

To: Whitewater Common Council and City Manager Weidl

From: Emily McFarland, Interim Economic Development Director

Topic: Update on Housing Topics and Strategy

Date: June 10, 2025

Good Evening,

I am pleased to provide an update to you all on the housing projects and strategy that has been shaped over the last six weeks. Below is a listing, in no particular order, of the projects that are currently underway. In addition, you will find general information on potential projects, and lastly, a high-level overview of the housing rehabilitation and development strategy.

Current Projects

- Park Crest/Neumann Companies (single family)
 - 9 of the 19 homes have been started
 - Sold 6 homes and in process with one additional buyers
 - 3 unsold homes on the ground, 2 of which are listed in the MLS at \$399,900
 - Neumann was considering a project on the Hoffman property; however, that deal did not go through
 - Neumann is working with an additional property owner in Whitewater for a potential neighborhood
- Pre-3/Lot 10B (multi-family, medium density)
 - The land is under contract and the buyer and the City are working through the items laid out in the offer to purchase
 - Pre-3 is beginning the process of applying for the rezoning and other steps necessary to continue the development, including working with Ehlers on a financial evaluation
 - Pre-3's intention is to build 60 units with private entrances (meaning no central hallway)
- Habitat/216 E main (single family/town home style)
 - This project is pending the demolition of the existing building
 - The demolition RFP process was reviewed, and contracts were drafted and provided to contractors the first week of June

- This project is three houses with zero lot lines
- Habitat is aware of the progress, and is hopeful to begin yet this year
- Slater/Kowalski (multi-family, higher density)
 - This project is located at Moraine View Parkway and Jakes Way
 - This project is slated for groundbreaking in late June/July
 - The project is 8- 16-unit buildings, in phases for a total of 128 units

The housing strategy will be further outlined below, but the approach – in short- is housing and housing of all kinds. Until the supply catches up with the demand, the approach will be to work to impact every part of the system. The need for housing in the city and in the region is well documented, and we know a variety of new product is important, as is the maintenance of the city’s existing housing stock. With the aforementioned work, there are currently 210 housing units of varying styles “in process,” and work is underway to update (where needed) and communicate the various components of the Affordable Housing Policy.

Potential Projects

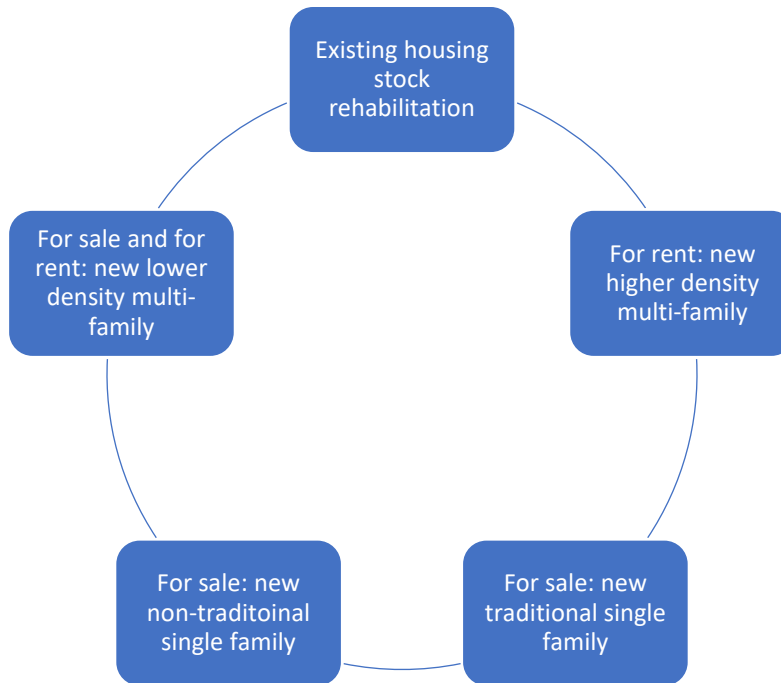
The City is working with three additional housing development concepts. These are outlined below:

- A large home builder has been working with a landowner in the city to build a new neighborhood; the city has been a partner in supporting that negotiation.
- A developer that would develop a spectrum of residential housing, from traditional single family detached, to single family attached, to side-by-side, and multi-family has been working with the city. This will likely have the best chance of success by participating in the RFP process outlined below.
- A new concept for single family is being discussed with a developer. The City Manager and I will be reviewing the residential housing option and exploring if it is the right product for Whitewater
 - If so, this project would start with 1-2 single family homes; with the opportunity to expand to 10+ homes.

Strategy

The strategy is simple; housing and housing of all kinds. Treating housing as a system with various inputs that need attention, is the approach the team intends to take. This means there will be a focus on rehabilitation of the city’s existing housing stock, and bringing new products,

both for sale and for rent, to the community. The figure below is an illustration off the products at play, and demonstrates that each has an impact on the other.



With the major metropolitan areas either being saturated with developments or becoming cost prohibitive, the region has seen an influx of consideration from developers; in particular housing developers. The City of Whitewater does have transportation access issues that can be challenging for large commercial/industrial development; however, the geographic location of being between major metropolitan areas does make Whitewater desirable for housing development. Employees need a place to live, and if they can have a new home, an older rehabilitated home, or something in between, in Whitewater, we will have a better chance of attracting them to live and spend their time and resources in the City.

While the Economic Development team will continue to work on business development, retention, and expansion (see last council meeting for data on that), housing must also be a focus. In communities like Whitewater, housing development and rehabilitation serves as the nucleus for community growth; housing benefits nearly every facet of a community.

- Housing positively impacts workforce availability- having more residents increases Whitewater's ability to maintain and attract new business and increases the labor basin.
- Housing positively impacts the tax burden; the more properties there are to share in that burden, the better.
- Housing can positively impact schools which are funded per pupil; more housing can equate to increased enrollment, or at least, aide in the decline of enrollment.



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- Housing development benefits small/local business by virtue of having a larger customer base.

In order to operationalize the development of a variety of housing, two major items are being considered, in addition to fully mobilizing the components of the Affordable Housing Policy. The first is the creation of a Revolving Loan Fund (RLF) that is funded by both private and public investments. The second, is a formalized Request for Proposals (RFP) for housing development. The RFP will outline the land available, the capital stack inputs available, the desired housing styles, and timelines pertaining to how quickly the product could get to market. The details of the plan are being finalized and will be presented to the Finance Committee, Community Development Authority, and the full council. These two concepts, combined with the Down Payment Assistance Program and the Homeowner Rehab Revolving Loan Fund (both currently in the Affordable Housing Policy), will allow funds to be available for existing and new housing stock, and will allow for the full spectrum of housing needs to be addressed.

This City of Whitewater has a good amount of land available for development and more financial resources than a lot of comparable communities in the area; this combination- along with the aforementioned plan, will allow the city to have a balanced, planned, and careful approach to growth. Housing is both a long game and a sprint, it requires partnership with the public and private sector, and it requires alignment around what is in the best interest of our community today, and our community 10 years from now.

Thank you for allowing me to provide an update; should you have any questions about this memo, or would like to meet to discuss this topic or strategy, please do reach out to me at emcfarland@whitewater-wi.gov.

Thank you,

Emily McFarland

Interim Economic Development Director