



MORE HOUSING
W I S C O N S I N

HELPING COMMUNITIES DEVELOP
HOUSING SOLUTIONS.

WHITEPAPER SERIES
Briefing Paper **8**

OCTOBER 2024

Municipal Housing *Solutions*

LEAGUE
OF WISCONSIN
MUNICIPALITIES

**WISCONSIN
BUILDERS
ASSOCIATION**

WRA
Wisconsin REALTORS® Association



More Housing Wisconsin

Wisconsin is experiencing a **significant housing shortage**. A recent study estimates Wisconsin will need to build **over 200,000 housing units by 2030** to accommodate all the people who want to live and work here.ⁱ More Housing Wisconsin, a collaboration between the League of Wisconsin Municipalities, Wisconsin REALTORS® Association, and the Wisconsin Builders Association, seeks to educate and inform Wisconsin city and village leaders and staff about zoning changes and other strategies communities can use to help **address this state's housing shortage**. Our goal is to bring tools, resources, and best practices to municipalities to help communities initiate housing solutions that meet their unique needs and **strengthen our economy**.



THIS MONTH'S TOPIC OCTOBER 2024

Public-Private Housing Solutions – Ways municipalities can work with local employers to address workforce housing needs.

With the demand for housing outstripping the supply in many places within the state, Wisconsin communities are seeking different strategies for creating more workforce housing (i.e., housing for those making 80% to 120% of area median income, such as teachers, nurses, first responders and entry-level professionals).

For example, municipal leaders in some communities, like Sheboygan Falls and Green Bay, have worked with major employers in the region to help increase the supply of housing available for workers seeking to live in the community.

In this briefing paper we explore the potential of public-private partnerships (P3s) in addressing workforce housing needs.

As NYU's Local Housing Solutionsⁱⁱ explains, municipalities can benefit considerably by engaging employers in their efforts to create more housing. Individual employers and employer groups can take a range of actions to help expand the availability of affordable homes in a community, including:

- Supporting local planning efforts by providing input on housing needs and helping municipal officials and staff develop strategies to address those needs.
- Publicly supporting changes in the zoning code designed to make housing less expensive to build (such as increases in permissible density and allowing duplexes, triplexes, quadplexes, and accessory dwelling units to be located by right in single family residential districts.)
- Testifying at public hearings on conditional use permits authorizing multifamily housing developments that may be facing opposition from nearby existing homeowners.
- Contributing to the cost of building new housing.
- Donating land to the municipality to be used for workforce housing developments.
- Assisting employees with the cost of housing, such as through down-payment assistance or rental subsidies.

Surveys of businesses in different communities around the country conducted by a national consulting firm show that employers are interested in supporting community-led housing efforts. However, many employers remain on the sidelines — perhaps waiting to be called into action. It may require local government leaders to reach out and invite local employers to help address the housing crisis in their communities.ⁱⁱⁱ

EXAMPLES OF PUBLIC PRIVATE PARTNERSHIPS FOR HOUSING IN WISCONSIN

Green Bay. In 2021, JBS Foods Group, which employs roughly 1,200 people at its beef processing plant in Green Bay, donated 26 acres of vacant land on Green Bay’s eastside for the city to use for a workforce housing development. The company also gave the city \$500,000 to use to address the housing shortage in the community. According to a September 4, 2024, article^{iv} in the Green Bay Press Gazette, plans call for the development of a minimum of 200 single- and multi-family homes, a public park, and urban farm on the 26-acre parcel. The city broke ground on the project in August 2024.

Before breaking ground on the project, the city worked with roughly 40 community stakeholders to develop plans for the site and received assistance from Harvard University and Bloomberg Philanthropies. The city also hosted meetings, where residents shared input on what they’d like to see.

According to Amaad Rivera-Wagner, Mayor Genrich’s chief of staff and project director, the development aims to provide “missing middle housing” — homes and apartments that are affordable to households earning 80 to 120 percent of the area’s median income. The median household income in Green Bay was about \$55,000 in 2022, according to the U.S. Census Bureau. When complete, the project will include duplexes, triplexes, apartments, townhomes and single-family homes. In addition to housing, the project will include a community park, with seating, spaces for food trucks, a bike path, and playground.

The city is spending roughly \$14 million to build the infrastructure and amenities. \$5 million of that comes from a state grant funded by the federal American Rescue Plan Act.

Sheboygan Falls. The City of Sheboygan Falls, Sheboygan County Economic Development Corporation (SCEDC), Johnsonville, Kohler Co., Masters Gallery Foods, Sargento Foods, and Sheboygan County have teamed up on a unique public-private housing project called Founders’ Pointe subdivision, which is designed to be affordable to workers and their families moving to Sheboygan County. Construction started on the development in April of 2023 with plans for building fifty-four homes in phase 1. Sargento Foods, Masters Gallery Foods, Johnsonville, and Kohler Co., each contributed \$2 million to the project. Sheboygan County has added \$2 million of American Rescue Plan Act (ARPA) funds and Sheboygan Falls is contributing TID incentives. SCEDC, through its Forward Fund, purchased the property and is acting as the developer.

The project was made possible by both the city's adoption of a new Nostalgic Residential zoning classification as well as an innovative special assessment where the City of Sheboygan Falls pays for water/sewer enhancements and the developer refunds the city as building permits are pulled. The city's Nostalgic Residential Zoning District allows for dense development that was typical of most American cities prior to WWII. The minimum lot sizes of 60 x 120 allow for a smaller and lower-cost house to be built. Each home in Founders' Pointe will have three bedrooms, two baths, a two-car garage, and a full basement, and the homes will range from 1,322 to 1,512 square feet. The goal is to sell 80% of the homes to people outside Sheboygan County with 20% available for people already living in the county. In January 2024, the first four homes in the development went on the market for \$315,000 each. For more information on this public-private housing venture, see the article by Sheboygan Falls Mayor Randy Meyer on page 4 of the September 2023 issue of The Municipality magazine^v.

Kenosha. In 2023, Uline, a major business and employer headquartered along I-94 in Kenosha County, donated \$3 million to the City of Kenosha for help in developing more workforce housing in the community. Uline's donation was conditioned on the city committing the same amount toward the housing effort. The city's \$3 million contribution was obtained by using the TIF affordable housing extension option under Wis. Stat. § 66.1105(6)(g). According to a press release^{vi} issued by the city announcing Uline's donation, market studies have shown that economic growth in Kenosha has increased the demand for owner-occupied single-family homes at an affordable price point. The city's goal is to use the public-private combination of funds to provide home ownership opportunities for current and future employees of Uline and other businesses in Kenosha. The city has designated 50 city owned vacant lots located in different neighborhoods that will be used to build affordable single family owner-occupied homes. The city's preliminary plan is to offer these lots for a minimal price and to make low interest loans available to builders to assist in financing the cost of constructing the houses. The funding will also be used for second mortgage assistance (gap assistance) in the form of a deferred mortgage loan at 0% interest. The mortgage payment, including taxes and insurance, is limited to 30% of household income, making home ownership affordable for more Kenoshans.

Wausau. The City of Wausau has teamed up with the Greater Wausau Chamber of Commerce, Community Foundation of North Central Wisconsin (CFONCW), and

local businesses, to develop a program designed to assist current and prospective employees of partnering businesses with purchasing a home in Wausau. This down payment assistance program is called Live it Up, Wausau, and is mainly funded by donations from local participating businesses. Live it Up, Wausau offers 2% loans of \$10,000 for a home under 75 years and \$15,000 loans for a historic home over 75 years. Borrowers are allowed to choose the repayment term that suits their financial situation. The borrower must make reasonable home improvements during the loan term and provide evidence of having done so to the city's Community Development Department. In the year prior to the final year of the term, Community Development will check the loan status to ensure the requirements have been met, and may, at their discretion, forgive the final year of loan payments. The loan application process is simple and has minimal qualification criteria.

Menomonie. The City of Menomonie has created a down payment assistance program called Home Sweet Menomonie^{vii} that is modeled after Live it Up, Wausau. The city teamed up with the Greater Menomonie Development Corporation and the Community Foundation of Dunn County to create the program. Home Sweet Menomonie combines public, employer, and private contributions to create a no-interest, partly forgivable loan for down payment assistance to employees of participating businesses who wish to own homes within the City of Menomonie. The program is designed to help address a critical shortage of workers and is intended to help employers attract and retain employees. The Home Sweet Menomonie loan program can provide up to \$10,000, amortized over a flexible schedule at no interest and the last year's scheduled payment may be forgiven.

The annual donation amount required to participate in the program is based on the business's number of employees:

1-20.....	\$500
21-50.....	\$1,000
51-100.....	\$2,000
101-300.....	\$5,000
300+.....	\$10,000

As of March 2024, twenty-six local employers, including the City of Menomonie, were participating in the program.

ⁱForward Analytics, [A Housing Hurdle: Demographics Drive Need for More Homes](#); January 2023.

ⁱⁱ<https://localhousingsolutions.org/plan/engaging-employers-in-local-housing-strategies/>

ⁱⁱⁱ<https://camoinassociates.com/resources/5-ways-local-governments-can-help-address-the-housing-shortage/>

^{iv}<https://www.wpr.org/news/a-brand-new-neighborhood-green-bay-sets-stage-for-largest-ever-housing-development>

^v<https://www.lwm-info.org/DocumentCenter/View/6657/9-2023-Innovation-Magazine-PDF?bidId=>

^{vi}<https://www.kenosha.org/images/090123UlineDonation.pdf>

^{vii}<https://cfdunncounty.org/initiatives-programs/hsm/>