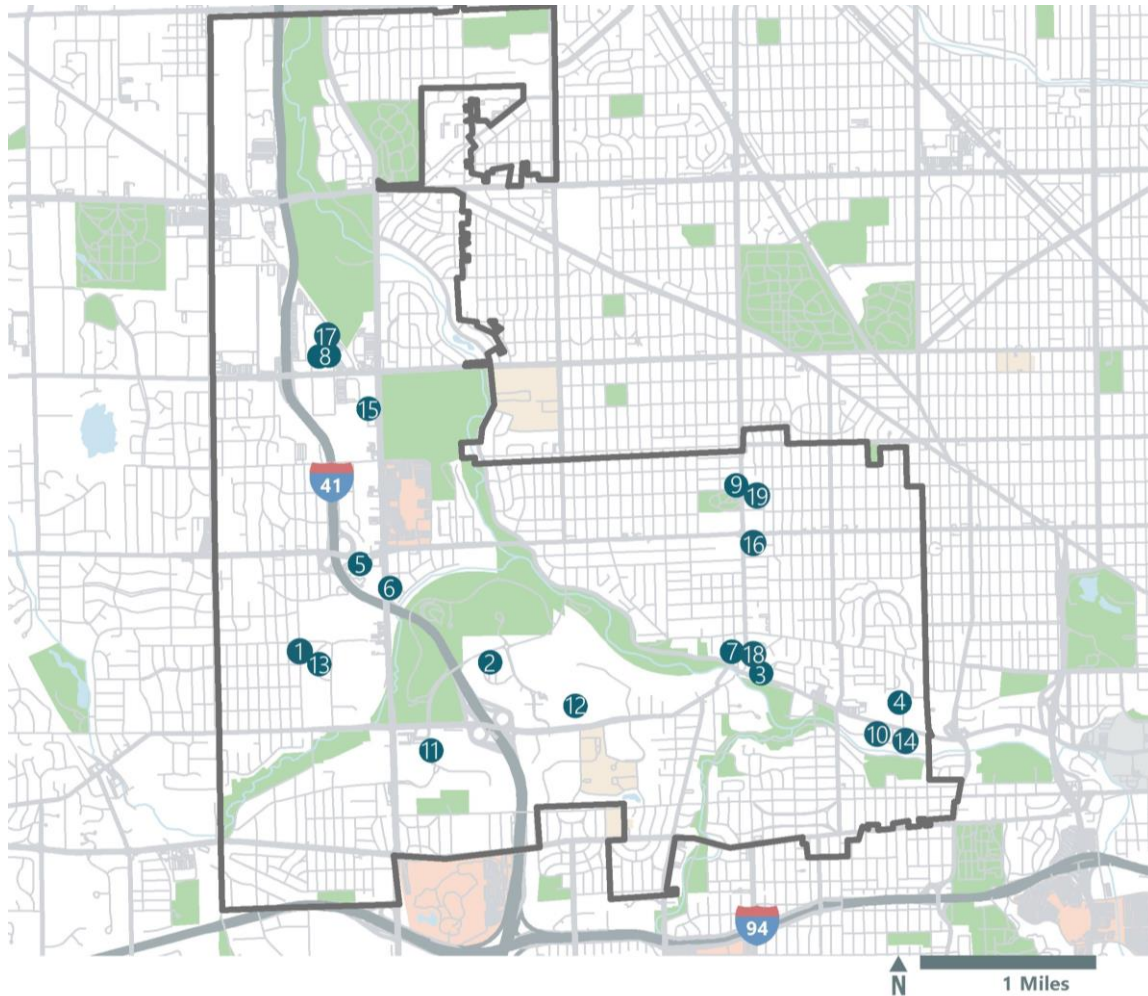
- Low vacancy with continued production indicates consistent demand for multifamily housing



- Rents (on a per SF basis) have increased by \$0.38 (29%) since 2011
- 44% of this increase occurred in the past 2 years

New Multifamily Inventory

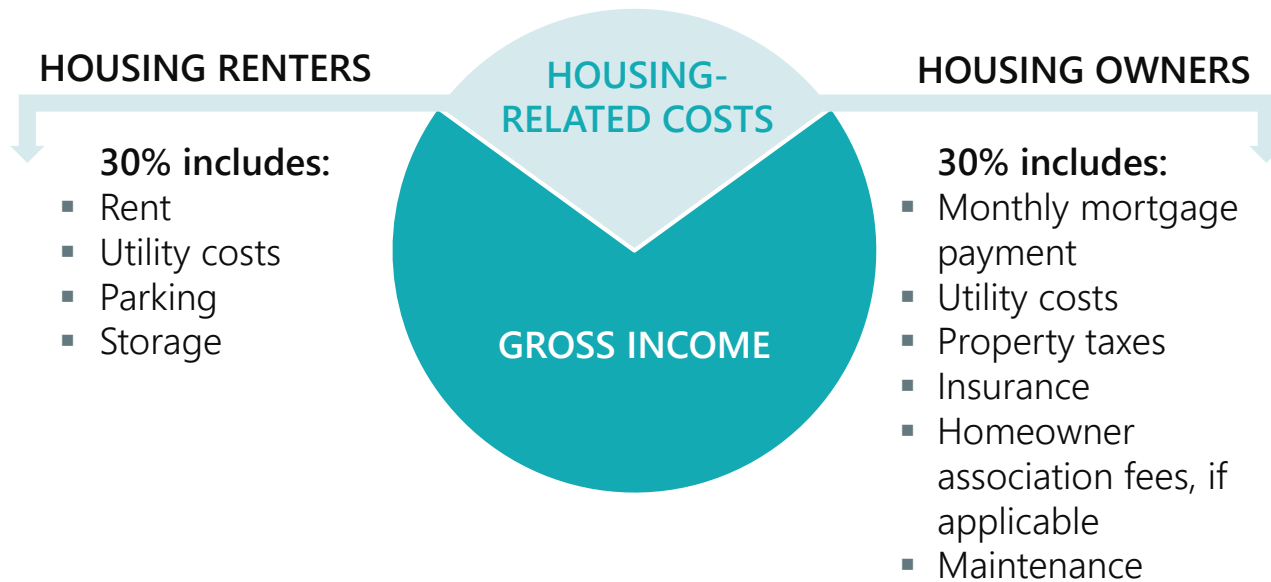
RECENTLY DELIVERED (SINCE 2015) & PIPELINE MULTIFAMILY DEVELOPMENTS



- Since 2015, 13 residential developments have delivered 1,857 multifamily units
- An additional 6 developments are in the pipeline with 652 proposed units
- New units include market rate, affordable, & age-restricted housing options
- Limited availability of undeveloped sites requires new housing to be delivered on redevelopment sites & at a higher density

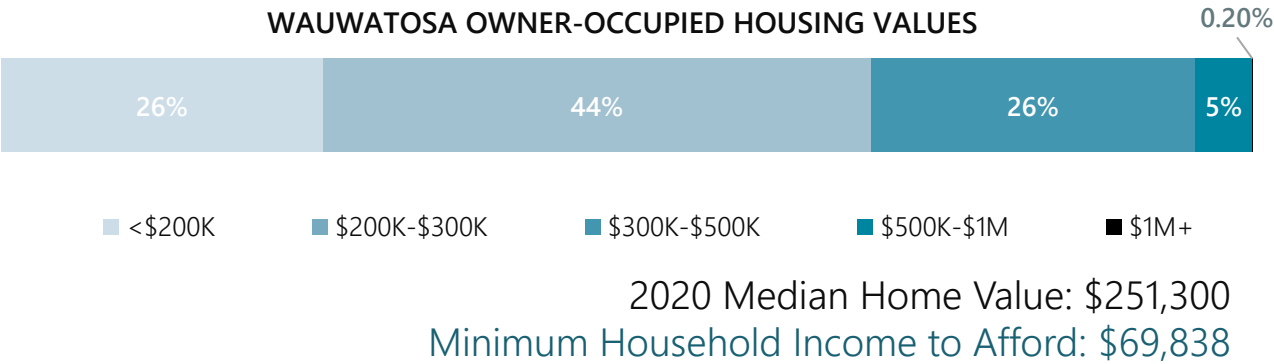
Housing Affordability

Housing Affordability

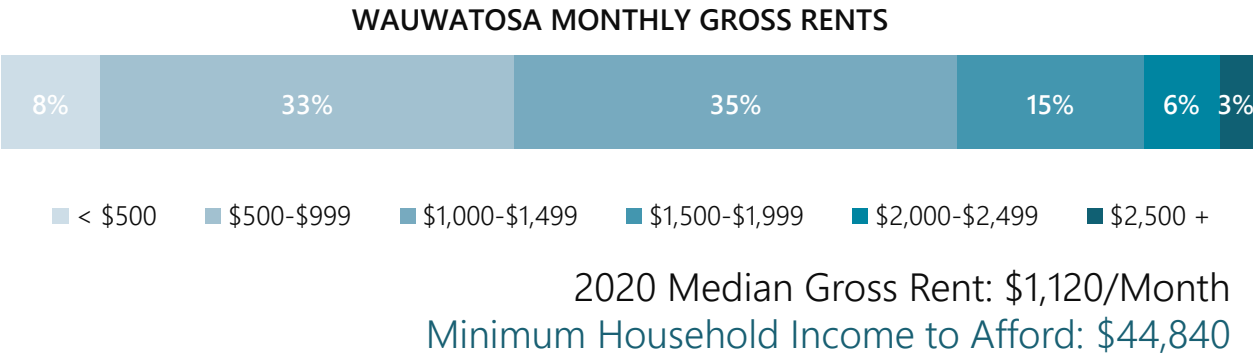


- Generally, housing is considered affordable if a household spends no more than 30% of their gross income on housing-related costs

Housing Values/Rents & Affordability

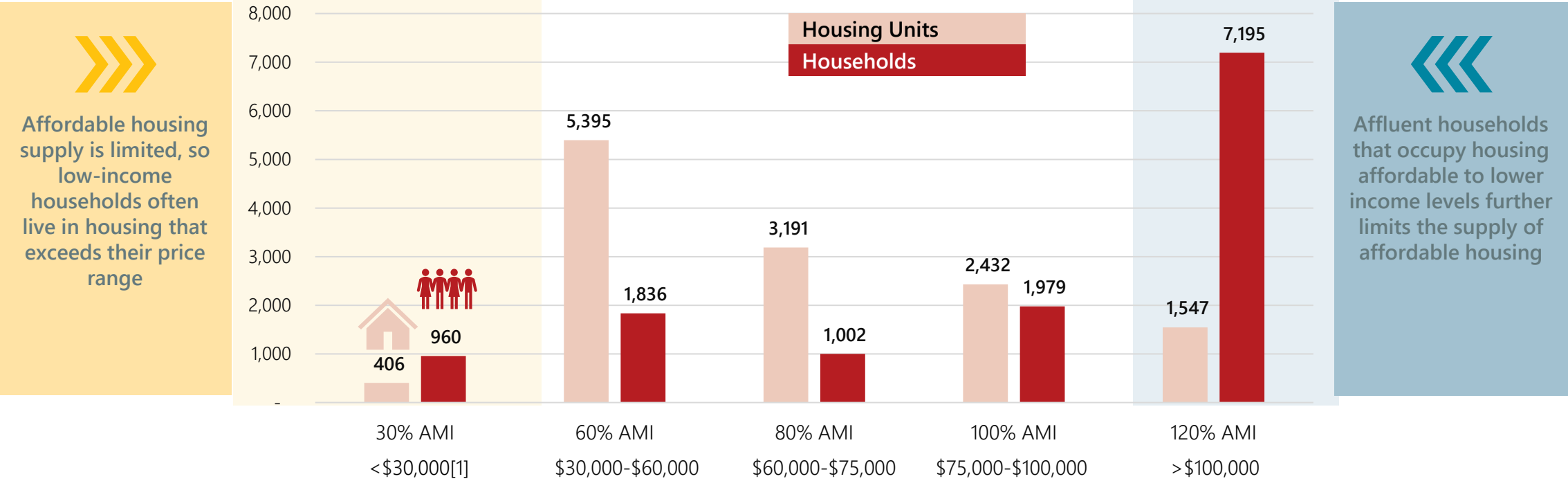


- The minimum household income required to affordably own a home is approximately 50% more than that which is required to affordably rent a home

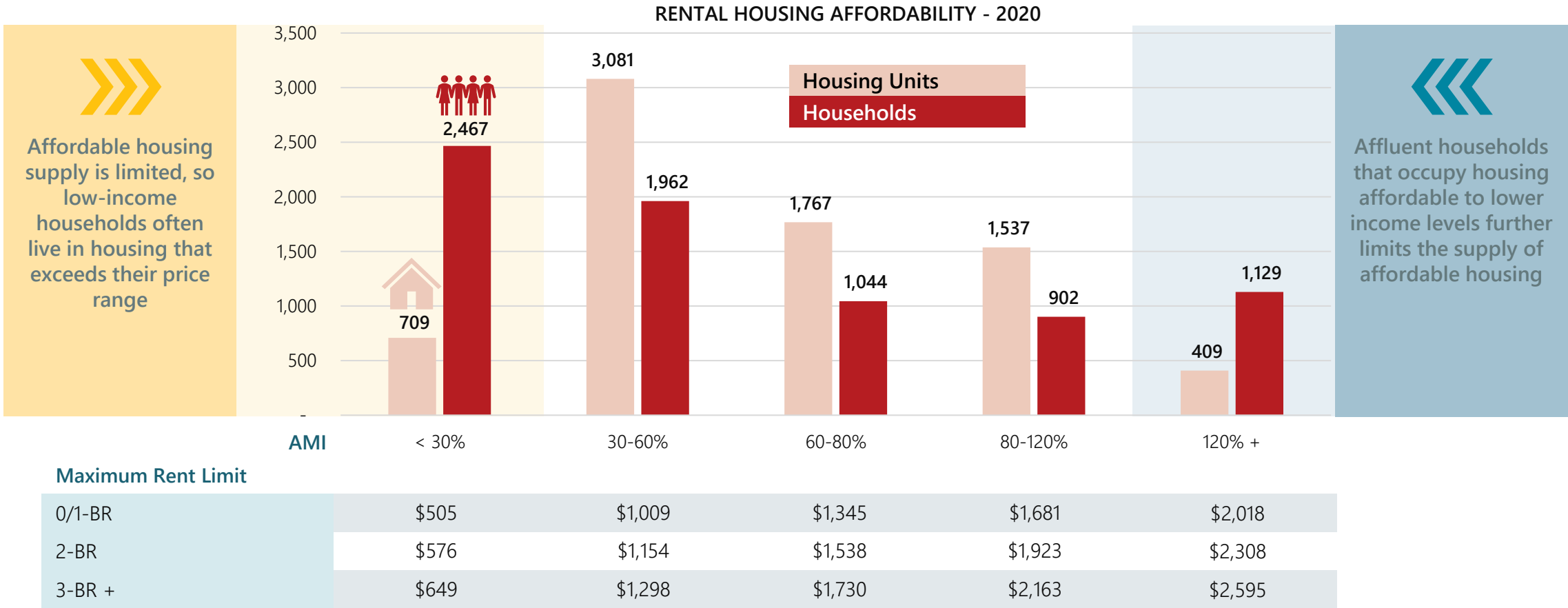


Home Ownership Affordability

OWNER OCCUPIED HOUSING GAP - 2020

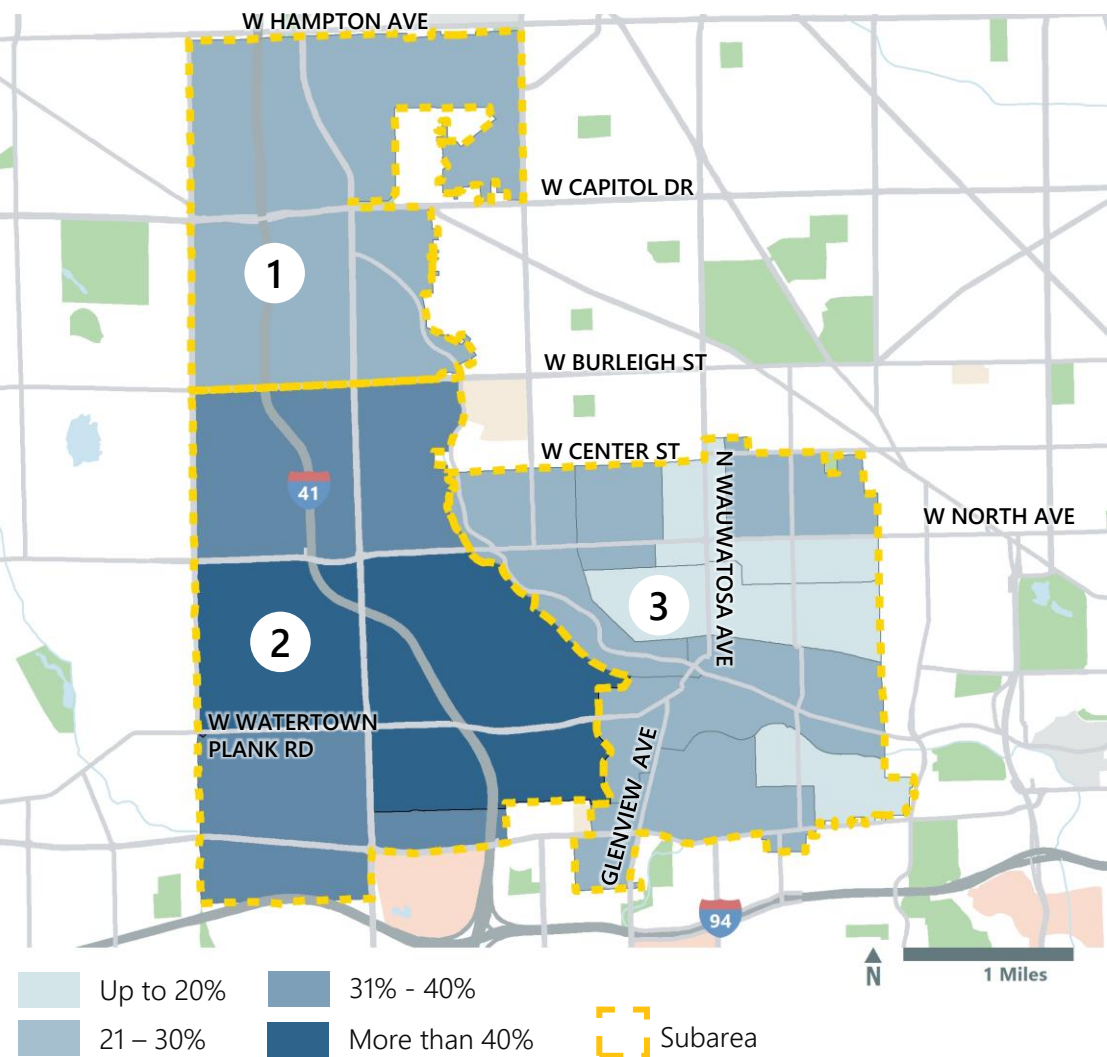


Rental Housing Affordability



Cost Burdened Households

PERCENT OF COST BURDENED HOUSEHOLDS BY CENSUS TRACT



- In 2020, 5,253 households (25.7%) were considered housing cost burdened
- Share of cost burdened households in 2020 is lower than the share reported in the 2016 study (approximately 30%).
- Subarea 2 has the highest concentration of cost burdened households

COST BURDENED HOUSEHOLDS BY SUBAREA - 2020

Geography	Percent of Cost Burdened Households	Total Cost Burdened Households
Subarea 1	26%	660
Subarea 2	36%	2,252
Subarea 3	21%	2,341
Overall	26%	5,253

Sources: U.S. Census ACS 5-Year Estimates 2016 - 2020, SB Friedman

Cost Burdened Households

CITY OF WAUWATOSA
COST BURDENED HOUSEHOLDS (2020)

OWNER-OCCUPIED HOUSEHOLDS



16% (2,042 households)
Owner-Occupied Households
Cost Burdened

RENTER-OCCUPIED HOUSEHOLDS



43% (3,211 households)
Renter-Occupied Households
Cost Burdened

HOUSEHOLDS EARNING <\$35K



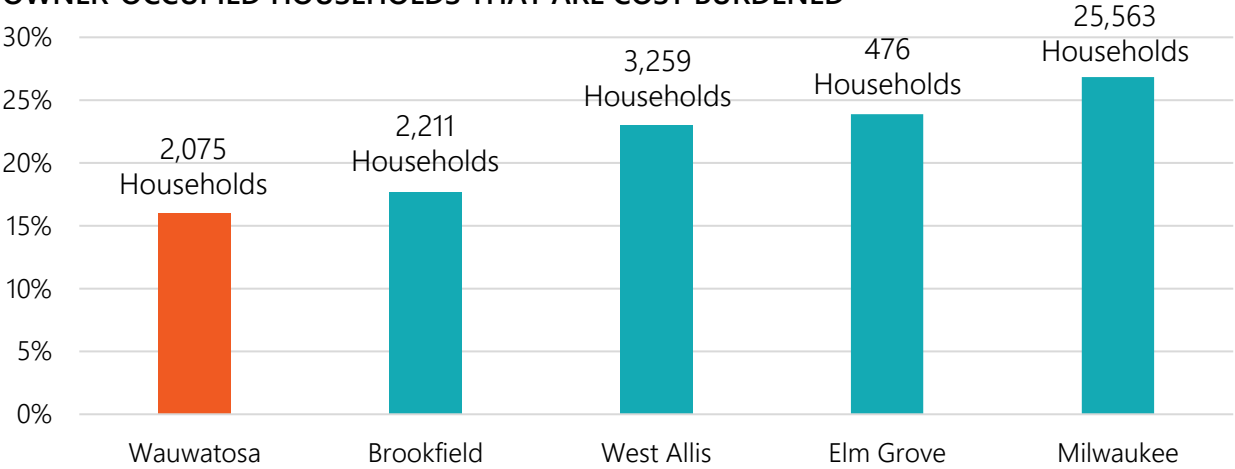
83% (3,093 households)
Households Cost Burdened

HOUSEHOLDS EARNING \$35K-\$50K

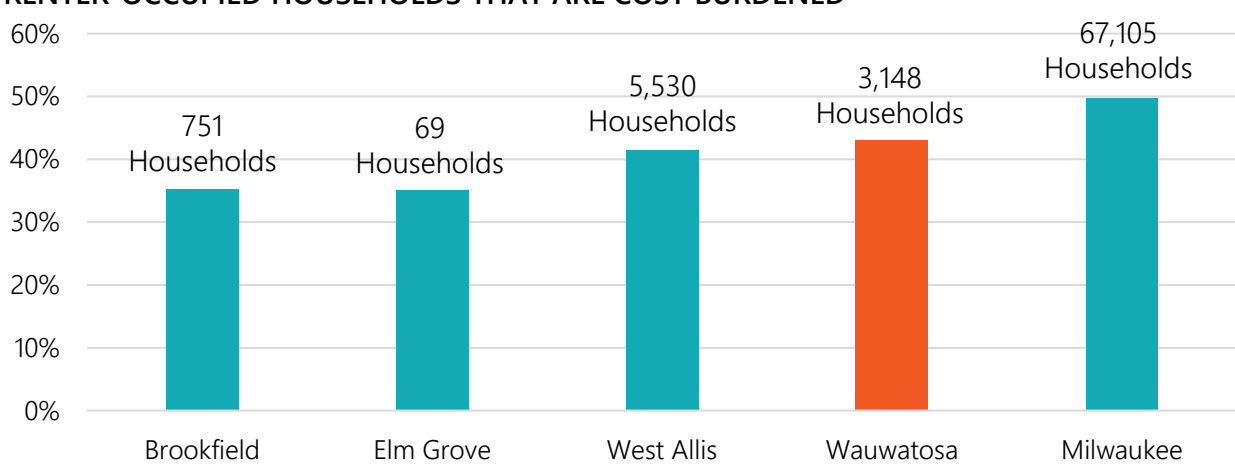


45% (827 households)
Households Cost Burdened

OWNER-OCCUPIED HOUSEHOLDS THAT ARE COST BURDENED



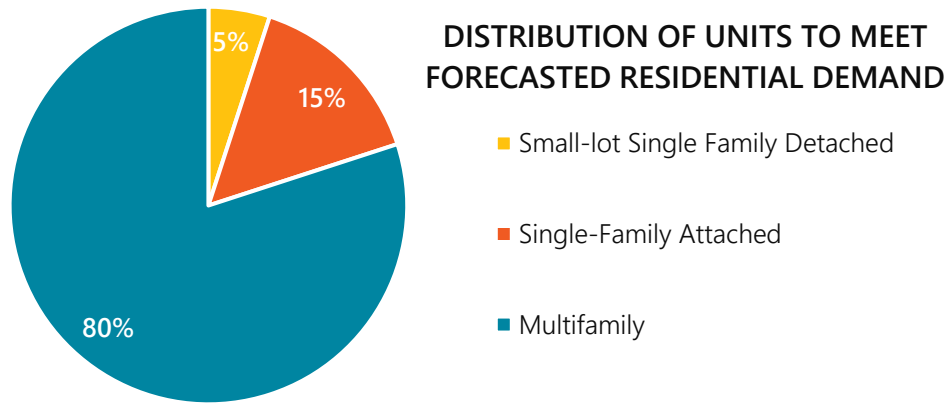
RENTER-OCCUPIED HOUSEHOLDS THAT ARE COST BURDENED



Future Housing Demand

Impacts of Future Housing Demand

- Population growth has outpaced projections
- Wauwatosa could grow by 3,300 new residents by 2040, requiring 1,500-2,200 new units



- Future development is projected to be primarily multifamily housing
- Single-family development will likely be small-lot infill development or attached housing
- Important to encourage a diversity of housing types at different price points.
- Housing production at any price point will relieve housing pressures

Public Engagement Feedback

Public Engagement Process



KEY STAKEHOLDER/INFORMANT INTERVIEWS

- Eight interviews with community groups, City commissions, developers, & regional stakeholders/informants



CITY-DISTRIBUTED PUBLIC INPUT SURVEY

- Open from July 25-September 9, 2022
- 1,500+ full responses collected



COMMUNITY WORKSHOP

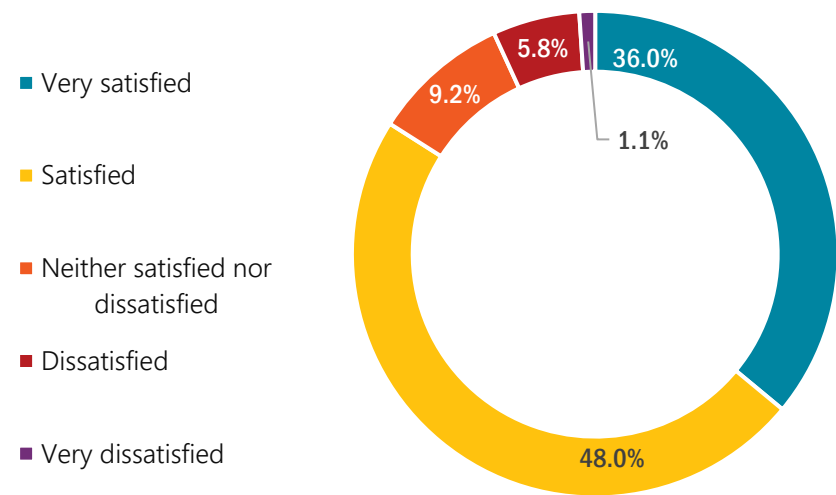
- In-person on September 21, 2022

Key Stakeholder/Informant Interviews

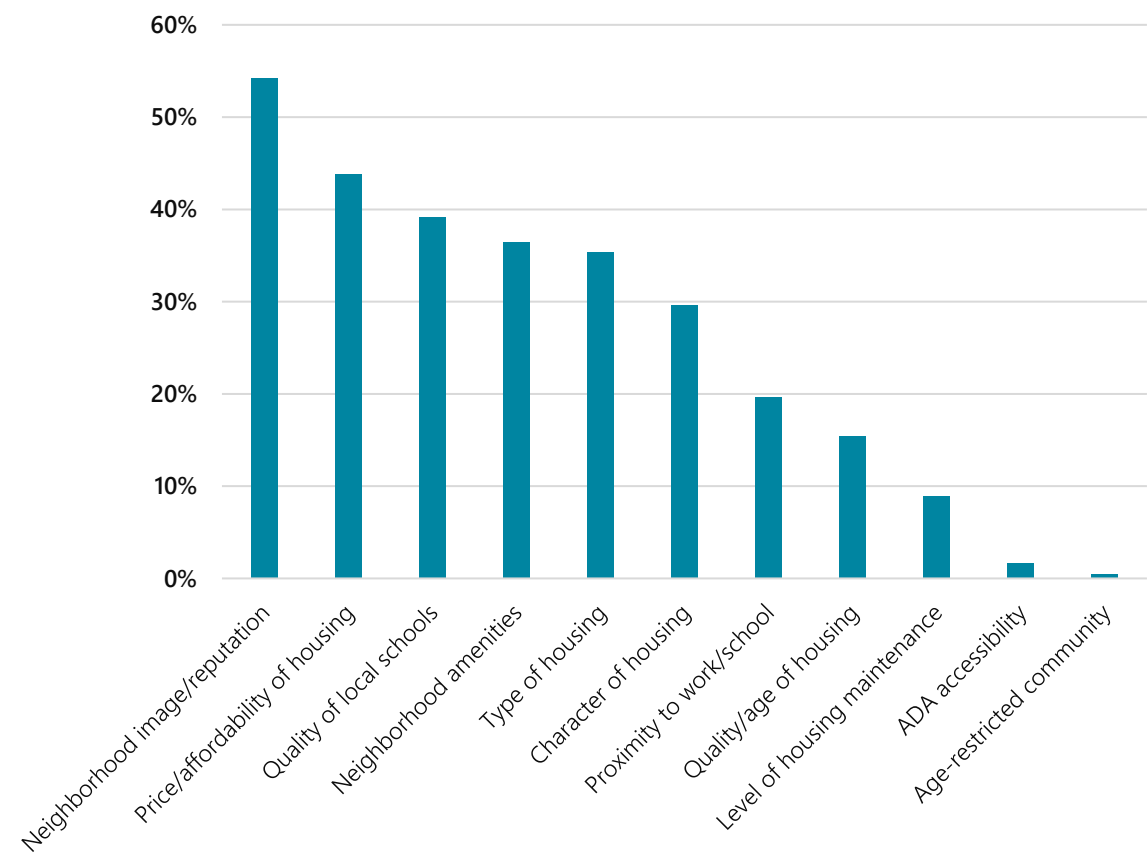
	HOUSING NEEDS	OPPORTUNITIES	CHALLENGES
Committee for Citizens with Disabilities	Workforce housing • Teachers • Hospital staff • City employees Senior housing • Intergenerational • Active • Affordable • Physically accessible Missing middle housing typologies • Small cottages, duplexes, shared green space • Rental & for-sale Realistic starter home options for young families Physically accessible housing	Wauwatosa continues to be viewed regionally as a desirable place to live A limited number of large redevelopment sites could be used for new housing Parts of Wauwatosa have the walkability & transit access needed to support aging in place & housing for people living with disabilities City staff & elected officials understand the need for gap financing	Increasing construction costs challenge the feasibility of new development & in many cases lead to developer requests for City financial assistance Some residents oppose higher density development Limited land exists for new housing development • Few undeveloped sites • Landlocked • Much of City zoned single-family residential Redevelopment scenarios are costly due to site assembly, site clearance, & in some cases environmental clean-up General public perceives TIF assistance as developer hand out
Community Development Authority			
Equity & Inclusion Commission			
Housing Coalition			
Metro Milwaukee Fair Housing Council			
Milwaukee Regional Medical Center			
Real Estate Professionals			
Senior Commission			
Southeastern Wisconsin Regional Planning Commission			

City-Distributed Public Input Survey

OVERALL, HOW DO YOU FEEL ABOUT YOUR CURRENT HOUSING?

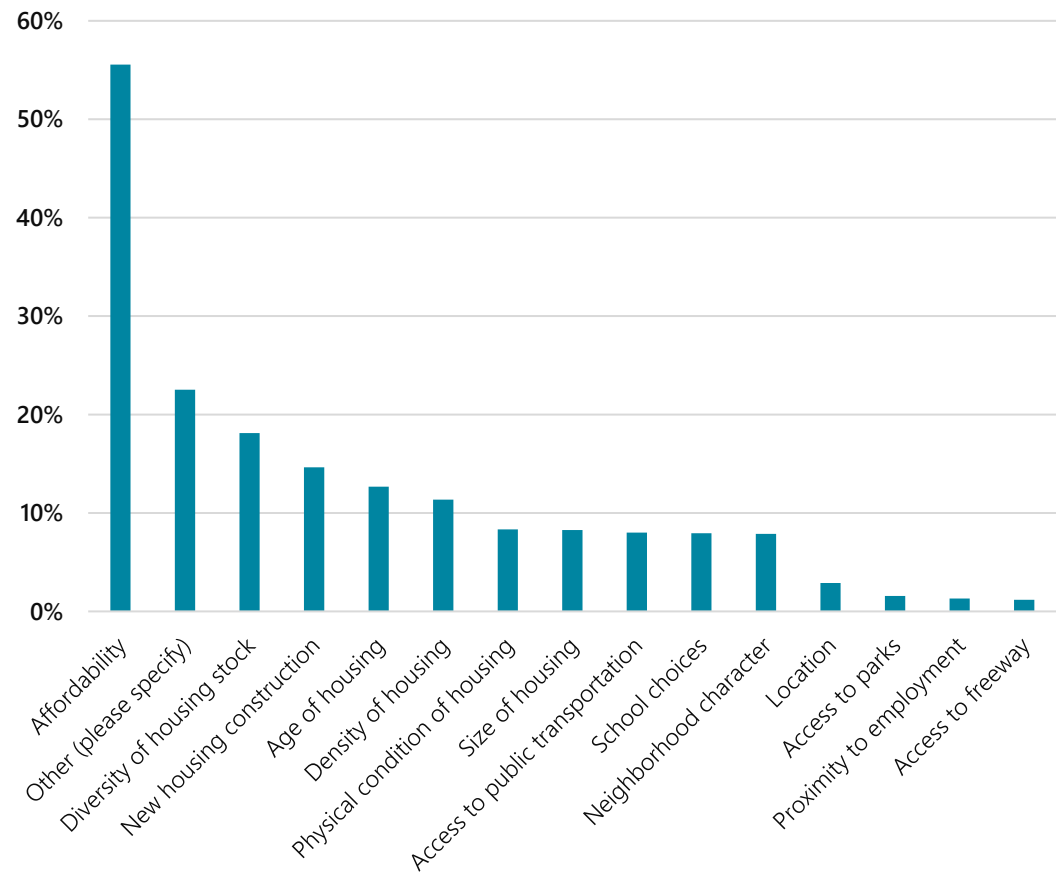


WHAT MATTERS MOST TO YOU WHEN MAKING A HOUSING DECISION?

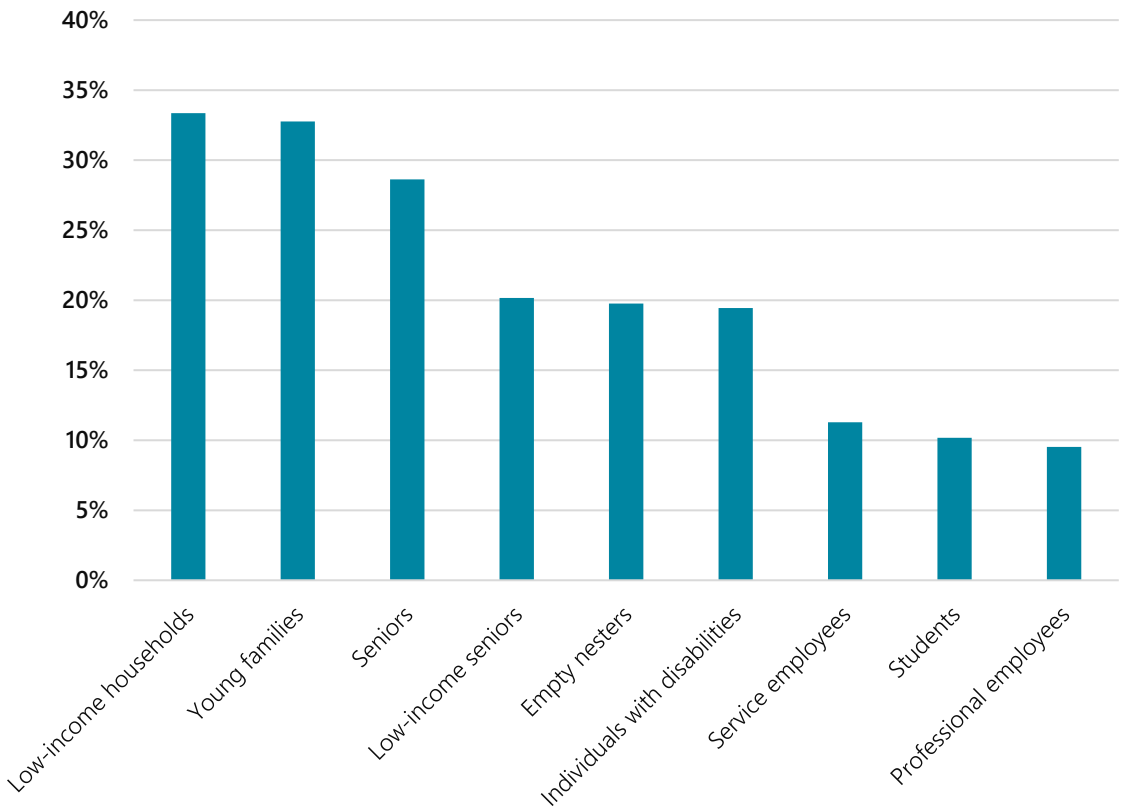


City-Distributed Public Input Survey

WHAT ARE THE TWO GREATEST CHALLENGES FACING WAUWATOSA?

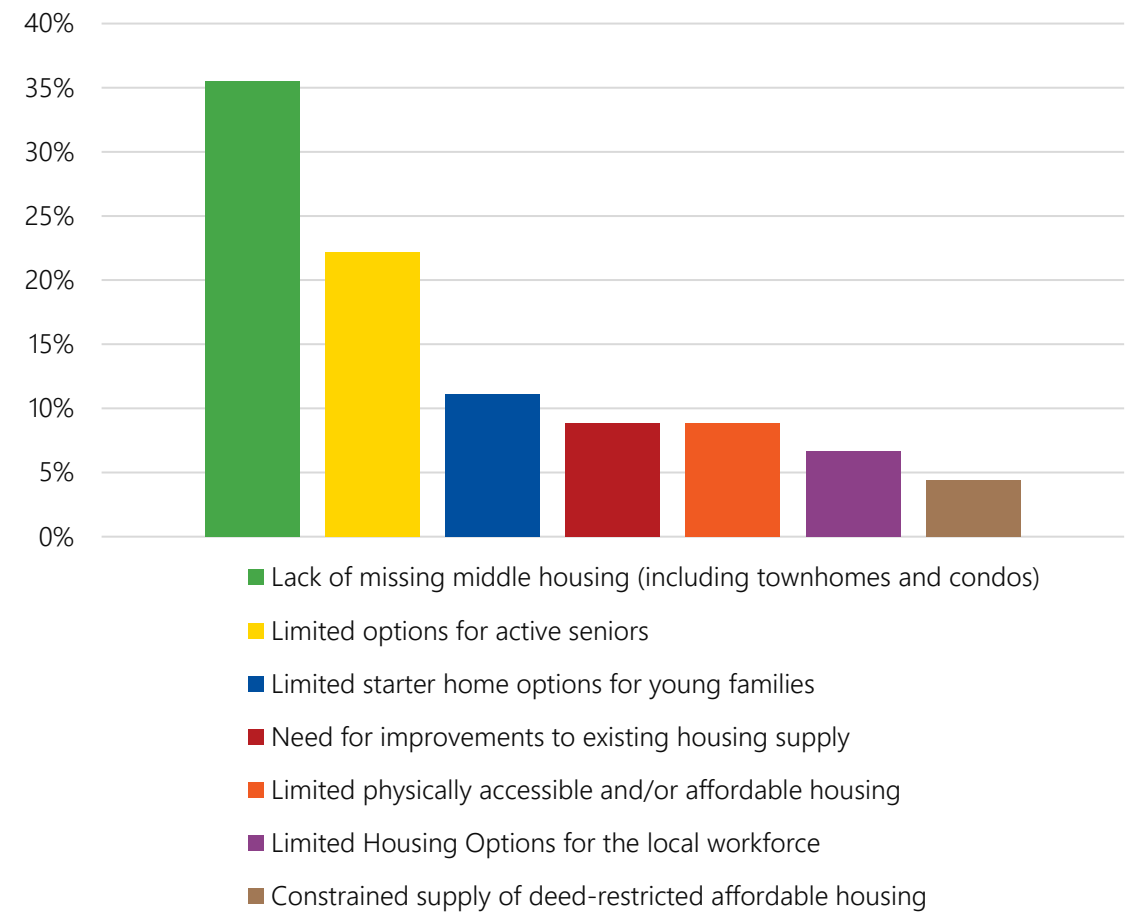


ARE THERE SPECIFIC POPULATIONS WITHIN WAUWATOSA THAT YOU FEEL ARE UNDERSERVED BY THE EXISTING HOUSING STOCK?

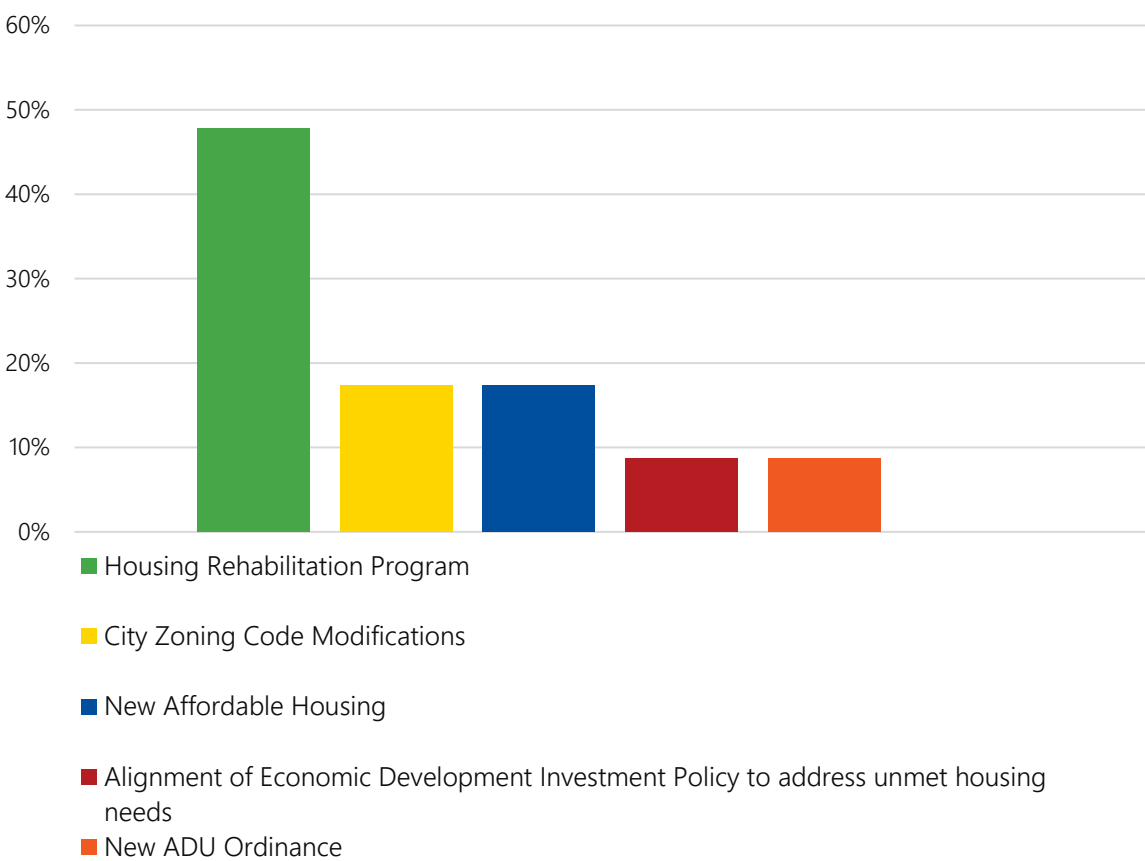


Community Workshop

HOUSING-RELATED CHALLENGES & ISSUES
PRIORITIZED BY WORKSHOP ATTENDEES



MOST EXCITING HOUSING-RELATED EFFORTS SINCE 2016
AS RANKED BY WORKSHOP ATTENDEES



Key Findings & Housing Toolkit

Key Challenges



CHALLENGES IDENTIFIED THROUGH DATA ANALYSIS

- Constrained supply of deed-restricted affordable housing
 - Options for low-income families, seniors, & individuals
- Limited housing options for the local workforce
- Limited starter home options for young families

CHALLENGES IDENTIFIED THROUGH BOTH DATA ANALYSIS & PUBLIC ENGAGEMENT

- Lack of newer missing middle housing
 - Rental & for-sale small cottages, condos, duplexes
- Limited options for active seniors
 - Downsizing options that are not in age-restricted communities

CHALLENGES IDENTIFIED THROUGH PUBLIC ENGAGEMENT



- Limited physically accessible housing
 - Existing physically accessible housing is not affordable
- Need for physical improvements to existing housing supply
- Lack of consistent information about new housing development

Housing Toolkit

PROGRAM

Locally operated programs to build or maintain housing

INCENTIVE

Tools that will motivate developing housing of various types & styles

REGULATORY

Regulations that protect existing units & encourage housing production

FUNDING

Tools that establish funding sources for housing

CAPACITY BUILDING

Tools that will garner support & partnerships for housing

Housing Toolkit

PROGRAM

**Locally operated
programs to build
or maintain
housing**

- Continue to identify &/or assemble sites for development
- Create local or regional land trust (Creation & feasibility currently being discussed by ad-hoc Community Land Trust Formation Committee)
- Maintain naturally occurring affordable housing & starter homes

INCENTIVE

**Tools that will
motivate
developing
housing of various
types & styles**

- Attract for-sale single-family attached & missing middle housing developers
- Develop a zoning overlay to provide incentives for developers who build affordable & physically accessible housing

Housing Toolkit

REGULATORY

Regulations that
protect existing
units & encourage
housing
production

- Continue to monitor & track status of housing in Wauwatosa
- Continue to evaluate modifying zoning code to accommodate more housing development by right
- Introduce universal design policies

FUNDING

Tools that
establish funding
sources for
housing

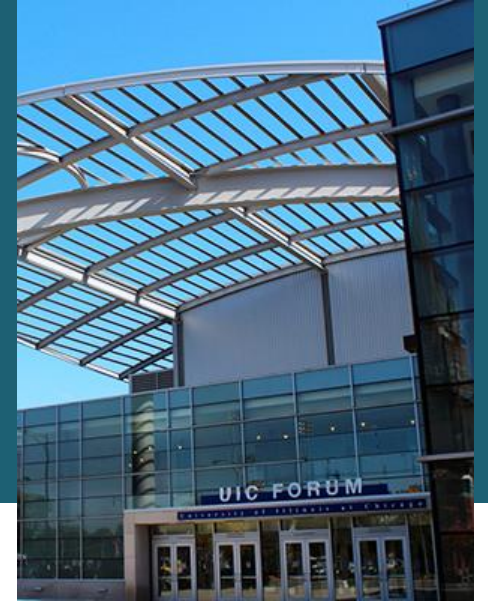
- Continue to build on existing entitlement community status
- Create housing trust fund

Housing Toolkit

CAPACITY BUILDING

Tools that will
garner support &
partnerships for
housing

- Work with banks, philanthropic, or other anchor institutions to leverage necessary funding for community development



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