

Next Generation Housing

Josh Schoemann – County
Executive



“Build Baby Build”



NGH - Building Attainable Housing



Affordability

Typical Hartford Manufacturing Job 2024

- Hourly wage for top 5 Hartford employers was \$20 - \$25/hr
- Forte Bank determined dual income household making \$25/hr each could afford a home between \$325,000 - \$340,000 (*Based on conv. 30-yr fixed @ 6.5%, 5% down, housing ratio of 30% gross mo. income, credit score of 740, with PMI.*)
- The median household income in WI grew 27% between 2010 and 2020, while median home price grew 44%

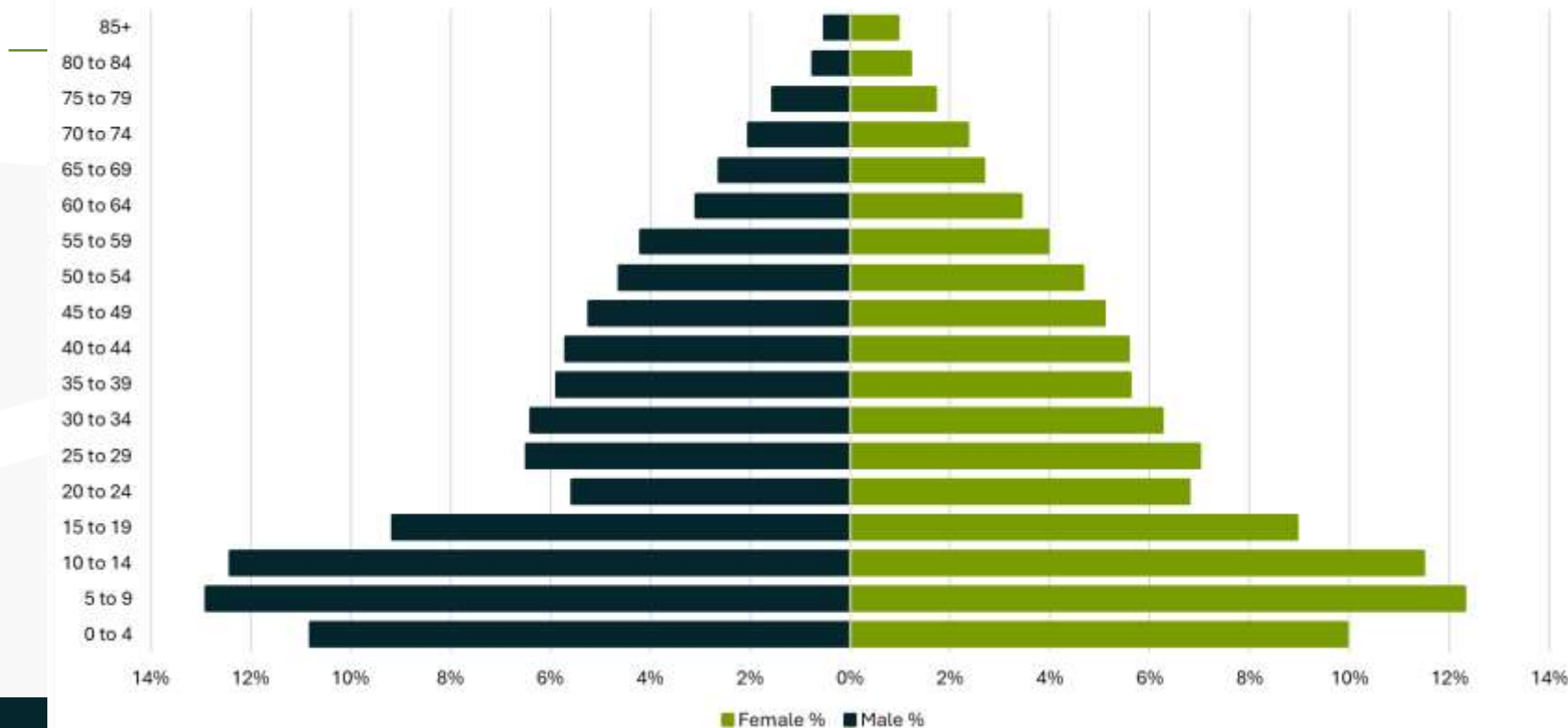
Housing Supply Gap

What is Being Built

- **Village of Jackson**
 - Maple Fields – starting at \$440,000
 - Morning Meadows - \$300,000 - \$350,000 (duplex condo)
 - Morning Meadows - \$400,000 - \$485,000
- **City of Hartford**
 - Western Hills West - \$355,000 - \$490,000
 - Harvest Creek - \$300,000 - \$400,000 (duplexes/SF)
 - Bridlewood - \$400,000 (duplex condos)
- **Village of Germantown**
 - Reserve at Wrenwood - \$500,000 (duplex condos)
 - Heritage Park North – starting in low \$500,000
- **Village of Slinger**
 - Cedar Creek Estates - \$600,000 +



Washington County Population by Age and Gender 1970

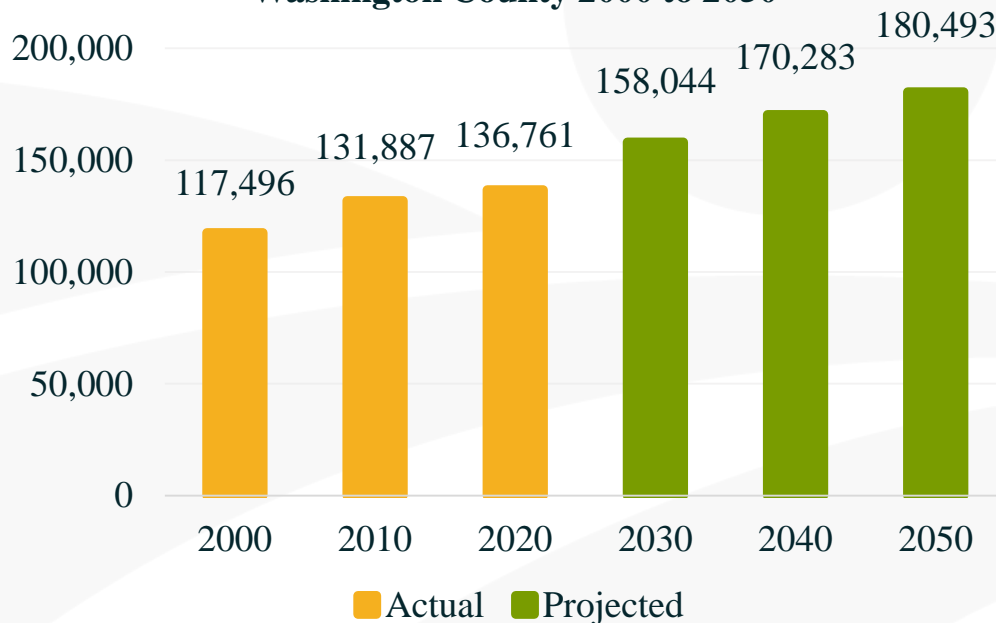


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Housing Demand

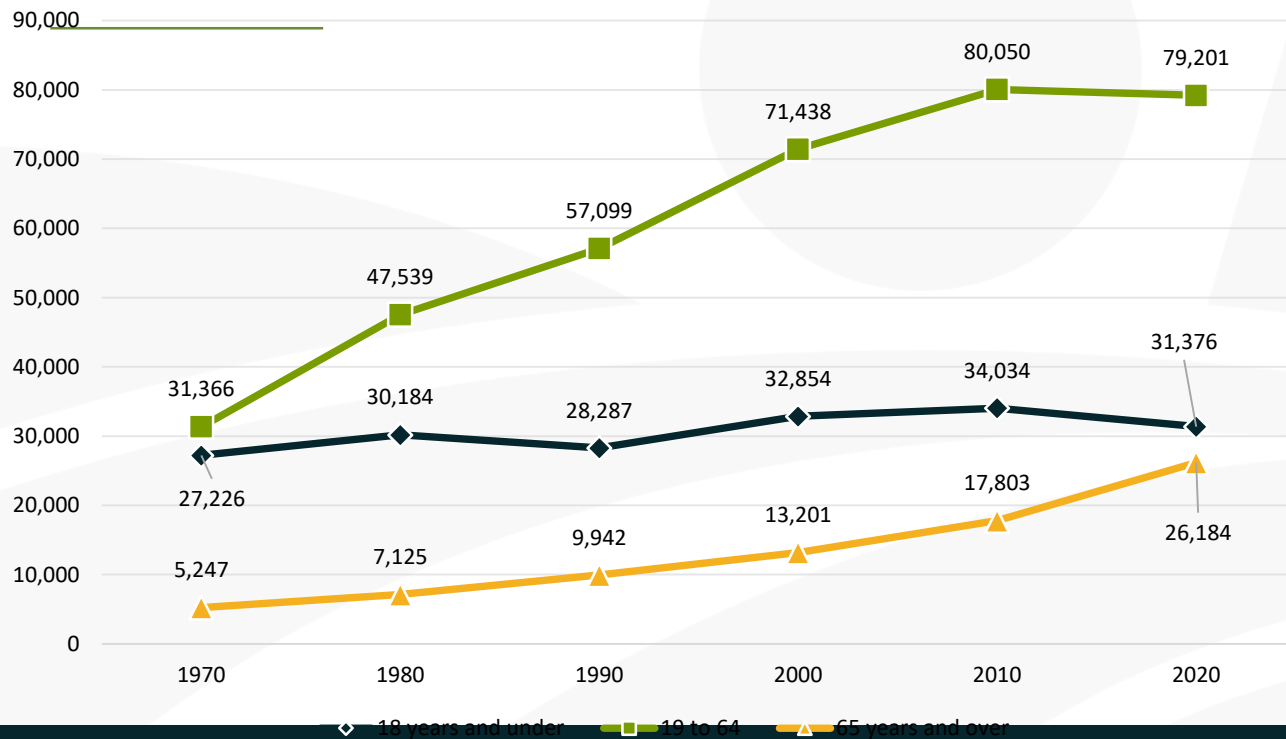


**Total Population Actual and Projected -
Washington County 2000 to 2050**



In 2021, EDWC determined a housing gap in Washington County for non-cost burdened home ownership was 2,045 units.

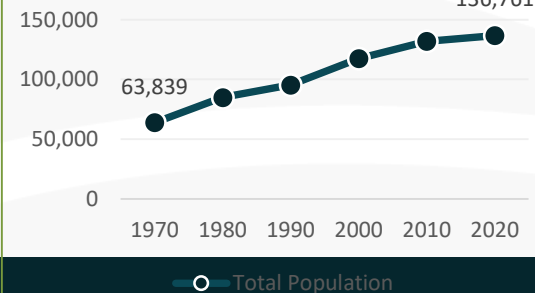
Washington County Working Population - 1970 to 2020



Median Age Washington County - 1970 to 2020

1970	24.9
1980	28.1
1990	32.5
2000	36.6
2010	40.9
2020	43.8

Washington County Total Population - 1970 to 2020



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Housing Demand



Price Range Stats

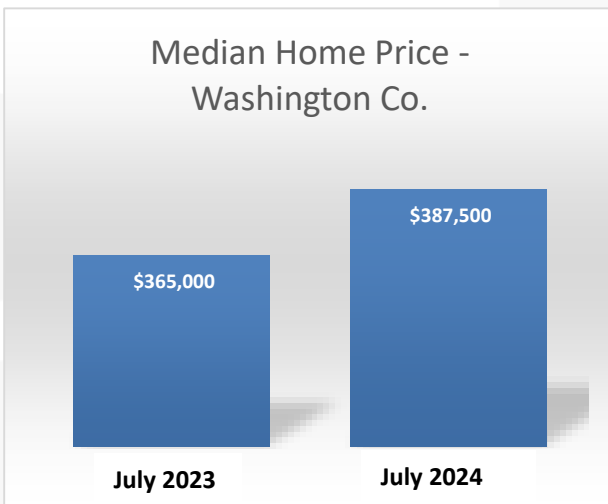
Listing Price Range	Current Properties For Sale	Avg Days On Market (sold listings)	Number of Sales in Prev 12 months	Total Sales in Prev 12 Months	Months Inventory
\$0 - \$124,999	1,089	240	4,240	368,061,534	3.1
\$125,000 - \$199,999	2,799	143	11,328	1,915,486,685	3.0
\$200,000 - \$349,999	6,661	113	25,159	6,928,219,946	3.2
\$350,000 - \$499,999	5,028	124	15,147	6,350,956,200	4.0
\$500,000+	5,070	132	10,847	8,306,638,260	5.6

Statewide, a weak inventory continues to show a strong seller's advantage with just 3.7 months of supply, well below the 6-month benchmark.

- Homes below \$350,000 - slightly more than 3 months of supply
- Homes above \$500,000 – supply is close to saturation

WRA – October 2024 Wisconsin Real Estate Report

Housing Demand



WRA – July 2024 Wisconsin Real Estate Report

- The median household income in Wisconsin grew 27% between 2010 and 2020, while the median home price grew 44%.
- The median home price in Washington County in July 2021 was \$330,000, an increase of over \$57,000 in 3 years!

Increasing Costs of Home Building



Land Costs



30.7% increase
between 2020 and 2022

Source: University of Wisconsin
Extension Farm Management

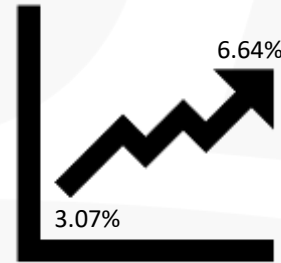
Construction Cost per Square Foot



78% increase between
2017 and 2022

Source: National Association of
Home Builders

Interest Rates



Interest rate
increased 116%
since October 2021

Source: Freddie Mac

Building Permit Fees



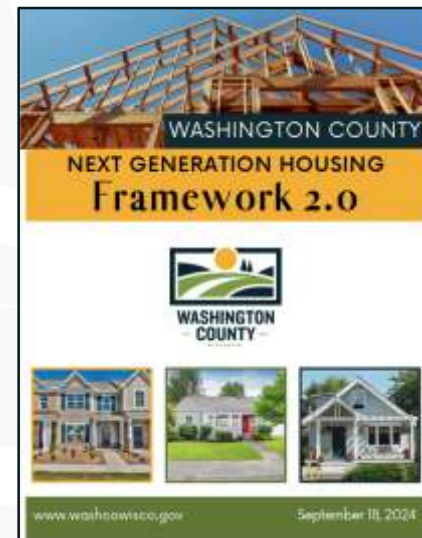
107% increase between
2017 and 2022

Source: NAHB Construction Cost
Surveys

Next Generation Housing Initiative



- Housing is identified as barrier for workforce retention/attraction
- Next Generation Housing launched in Oct. 2021:
 - Identified and implemented solutions that change housing barriers into opportunities
 - Satisfying the basic need of obtaining quality homes within 30% of household income
 - Creating community-driven neighborhoods
 - 1,000 new owner-occupied housing units by 2032
 - Quality smaller homes on smaller lots
 - Creating a model that can be replicated in the region/state



Next Generation Housing Initiative



- Prohibited use of eminent domain
- Maximum price points (40% under \$340,000, 80% under \$360,000 and 100% under \$420,000)
- \$20,000/OODU – acts as 0% loan for land acquisition, infrastructure, engineering, etc.
 1. Revolves back to County at home close to fund future NGH Developments
 2. Utilize TID Increment to pay \$20,000/OODU back to County
- \$6,000 Permit Fee Incentive
- Owner-occupancy requirements in protective covenants



NGH - Not Just About Housing



- **Retaining & Sustaining a Workforce**
 - Baby boomers are retiring in droves
- **Building Community Bonds**
 - Live, work and prosper in the same community
- **Filling Need for Prosperous Lives**
- **Providing Same Opportunities for Next Generation**
 - Being able to afford a home in the County
 - Housing costs are rising faster than incomes
- **October 2021 Launch**

NGH - Impact



NGH Impact on existing home values, buyer competition and sale times

- Skyway Park - the home builder constructed same floor plan on two separate lots, one completed in March 2024 and second completed in December 2024. According to the appraisals, the home value has increased 3.9% over the last 8 months, based on comparable sales in the area.
- Oaks of Jackson, lower priced homes are selling faster
 - Homes listed below \$320,000 have accepted offers typically the same day listed
 - Homes listed below \$420,000 are typically listed for 29 days
 - Duplex style units are typically listed for 75 days

Oaks of Jackson



- Hillcrest Builders and Harbor Homes constructing homes
- 103 homes will be built
- 31 homes closed
- NGH is working!
- Positive impact on community



Skyway Park



- Six homes closed
- One home remaining
 - Utilizing NGH Permit Fee Incentive
- NGH is working!



Regal Place



- New NGH Development on the former Regal Ware Headquarters site
- 48 owner-occupied units
- Village is working to establish a Blight TID
 - TID will pay back the \$2



Heart & Homestead Earned Down Payment Incentive



- Provides earned Incentives of 10% of the home purchase price or \$20,000, whichever is less, for owner-occupied homes purchased for less than \$420,000.
- Pre-paid to homebuyers at the time of closing on their home and secured by a subordinate mortgage.
- Earned over a 5-year period through volunteering time and financially donating to nonprofit Participating Agencies.
 - \$25 for every 1 hour volunteered
 - 70¢ for every \$1 donated



Thank you!



Josh Schoemann

Washington County Executive