

Shaping the region's future in the 21st century

Welcome to our eighth quarterly update on the regional comprehensive planning process. Since the last edition of Rapport, East Central has held an extremely successful focus group with young people in the region. To find out how they want the region to look in 2030, check out our website. Also, the 7 Technical Advisory Committees and 13 sub-committees have continued to meet to help develop a vision for the future of the region, explore the impacts on the region of current and anticipated trends, and develop strategic goals to ensure achievement of the envisioned future.

Major Phases of the Regional Comprehensive Planning Process



What's New? Fact Sheets

Staff is currently preparing a series of Fact Sheets on each of the issues that the regional plan will address. These include, for example: The Changing Economy, Transportation and Sprawl, Utilities and Telecommunications, and Development of Sustainable Farming Opportunities. The focus of each Fact Sheet, in the context of Milestone Report #2, is the presentation of key facts, consideration of the consequences of those facts, an overview of the current action and programs, and finally the development of core goals.

We have identified four main issues pertaining to housing. These are affordability, choice, preservation of existing stock, and coordination and cooperation. We have produced a separate fact sheet on each of these issues. The draft fact sheet on Affordable Housing is presented below as a means of illustrating what will be available, in due course, in respect of a wide range of issues.

Affordable Housing

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The East Central Wisconsin Regional Comprehensive Plan 2030

Key Facts

Housing affordability is one of the largest issues facing the region. In 2000, 15% of the region's homeowners and 27% of renters were paying a disproportionate share of their income for housing (more than 30% of income). Housing affordability is an issue not only for those with incomes of less than \$30,000, but is increasingly an issue for households with yearly incomes between \$30,000 and \$90,000. In some parts of the region, it is even an issue for households with incomes higher than \$90,000. Access to affordable housing is a problem that may well impact our parents, us, our children, and our grandchildren.

Affordability in our region is the result of a number of factors, both structural and social. The region is experiencing a major change in the make-up of the economy

with a decline in manufacturing (high wage) and an increase in service sector (low wage) employment, resulting in households having inadequate income to meet their housing needs. This has been exacerbated by the current recession. An inadequate supply of small starter homes for the first time buyer has resulted in an increase in purchase price that is preventing young people from getting onto the property ladder. There appears to be a housing sector and an economic development mismatch, as housing prices continue to rise while the majority of job growth is in lower wage occupations. A spatial mismatch is developing as low income job growth occurs on outskirts of urban areas in low density commercial/industrial zones, which are difficult to serve by transit, while low income housing continues to be predominately located in urban cores. Poor financial

literacy and management skills across all income levels, as well as a desire to live above ones means coupled with easy credit, have created additional challenges. Existing barriers to affordable housing within our political, regulatory and economic sectors make it increasingly difficult to meet affordable housing needs in our communities. Research has shown that barriers to affordable housing increase the cost of housing by 35%. Housing affordability for those with challenges, such as mental illness, poor life skills, alcohol and/or drug addictions, is particularly problematic and challenging, as limited resources coupled with political opposition make it difficult for agencies to meet the needs of this population.

So What!

Access to affordable housing is not only a quality of life consideration - shelter is a basic human need, but also an integral part of a comprehensive economic development strategy. For example, a recent study in Minneapolis-St. Paul indicated that a lack of affordable housing could cost the Twin Cities as much as \$265 million a year in lost consumer spending and business income. Why? Companies are reluctant to relocate to communities without affordable housing for their workers. Existing companies may move out of the area if they cannot attract an adequate labor force. Labor shortages and high turnover rates reduce service and productivity, increase administration and training costs, thereby discouraging business development and expansion. In addition, households, which must spend a disproportionate amount of their income on housing, will not have the resources to properly maintain their housing, nor will they have adequate disposable income for other living expenses, such as transportation, childcare, healthcare, food, and clothing. All this in turn has a negative impact on the overall economy.

Current Action

Within the non-profit sector, Habitat for Humanity and the Housing Partnership for the Fox Cites build and

What's Next? - How do we Achieve the Vision?

Staff is currently preparing Milestone Report #2, which focuses on issues / opportunities and a regional vision. The next step will be to determine how to reach our vision. It is inevitable that there will be a number of alternative ways to achieve the envisioned future. We will continue to need your assistance to help determine which path the region should follow and to help us establish specific goals and strategies for action.

What do you think?

If you wish to let us know what you think about this proposed fact sheet, or if you are interested in general information regarding the regional plan, please contact Denise McShane at 920-751-4770, or by email at dmcshane@eastcentralrpc.org.

rehabilitate housing for lower income households in an effort to meet the need for affordable housing, but their resources are not adequate to meet current demand. The Fox Cities Housing Coalition and the Shawano County Housing Resource Partnership are currently exploring public/private partnerships that could help meet the housing needs of the very low income. Housing professionals have identified barriers to affordable housing in urban and rural areas, and proposed potential solutions that could be used to address those barriers. Existing homeownership programs provide closing cost, downpayment and homebuyer education for low to moderate income households. FISC provides budgeting and financial education, but unfortunately people tend to come to them after they are already in financial difficulty. An economic summit was held in 2002, to discuss issues associated with the changing economy. A bill, AB94, was introduced in February 2003 to the state legislature, which would require students to have one semester of financial training before they graduated from high school. The Appleton School District is already initiating such a plan.

Core Goals

- *Promote collaboration between local governments, the private sector and non-profit agencies to ensure the provision of an adequate supply of affordable housing in both urban and rural areas.*
- *Encourage government and other agencies to progressively pursue federal funding to meet the affordable housing needs of the very low income within the region.*
- *Increase awareness of the issues surrounding affordable housing among decision makers, realtors and the public: specifically to overcome the stigma that affordable = social/ welfare housing, as well as to promote quality design that is cost effective.*
- *Encourage liaison between economic development professional and housing providers to help promote the development of housing that meets the needs of all income levels within a community, including entry level and low skill workers.*