

REGULAR MEETING

**Housing Taskforce
October 26, 2022 - 3:15 PM
Community Room
933 Michigan Avenue
Stevens Point, WI 54481**

or

Via Zoom

**<https://us02web.zoom.us/j/86998861467?pwd=eWsrMi96ZXYzMTVQakRKVknOR0t6QT09>
Meeting ID: 869 9886 1467
Passcode: 487370**

Via Telephone

312-626-6799

**Meeting ID: 869 9886 1467
Passcode: 487370**

AGENDA

Discussion and Possible Action on:

1. Roll Call
2. Introduce, define, and quantify housing insecurity in Stevens Point.
3. Revisit the modifications to the definition of "Family."
4. Introduction and Discussion on expanding the scope of Goal #1 to Decrease Housing Insecurity.
5. Introduction and Discussion of Goal #4: Tracking Implementation and Success of Program Initiatives
6. Adjourn

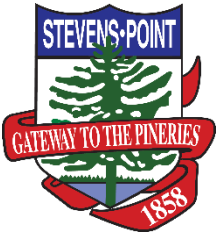
Meeting Rider

Any person who has special needs while attending this meeting or needing agenda materials for this meeting should contact the City Clerk as soon as possible to ensure a reasonable accommodation can be made. The City Clerk can be reached by telephone at (715) 346-1569, TDD # 346-1556 or by mail at 1515 Strongs Ave., Stevens Point, WI 54481.

Copies of ordinances, resolutions, reports and minutes of the committee meetings are on file at the office of the City Clerk for inspection during normal business hours from 7:30 a.m. to 4:00p.m.

SPECIAL NOTICE

Please take notice that a quorum of the Common Council, City Boards/Commissions may attend this meeting.



Memo

Mark Kordus
Neighborhood Improvement Coordinator
Community Development
City of Stevens Point
1515 Strongs Avenue
Stevens Point, WI 54481
Ph: (715) 346-1567 • Fax: (715) 346-1498
mkordus@stevenspoint.com

To: Housing Task Force
From: Mark Kordus
CC: Andrew Beveridge
Date: 10/17/22
Subject: Work Group Discussion Relative to Definition of Family

On September 14, 2022 a work group was convened at the request of Director Kernosky in response to concerns relative to social justice and inadequate acknowledgment or specific actionable items relative to housing insecurity. This group included Chris Klesmith, Adam Kuhn, Mother Jane Johnson, BobbieJoy Amann, Tiffani Krueger, and myself. Several opportunities to support housing insecure (those who currently spend over 30% of their income on housing) populations in Stevens Point were identified and appended to the Housing Taskforce report, but the most immediate and simple solution to uplift our community is to remove or adequately revise the “family” definition.

There are very few actions that can immediately impact the housing market at a low/no cost. One recent example was the adoption of on-street overnight parking within the City. This was implemented through an ordinance adoption that created an immediate impact. Several residents predicted a multitude of problems, which never came to fruition. Conversely, the Accessory Dwelling Unit (ADU) ordinance, adopted after a very lengthy hearing process, is a complex and costly option to increase housing stock only available to a select few. To date, no ADUs have been constructed. Many concerns were voiced but none manifested. The simplest solution is usually the best and should be of primary consideration, removing or revising the definition of family is the best opportunity to apply the principle.

Prior to the 1960s, it was rare for a municipality to define family. Family definitions took hold in many communities in the 1970s as an indirect, parochial way to legally discriminate through a blood/marriage family definition. These definitions were largely designed to keep populations deemed undesirable out of neighborhoods and communities, and grew to also include college student populations. *Bloomberg* recently published the article [“Why Are Zoning Laws Defining What Constitutes a Family”](#) on the history of family definitions related to zoning and summed up the deeper underlying purpose as:

“the(se) same legal mechanisms that famously reinforced housing discrimination on the basis of race, also discriminate against families that vary from the nuclear ideal of a heterosexual couple raising their biological children. There is also compelling evidence that low-density zoning, like formal family ordinances, is a significant driver of racial and class segregation. In short, formal family zoning discriminates against non-normative families, but it also reinforces the racial and economic segregation effects of low-density zoning in general.”

For more detailed information on the legal journey of “family” definitions, intent, and zoning restrictions, and case law the *Yale Law Journal* has a well-documented history outlined in [“Zoned Out: How Zoning Law Undermines Family Law’s Functional Turn.”](#)

The current definition of family in Stevens Point can be considered a low-density zoning restriction. Both the 2017 Housing Study and the Housing Taskforce report have identified higher residential density as a

solution to the city's housing needs. The current family definition is counterintuitive to the stated goals of the city, it is a self-imposed hurdle impeding progress toward more affordable housing options.

It is worth noting that the current restriction of 2 unrelated is the most stringent for any city within Wisconsin. To date, seven states have banned using this type of (blood/marriage) family definition, four by action of their supreme courts, either declared discriminatory or as a direct invasion of personal privacy, and three as a matter of law adopted within their state statutes. These and other communities instead regulate based on the square footage requirements already within state and local codes. This option was discussed in [a 2017 city-wide survey in which majority of the respondents favored removing the family definition and basing occupancy solely on square footage.](#)

The workgroup agreed that a dramatic change such as removing the family definition may not be supported by the whole community, or Housing Taskforce. Although dissolving the definition of family should be the ultimate goal, a family definition of 4 unrelated persons should be the bare minimum recommendation. This would be the simplest, easiest, and quickest way to increase affordable housing options for cost-burdened housing insecure residents in Stevens Point, based on the following rationale:

- **Largest market impact.** The majority of rental units within the Stevens Point housing market (source: Apartments.com) are 2-bedrooms, which make up 55% of the total rental market. Within a scenario of two unmarried couples or close friends wanting to rent together, they would now be legally able to rent the most commonly available housing unit within the city.
- **Affordability.** Dividing rental costs by number of tenants decreases monthly costs incurred by each tenant. As a cost comparison, a typical 2-bedroom, currently rents at the median rate of \$1,100/month (source: Zumper.com). This would reduce the housing costs of four tenants within a 2-bedroom unit by 50% to \$275/month, as compared to \$550/month per tenant.
- **Increases housing options within existing stock.** By filling empty and unused bedrooms in 2 or more bedroom units, the supply of affordable rental and owner occupied housing options should increase. Using a simple supply and demand model, this may also decrease median rents by increasing available stock.
- **Reduce city-wide non-conformity.** This modification would also reduce the number of legal non-conforming rental properties in Stevens Point by over 100 properties, cutting it in half. This more than doubles the initial proposal to adjust "housing entity" to 3-unrelated individuals, and the primary goal of a zoning amendment.
- **Bonus Option.** If it is a priority of the city to reuse historic, non-conforming boarding houses, consider a bonus provision for owner-occupied dwellings beyond the base allowance of 4 unrelated, plus 1. This has been successfully used, most notably in the Pacific Northwest, to help make the purchase of old, larger, 4+ bedroom homes in city centers more economically feasible while creating the benefit of an on-site manager.

A potential definition is supplied below. This does not include the owner-occupied bonus +1 provision, which could largely follow the IDD Household Entity defined in the Housing Taskforce white paper.

Housing Entity: *One or more persons related by blood, marriage, adoption, foster care, or a group of not more than four (4) persons who need not be related, living together as a single housekeeping unit and using common kitchen facilities.*

Adequately redefining, expanding or removing family definitions is an opportunity to actively support residents in most need of relief. Current data (2020) indicates that at least 28% of Stevens Point Residents are housing insecure when *only* accounting for their housing cost burden. These residents are at the highest risk of becoming unhoused due to a job loss, medical issue, or other unexpected financial burden. If anything, these numbers have likely gotten progressively worse over the last 2 years, given the dramatic increase in housing and other related costs. The time for meaningful change is right now.

Goal #1 – Decrease Housing Insecurity in the City of Stevens Point

Housing insecurity is “a real, persistent, and growing problem with implications for people’s education, health, and well-being...Housing insecurity can take a number of forms: homelessness; housing cost burden; residential instability; evictions and other forced moves; living with family or friends to share housing costs (doubling up); overcrowding; living in substandard, poor quality housing; or living in neighborhoods that are unsafe and lack access to transportation, jobs, quality schools, and other critical amenities.”¹

It is estimated that over one quarter of Stevens Point residents are housing cost burdened, spending over 30% of their income on housing. Housing quality and affordability remain as one of the most frequent complaints discussed in the community. Through almost all of the conversations and discussions on the goals and objectives of this white paper, it was abundantly clear that the definition of family also had to be reviewed if the City was serious about addressing housing needs within the community.

Fig 1 – Estimate of Cost-Burdened Residents in Stevens Point, WI in 2020²

| Housing Occupancy Type | Number of Cost Burdened Housing Units | Average Persons Per Unit | Estimated Number of Cost Burdened Residents (% of total population) |
|---------------------------------|---------------------------------------|--------------------------|---|
| Rental Units | 2,643 | 1.88 | 4,969 (19.3%) |
| Owner-Occupied with Mortgage | 696 | 2.37 | 1,650 (6.4%) |
| Owner-Occupied without Mortgage | 243 | 2.37 | 576 (2.2%) |
| | | TOTAL | 7,195 (28%) |

Community Engagement Opportunities

- 1) Announce a public resolution that housing insecurity is a recurring and prevalent issue throughout Stevens Point and the City’s desire and responsibility to be an active, integral part of the solution through a resolution or some other type of action.

Realization: Households that spend 30-50% of their income on housing are considered cost burdened, and households that spend more than half of their income on housing are severely cost burdened. **Furthermore, communities where people spend more than 32 percent of their income on rent can expect a sharp and dramatic increase in homelessness.**³ According to the 2020 American Community Survey 5-year estimate, **50.3% of the city’s 5,250 occupied rental units, not individuals, are paying more than**

¹ Leopold, J. et al. (November 23, 2016). *Improving Measures of Housing Insecurity: A Path Forward*. Urban Institute. Retrieved October 13, 2022, from <https://www.urban.org/research/publication/improving-measures-housing-insecurity-path-forward>.

² U.S. Census Bureau (2020). *2016-2020: ACS 5-Year Estimates Data Profiles*. Retrieved October 13, 2022, from https://data.census.gov/cedsci/table?q=DP04&g=1600000US5577200&tid=ACSDP5Y2020_DP04

³ Glynn, C., Byrne, T., and Culhan, D. *INFLECTION POINTS IN COMMUNITY-LEVEL HOMELESS RATES*. Retrieved October 14, 2002, from https://wp-tid.zillowstatic.com/3/Homelessness_InflectionPoints-27eb88.pdf

30% of their household income to rent. With regards to home ownership, 21% of the 3,321 homes with a mortgage are paying 30% or more of their income towards their housing costs and 11.5% of the 2,109 homes without a mortgage are paying 30% or more towards housing costs. Summing up all of these groups and multiplying by the average number of persons per unit, the estimated total population of housing insecure residents based on housing cost burden alone is 7,195 residents, or 28% of the City of Stevens Point. It is reasonable to assume given the significant recent increases in housing costs (from October 2019 to October 2022, the median rent for a 2-bedroom unit has increased by \$377, or 54.2%)⁴, this number has probably increased over the last 3 years.

Recommendation: Announce a resolution that acknowledges the prevalence of housing insecurity in the City of Stevens Point. Housing insecurity is less visible than what is often described as homelessness and may require further public discussion. This resolution should include definition of the unique characteristics, reasons why, and specific needs of groups experiencing housing insecurity; recognition that LMI (Low to Moderate Income) persons are most likely to be housing insecure and require more assistance, which should be prioritized through specific City action, with measurable outcomes, and annual review of housing data including, but not limited to, the following parameters: median wages, the percentage of population in which housing costs exceed 30% of income, number of new housing units, including the percentage of LMI-serving units; an acknowledgement that wages are a major component of housing affordability and increased public awareness of the City's role in elevating wages; and commitment of City personnel to work cooperatively with community partners and non-profits recognizing the City must be an active and integrated part of the housing insecurity solution.

Zoning Opportunities

- 1) Amend the zoning code to redefine the definition of family to be more inclusive.

Realization: The City desperately needs to update the definition of family within the zoning code to be more inclusive and reflective of the current economic environment. The current definition (page 128 of the Zoning Code) is too restrictive to allow changing demographics and economic needs of the community. The current code is outlined below:

FAMILY - is an individual, or two or more person related by blood, marriage, adoption, foster child arrangement, or similar legal relationship and functioning as a single housekeeping entity, or such individual or person plus one individual not having such similar legal relationship but functioning as a part of the single housekeeping entity. The definition of family shall not apply to a Tourist Rooming House.

⁴ Zumper (October 13, 2022). *Stevens Point WI, Rent Prices*. Retrieved October 13, 2022, from <https://www.zumper.com/rent-research/stevens-point-wi>.

Below are examples of how the current code is interpreted and enforced:

| | | |
|--|--|--|
| Larry & Anna = couple, not married or together by legal relationship. = legal under current code. | Larry & Anna = decide to get married. = legal under current code. IF Larry & Anna invite Mary to rent a room = LEGAL under our current code. | Larry & Anna = married couple. Anna's mom and dad are aging and need assistance, so they move in. = LEGAL under our current code. |
| Larry & Anna = couple, not married or together by legal relationship. = legal under current code. IF Larry & Anna invite Mary to rent a room = illegal under our current code. | Anna buys a 4 bedroom house near UWSP to go to college. Rents three of the rooms to friends. = illegal under our current code. | Larry, Anna and their two kids invite Bill and his child to live with them. = illegal under the current code. Larry, Anna, and their two kids could have Bill live with them, but when the dependent is involved, you technically exceed the code. |

Recommendation:

FAMILY Household Entity - is an individual, or two or more person related by blood, marriage, adoption, foster child arrangement, or similar legal relationship and functioning as a single housekeeping entity, or such individual or person plus **one two** individuals not having such similar legal relationship but functioning as a part of the single housekeeping entity. The definition of family shall not apply to a Tourist Rooming House.

IDD Household Entity – is no more than four non-related individuals, all with intellectual and/or developmental disabilities as defined by the Americans with Disabilities Act, residing in the same housing unit and acting as a single housekeeping entity. In such situation, live-in caregivers for those with intellectual and/or developmental disabilities shall not count against the total number of unrelated individuals within the IDD Household Entity definition. The Zoning Administrator may review each case for approval or denial based upon the information provided to them.

Primary Recommendation:

The City of Stevens Point should remove the definition of “family” from Stevens Point zoning code and regulate the number of residents by square footage requirements. If this recommendation cannot be carried out, “family” should be expanded to 4 unrelated individuals. For the rationale for this recommendation, see the memo from Mark Kordus, Neighborhood Improvement Coordinator, dated October 14, 2022.

Commented [CK1]: While City staff initially presented an option of increasing from 2 to 3 unrelated persons, the current restriction of two unrelated is the most stringent for any city within Wisconsin. There was a desire by several members remove the definition altogether, as it was deemed as an overreach and instead to regulate based on the square footage requirements already within the state and local codes. This was also reflected in a [2017 city-wide survey](#) in which majority of the respondents favored removing the family definition and basing occupancy solely on square footage. Although, if the desire is to keep some type of traditional blood or marriage definition, it was decided that 4 should be recommended rather than 3, and would increase the potential to decrease cost-burden based on the following rationale:
Majority of rentals within the Stevens Point housing market are 2-bedrooms, which make up 55% of the total rental market, followed by 1-bedroom at 28%, and studios and 3+ bedrooms splitting the remaining 17%*. Within a scenario of two unmarried couples or close friends wanting to rent together, they would now be legally able to rent the most common housing unit.
As a cost comparison for a typical two bedroom not including utilities at \$1,000/month. This would reduce housing costs to four tenants within a 2-bedroom unit by 50% to \$250/month, versus \$500/month for each tenant under the current standard.
This modification would also reduce the number of legal non-conforming rental properties in Stevens Point by over 100 properties, more than double the proposal to initial proposal to 3-unrelated individuals.
Recommend a bonus provision for owner-occupied dwellings beyond the base allowance of 4 unrelated, if the building is owner-occupied and meets the building code minimum standards for living and sleeping space, for one additional unrelated person; 4+1 if these conditions are met. This has been successfully used in the pacific northwest to make the purchase old, larger 4+ bedroom homes in city centers economically feasible while minimizing issues associated with similar type properties through on-site property management.

Idea: [Family definitions have historically](#)⁵ been used as [a tool to legally discriminate in urban development](#). Seven states have outlawed the use of family restrictions either by way of their supreme court rulings or through statutory adoption, pulling the validity of parochial blood/marriage family definitions into question.

Economic Development Opportunities

- 1) Strategize between the Stevens Point Housing Authority and Community & Economic Development department to increase housing stock for LMI individuals and families, including development of underutilized municipally owned properties within the City.

Realization: A formal strategy to increase the housing inventory of the Housing Authority has been absent, and the City of Stevens Point has recently taken action that has resulted in a decrease in the housing stock for LMI residents.

Recommendation: The relationship between the Stevens Point Housing Authority, Redevelopment Authority, and the City of Stevens Point's Community & Economic Development department should be modified to establish and carry out a strategy to increase available housing stock for LMI residents. A major component will be cooperatively identifying properties within the city, for acquisition, possible funding sources, and plans for development, with timelines. To avoid a negative impact to existing SPHA housing stock the city should adopt a policy not to decommission municipally owned housing stock without having first created an equivalent number of replacement dwelling units.

- 2) Support the creation of Public Supportive Housing (PSH), Transitional Housing, (e.g. Oxford House) and formal support services vital for the success of persons within these types of living situations.

Realization: Organizations within Stevens Point are attempting to prevent housing insecure residents from becoming unhomed, but often lack the financial resources and staff capacity to strategize and execute programs to uplift them out of housing insecurity. Federal funds exist to support programs but are not being leveraged.

Recommendations: Municipalities and non-profit organizations in communities like [Appleton](#) and [Eau Claire](#) are leveraging funds provided by [HUD](#) to decrease the amount of residents who become unhomed. The City of Stevens Point should assist the proper non-profit organizations to apply for these funds and increase the coordination of these services locally. City staff should also identify parcels near amenity-rich areas that may support PSH and Transitional Housing facilities.

Actively work to partner non-profits looking to acquire properties with property owners who may be interested in selling units which could fill these

⁵ Redburn, K (June 2019). *Zoned Out: How Zoning Law Undermines Family Law's Functional Turn*. The Yale Law Journal. Retrieved on October 14, 2022, from <https://www.yalelawjournal.org/note/zoned-out>.

missing niches within the community, including creative ownership options such as land trusts, condominiums, or cooperatives.

Until service organizations can supply adequate transitional living facilities, landlords may be incentivized to rent to LMI individuals and families, increasing available housing stock for those with the highest housing need – see Action 3 below.

Idea: [U.S. Department of Housing and Urban Development](#) facilitates programs to support organizations that manage these types of facilities and services and could be utilized in Stevens Point.

- 3) Create landlord incentive(s) to generate or hold housing stock for LMI individuals, or persons with histories that effectively prohibit them from acquiring housing. These incentives can include participation in the RentReady program, agreeing to freeze rents, or accept section 8 housing vouchers for a predetermined period in exchange for low or no interest loans.

Realization: Not all housing stock is fully utilized and the waiting list for Housing Authority assistance is extensive. Additionally, there is significant competition to lease a rental unit, making rentals inaccessible to community members with “black marks” on their background, such as evictions, bankruptcies, low credit scores, or felonies. Until the Stevens Point Housing Authority can increase its stock, a partnership between landlords and the Housing Authority may be formed to provide immediate assistance to those most in need.

Recommended Action: Through the Community & Economic Development Department and/or Stevens Point Housing Authority, operate a no or low interest loan program for landlords who hold housing stock for LMI persons which mirrors the Housing Modernization Loan program. HUD provides [resources for landlords who accept housing choice vouchers \(HCVs\)](#), and research has shown that [landlord participation in the HCV program is necessary for success](#).

Idea: [U.S. Department of Housing & Urban Development, Office of Policy Development and Research](#) provides research and resources to show that landlords need to be a part of any housing solution for these populations. Work must be done to grow relationships between landlords and housing support programs.

- 4) Review City grant programs to include support for the renting population, especially the housing insecure.

Realization: The City administers several grant programs that are intended to support LMI homeowners and reinvestment into residential property. These funds are not wholly utilized and may be redirected to support programs for renters.

Recommendation: Develop a preventative program that proactively reduces the number of evictions. This program may include mediation services, legal counsel, and financial compensation to landlords for past-due rent and damages. The simplest solution is going upstream and keeping them from falling into the river – striving to proactively keep people in housing, rather than trying to rehouse them after an eviction.

Idea: Services in [eviction diversion and prevention programs](#) range from full legal counsel to tenant education and tenant-landlord mediation. There are currently 47 eviction prevention programs in the United States, the closest being the Tenant Resource Center in Dane County, WI.⁶

Goal #2 - Diversify and Expand the City's Housing Stock for All Residents

There is no 'one size fits all' approach to expanding the style, type, density, and location of housing within the City of Stevens Point. There are, however, opportunities to reduce policy barriers to expand different types of housing within the City to achieve this generalized goal, including finding ways to increase missing middle housing, embracing form-based zoning, formalizing Tax Increment Finance policies, and better engaging the community when new housing developments are proposed.

Housing quality is one of the most referenced desires in Stevens Point. In 2022, 29 of the 11,495 housing units (0.25%) were rated by the Assessor's Office as Poor or Very Poor, indicating that housing quality may be better than perceived. Of these 29 properties, 27 are owner-occupied.

Zoning Opportunities

- 1) Explore ways to increase "[Missing Middle Housing](#)" through Zoning Code amendments.

Realization: Development patterns post WWII have presented the inability to build and expand "missing middle housing". This causes the City to have limited availability for diverse housing needs within the existing community. Often, missing middle housing become part of the fabric of the neighborhoods in which they reside, mainly because their footprints and scale are not too dissimilar to the surrounding homes within the immediate neighborhood.

Recommendation: Although we could use the Planned Development Zoning (PDD), a specific zoning code change to allow via permitted use the construction of missing middle housing (up to six units) with reduced street setbacks and parking minimums could address the desire to diversify our housing stock.

⁶ Treskon, M. et al (April 2021). *Eviction Prevention and Diversion Programs*. Urban Institute. Retrieved October 13, 2022, from <https://www.urban.org/sites/default/files/publication/104148/eviction-prevention-and-diversion-programs-early-lessons-from-the-pandemic.pdf>

Idea: <https://missingmiddlehousing.com/> offers zoning code amendment ideas and concepts for communities to consider when working on missing middle housing. Please note that there are excellent examples of this throughout the City already, especially in our more historic neighborhoods.

- 2) Reduce setbacks, consider the surrounding built environment, and reduce parking requirements for residential development to better fit within established neighborhoods. Consider physical development over the use of the development.

Realization: **Form-based zoning** should be the driving factor as the City rewrites the City's 1979 zoning code. This will allow the neighborhood to focus more on the physical development of the property as opposed to the use of the property. Form-based zoning will also allow flexibility in older neighborhoods for owners to fully utilize their property for growth and other changes.

Recommendation: Consideration for a zoning code rewrite that is Form-Based to better establish and retain the unique neighborhoods within Stevens Point. Until a form-based code rewrite is completed, the [Lean Code Tool](#) can be used to reform the current zoning code in the following ways:

- Reduce setback requirements for residential development to better fit within established neighborhoods.
- Reduce parking requirements for residential development.
- Reduce lot size requirements for certain types of residential development.
- Decrease minimum size requirements for principal structures.
- Establish lot coverage requirements.

Idea: <https://formbasedcodes.org/> and [Lean Code Tool](#) as resources.

- 3) Small Home Cluster Development

Realization: Single-family detached housing still reigns supreme in new home construction, but is there a way to allow SFD housing while encouraging higher density and communal living? Additionally, look at ways to address homelessness in the community by providing 'tiny-home' cluster development similar to [Occupy Madison](#).

Recommendation: Although the City could use the Planned Development Zoning (PDD), a specific zoning code to allow via permitted use cottage-court/small home cluster development should be adopted. This will allow a higher-density single-family unit development and communal living.

Idea: <https://missingmiddlehousing.com/types/cottage-court#overview> is a great place to start with a possible zoning change.

4) Allow multifamily housing construction to be performed by right.

Realization: Developers often are disincentivized from performing work when they have to navigate a conditional use approval process because it threatens the likelihood they can proceed.

Recommendation: Amend the zoning code to allow construction of multifamily developments of 16 units or less to be completed by right. Developments larger than 16 units will still undergo the conditional use approval process.

Economic Development Opportunities

1) Adopt a formal Tax Increment Finance (TIF) policy for housing development.

Realization: The City has encouraged new high-density housing development, especially in the downtown area, with the use of Tax Increment Finance incentives. However, no formal policy exists to establish type of incentive (i.e. upfront, pay-go, hybrid) and how much incentive each project would receive. Each housing project that receives some type of TIF assistance is different. Providing some type of guidance with favorability (read: higher ratio) towards infill, affordable, IDD, or under-developed housing will help address our future needs. Additionally, some type of review of development should occur after the development is completed to better understand if the City objectives were achieved through the development.

Recommendation: Adoption of a formal Tax Increment Finance Policy that outlines incentive ratios and standards for housing redevelopment projects, greenfield projects, IDD, underdeveloped housing, among others. Consider pay go incentive with higher rate for large projects, and upfront incentive for smaller neighborhood projects. Formalize a TIF application for consistency in reviewing TIF requests.

Idea: [Sheboygan, WI TIF Policy](#), [Oshkosh, WI TIF Policy and Application](#)

2) Extend life of successful TIFs for the Affordable Housing Extension option.

Realization: Since 2009, the State of Wisconsin has allowed municipalities to extend the life of TIF districts that have successfully paid off other TIF project costs. Between 2028 and 2033, the City will close five of the nine currently active TIF districts. This provides an opportunity to extend the life of those TIF districts and further fund the City's existing Housing Trust Fund (HTF) to expand existing programs for providing affordable housing and for housing rehabilitation.

Goal #3 – Increase Home Ownership Through Social Equity

Home ownership is one route to build wealth in our economy. Home ownership rates have dropped significantly in the state of Wisconsin between 2000 and 2020, from 68.4% to 58.9%. While we cannot retrieve data for 2000 for Stevens Point, home ownership in Stevens Point has dropped from 52% in 2010 to 50.2% in 2020.⁷ While home ownership in Stevens Point may not be decreasing as significantly as in the rest of the state, there are opportunities to increase the local rate of home ownership.

Economic Development Opportunities

- 1) Adopt a formal Tax Increment Finance (TIF) policy for housing development.

Realization: With the same realization as Goal #2, Economic Development Opportunity #1, TIF policies can be leveraged to generate types of housing that prioritize homeownership rather than rental property construction.

Recommendation: Include a higher incentive for development that results in condominium or other lower-cost owner-occupied housing models in the TIF policy recommended in Goal #2, Economic Development Opportunity #1.

Idea: [Sheboygan, WI TIF Policy](#), [Oshkosh, WI TIF Policy and Application](#)

- 2) Review City grant programs for their effectiveness and redirect unused funds.

Realization: The City administers several grant programs that are intended to support LMI homeowners and reinvestment into residential property. These funds are not wholly utilized and may be redirected to ownership programs. Furthermore, stringent requirements on existing down payment assistance programs may be barring residents from utilizing them.

Recommendations: Review and update down payment assistance programs and city-administered grant programs. Study and replicate a Housing Trust or Housing Trust Fund model that generates and maintains affordable, owner-occupied housing stock.

Idea: Programs such as the [Door County Housing Trust](#) create ownership opportunities that allow residents to retain a limited amount of equity upon the sale of a trust-managed home.

Community Engagement Opportunities

- 1) Launch a City-wide effort to educate the public on alternative forms of home ownership and existing support systems to build equity.

⁷ United States Census Bureau (2020). *ACS 5-Year Estimates Data Profiles*. Retrieved October 14, 2022, from <https://data.census.gov/cedsci/table?q=DP04&g=1600000US5577200&tid=ACSDP5Y2010.DP04>

Realization: The public has a significant amount of power to create their own forms of housing ownership, including condominiums and housing cooperatives. Additionally, there are institutional resources that support the creation of these ownership models.

Recommendation: Generate public programming in partnership with young professionals and early retirees that increases awareness of other ownership models and institutions such as the [UW Center for Cooperatives](#) and the [USDA](#) that support these ownership models.

Idea: Cooperative ownership and condominiums may allow community members to enter ownership with less startup capital. The [UW Center for Cooperatives](#) and USDA can both provide direct education on the matter. [Limited equity housing cooperatives have been shown to be accessible to low- to moderate-income populations.](#)⁸

Goal #4 – Tracking Implementation and Success of Program Initiatives

The recommended actions in this white paper will have varying speeds and degrees of impact on the price, availability, quality, variety, and accessibility of housing stock for the residents of Stevens Point. However, to verify success or acknowledge that other changes are necessary, both the status of action items and housing data need to be monitored.

Community Engagement Opportunities

- 1) Format approved action items into a tracking sheet and publish it on the City website.

Realization: To acknowledge success or reevaluate actions taken from this document, action steps taken must be tracked.

Recommended Action: Create a tracking sheet for all action items referenced in this document. All departments who make progress towards completing these actions shall have editing access to the tracking sheet. It will be the responsibility of the Community and Economic Development Department to monitor and advance implementation progress.

- 2) Annually measure housing data and publish it on the City website.

Realization: Many of the community concerns regarding housing insecurity, affordability, and housing quality are valid and are supported by a variety of data sources. In order to accurately describe the housing trends and direct action the City has taken in the housing market, a consistent set of data points should be monitored each year.

⁸ Fenton, M (March 23, 2022). *Comparative Study of 4 Affordable Home Ownership Models and Market-Rate Ownership and Renting Shows Strength of Housing Cooperatives for Low- to Moderate-Income Citizens*. National Association of Housing Cooperatives. Retrieved October 13, 2022, from <https://coophousing.org/comparative-study-of-4-affordable-home-ownership-models-and-market-rate-ownership-and-renting-shows-strength-of-housing-cooperatives-for-low-to-moderate-income-citizens/>

Recommended Action: The Community and Economic Development Department should monitor and publicize at least these data points:

- **Quantity of housing units constructed**
- **Quantity of “affordable” housing units constructed**
 - **This should include rent-controlled or low-cost ownership units**
- **Quantity of housing units removed**
- **Median home value**
- **Median rental rate for studio through 4-bedroom rentals**
- **Quantity of owner-occupied housing units**
- **Percentage of owner-occupied and rental units**
- **Percentage of residents who are housing cost-burdened (as defined as paying 30% or more of income to housing)**
- **Other measures to determine housing insecurity as they are developed**

DRAFT

