



Town of

River Falls

Housing Element



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s. 66.1001(2)(b) Wis Stats

**Housing Element
Town of River Falls**

s. 66.1001(2)(b) Wis Stats

The *Housing Element* is a compilation of objectives, policies, goals, maps and programs of the local governmental unit to provide an adequate housing supply that meets existing and forecasted housing demand in the local government unit. Specifically the housing element shall assess the age, structural, value, and occupancy characteristics of the local governmental unit's housing stock. The element shall also identify specific policies and programs that promote the development of housing for residents of the local governmental unit and provide a range of housing choices that meet the needs of persons of all income levels and all age groups and persons with special needs, policies and programs that promote the availability of land for the development or redevelopment of low-income and moderate-income housing, and policies and programs to maintain and rehabilitate the local governmental unit's existing housing stock.

Executive Summary

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Executive Summary

The Town of River Falls has a population of about 2,400. It is located within the Minneapolis-St. Paul Metropolitan Statistical Area (MSA). Because of its proximity to this major population area and improved transportation (a new 4-lane highway) between the town and the cities, it **has** experienced **ing** growth at a higher rate than most other towns in the state. Residential growth in the town increased at a rate of 27% as compared to 12.9% statewide in the decade between 1990 and 2000. The population during this time grew by 18%.

The Town surrounds the City of River Falls on three sides, sharing an Extra-Territorial Zone with the city. This area represents about 1/3 of the town land area, but more than 1/2 of the town's development is located there. The remainder of the town is zoned mostly for low-density development, which will not interfere with agriculture, the main industry of the town. Respondents to a town survey expressed a strong desire to preserve farmland in the town.

Figures from the 2000 U.S. Census indicate that there are 821 housing units in the town of River Falls. Of these, 682 are owner-occupied, and 120 are renter-occupied. There is a vacancy rate of about 2.3%. Median rents in the town are about \$638 per month. The median value of a home in the town is \$167,600, while median household income is \$65,721. More than 40% of the housing stock in the town has been built since 1980.

The median age of Town of River Falls residents is 36.8 years. Nineteen percent are in the 35-44 age group, with 18% between the ages of 45 and 54. By 2025, 37% of the town's population will be retired or approaching retirement. Respondents to a town survey indicated a desire to see **an** increase in the number of assisted-living options for seniors in the town.

Goals

- Preservation of the Town's rural character (defined by town committee as: *A town has rural character when it has a rustic, country look and a peaceful, calm atmosphere.*)
- Preservation of prime agricultural lands
- Insure orderly, economical, and diverse development in harmony with the natural environment
- Promotion of cooperation between residents
- Promotion of long-range planning for future objectives

Implementation strategies

Executive Summary

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- Create Transfer of Development Rights (TDR) program to allow rural landowners the opportunity to realize profit on their investment in land while directing residential development to areas closer to urban services
- ~~Craft and approve a~~ Use the Town's subdivision ordinance ~~to -that will~~ address design characteristics which will ~~to~~ preserve rural character
- Provide options to make workforce, senior, and handicap housing possible in the town. These include allowing smaller lot sizes, creating more density close to city infrastructure and jobs to allow walking/biking as form of low-cost transport, encouraging energy-efficient home design to keep heating/cooling costs low, and encouraging lifestyles that embrace sustainable development.-

Introduction

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Introduction

Residential growth in the Town of River Falls is primarily attributable to the Town's location within the Minneapolis-St. Paul Metropolitan Statistical Area (MSA). In fact, the U.S. Census Bureau recognized the influence of economic opportunities and residential migration from the metro area in 1993, when Pierce County was added to the Minneapolis-St. Paul MSA. Residential migration from the metro area is occurring because people are attracted to the more rural lifestyle of River Falls and western Wisconsin while, at the same time, the Twin Cities metro area and its amenities are a short drive away. This situation presents both challenges and opportunities to the Town of River Falls.

■ “Residential migration from the metro area is occurring because people are attracted to the more rural lifestyle of River Falls...”

- Continued conversion of agricultural land to residential development
- Continued dispersed development
- Single large-lot development and large lot conventional subdivisions.
- Continued loss of open space.
- Intrusion on environmental areas.
- Increasing conflict between agriculture and rural, non-farm residences.
- Disorganized commercial development.
- Increased potential problems with septic systems in areas with a concentration of subdivisions.
- Increased traffic problems associated with sprawl.
- Higher gas prices may result in loss of residents .

Context

Wisconsin’s Smart Growth legislation outlines 14 local, comprehensive planning goals, one of which is to provide an adequate supply of housing for individuals of all income levels throughout each community. Related to this goal, is that of encouraging neighborhood design that supports a range of transportation options. The location of housing directly impacts adjacent land use patterns and individual choices with regard to transportation.

-
- “Many forces influence the type and distribution of housing units and tenure patterns within a community.”
-

The term housing refers not only to owner-occupied housing, but also rental, cooperative and condominium ownership arrangements. The term also refers not only to single family detached units but also multi-family units, duplexes, townhouses, manufactured homes, and accessory apartments,¹ which offer independent apartment living as an accessory to single-family homes.²

Many forces influence the type and distribution of housing units and tenure patterns within a community. A number of relationships must be examined in order to understand the housing framework in River Falls and plan for and provide the type of housing that will be in demand over the next 20-year period.

¹ Housing Wisconsin: A Guide to Preparing the Housing Element of a Local Comprehensive Plan. March 2000. UW-Extension.

² Housing Wisconsin: A Guide to Preparing the Housing Element of a Local Comprehensive Plan. March 2000. UW-Extension.

Data and Analysis

**Housing Element
Town of River Falls**

Data and Analysis

An important part of assessing the local housing market is to understand current conditions as well as factors that influence residential patterns. By reviewing existing conditions and the factors that influence these conditions and assessing what things are right with housing along with housing concerns, we can develop a preferred picture of the local housing market in 20 years. Generally, the housing stock should reflect the demographics and economic structure of the Town.

-
- “An important part of assessing the local housing market is to understand current conditions as well as factors that influence residential patterns.”
-

The housing-related data presented as follows is organized around four categories:

- Local Housing Market Overview
- Factors of supply – number and type of housing units, tenure, vacancies, housing values and rental rates, cost, subsidized and special needs housing and condition of housing stock.
- Factors of demand – population, households, income, and economic factors.
- Factors of community – location, land use consistency, land use transition, design, density and concentration, regulation and permitting, platting, mix of use, access, parking and driveways, and the provision of public services.

Local Housing Market Overview

Housing Element
Town of River Falls

Local Housing Market Overview

A point-in-time survey was conducted as part of the planning process to understand the Town's housing market. At the time of survey, there were only a small number of homes located within the Town on the market. Single family homes prices in the general area were high, ranging in asking price from \$123,000 for homes within the City of River Falls, to well over \$500,000. The two homes located within the Town were listed at \$220,000 and 540,000. There were no town homes or duplexes in the Town for sale. Vacant residential lots were generally listed at approximately \$66,000

Building Permits

New housing starts reached a peak in 1977 in the Town of River Falls. The current trend indicates an increase in rural non-farm land use for the Town as well as surrounding communities.

Building permit activity is an indicator of residential demand. The figures below show activity for 2000, 2001 and 2002.

Building Permit Data – Town of River Falls			
Year	Housing Type	Number of Permits	Value of Permits
2000	New homes	17	\$3,353,000
2001	New homes	12	\$2,370,325
2002	New homes	19	\$3,469,517
<u>2003</u>	<u>New homes</u>	<u>14</u>	<u>\$2,483,000</u>
<u>2004</u>	<u>New homes</u>	<u>11</u>	<u>\$1,706,000</u>
<u>2005</u>	<u>New homes</u>	<u>9</u>	<u>\$1,920,000</u>
<u>2006</u>	<u>New homes</u>	<u>4</u>	<u>\$616,000</u>

Source: Town of River Falls

Factors of Supply

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Town of River Falls

Factors of Supply

Number of Housing Units

The 2000 Census indicates that there are 821 housing units in the Town of River Falls. This figure compares to 644 in 1990, which reflects an increase of 177 units or 27% over the last 10-year period.

- “The 2000 Census indicates that there are 821 housing units in the Town of River Falls.”

The following table illustrates housing trends in the region over the period 1990 to 2000. The figures indicate that residential growth in western Wisconsin outstrips that of the state, and that local level growth patterns mirror county and regional patterns.

Number of Housing Units – River Falls Area			
	1990	2000	Percent Change
Town of River Falls	644	821	27%
City of River Falls	8,841	10,242	16%
Pierce Co.	11,536	13,493	17%
Minneapolis-St.Paul MSA (WI Part)	Data not available	37,758	
Wisconsin	2,055,774	2,321,144	12.9%

Source: US Census Bureau

Housing Types

Census 2000 figures indicate units in structures as follows:

Units in Housing Structure – Town of River Falls		
Housing Type	Number	Percent
1-unit detached	739	88.1%
1-unit attached	18	2.1%
2 units	52	6.2%
3 or 4 units	18	2.1%
5 to 9 units	0	0%
10 to 19 units	4	0.5%
20 or more units	0	0%
Mobile Home	7	0.8%
TOTAL	838	99.8%

Source: US Census Bureau. Census 2000. Sample data.

Factors of Supply

Housing Element Town of River Falls

According to the Wisconsin Housing and Economic Development Authority (WHEDA), there are 18 federally assisted rental housing projects with a total of 316 units in Pierce County. The inventory includes all rental units completed and/or under construction as of spring 1999, and Section 8 existing projects as of winter 1999. Section 8 refers to Section 8 of the US Housing Act of 1937, which authorizes housing assistance to aid lower income families in renting safe and decent housing.

One-hundred twenty-nine units (129) of these units are designated as family units, 171 are for persons 55 and older and 13 units are earmarked for disabled households.

Vacancies

The homeowner vacancy rate in the Town is less than one percent. The rental vacancy rate is 1.6 percent. Some level of vacancy naturally occurs in the housing market. According to the federal Department of Housing and Urban Development (HUD), a generally accepted vacancy standard for owner-occupied structures is 3 percent, and 5 percent for renter-occupied dwellings. At these levels, it is assumed that the local housing market is functioning efficiently. However, these standards do not necessarily relate to whether or not the mix of housing types is meeting demand.

- “The homeowner vacancy rate in the town is less than one percent.”

Tenure

The figures below indicate that the vast majority of the Town’s housing stock is owner-occupied while renters occupy a smaller number of households. Several factors influence tenure patterns. Two of these factors, age and household income, will be discussed later in this document.

Town of River Falls Housing Occupancy				
Tenure	1990	% (1990)	2000	% (2000)
Owner occupied	524	81.3%	682	83.1%
Renter occupied	105	16.3%	120	14.6%
Vacant Units	15	2.3%	19	2.3%
Total Units	644		821	

Source: US Census Bureau. Census 2000. 100 percent data.

Housing Values and Rental Rates

Change in median home price is an indicator of housing demand as is the distribution of housing values relative to income levels. The latter helps understand whether or not housing price points match abilities to pay. As the data below illustrates, housing values and rent levels have increased steadily over the last decade in the Town, the region and the state. Nationally, studies also show that housing cost is rising faster than income.

Factors of Supply

Housing Element
Town of River Falls

Median Housing Values (MHV) and Rent Levels				
	1990 MHV	2000 MHV	1990 Rent	2000 Rent
Town of River Falls	\$92,200	\$212,000*	\$454	\$638
City of River Falls	\$71,800	\$128,400	\$427	\$501
Minneapolis-St. Paul MSA (WI part)	not available	\$133,900	not available	\$567
Pierce Co.	\$65,600	\$123,100	\$387	\$542
Wisconsin	\$62,100	\$112,200	\$399	\$540

Source: U.S. Census Bureau. Sample data.

*As calculated by Town of River Falls Assessor

Housing & Economic Development Relationship

~~Housing is also tied to economic development and the ability to attract, recruit and retain businesses.~~

Factors of Demand

Housing Element
Town of River Falls

Factors of Demand

- Population
- Households and Income
- Economic Factors

Population

The town's population grew approximately 18 percent or by about 360 people from 1990 to 2000, much greater than both county and state levels.

- “The town's population grew approximately 18 percent or by about 360 people from 1990 to 2000.”

Income

According to 2000 Census figures, the median household income of River Falls residents is \$65,721, and the median housing value is \$167,000. However, the town assessor has calculated the current average home value as \$212,000.

Housing that costs no more than 30 percent of a renter's income is generally considered to be affordable. Income needed to afford the Fair Market Rent (FMR) in Pierce County is extremely high when compared to the statewide data. Income needed is also higher than that needed for the Minneapolis-St. Paul MSA in general, as shown below:

Income Needed to Afford FMR*					
Location	Efficiency	One Bedroom	Two	Three	Four
Pierce Co.	\$23,120	\$29,720	\$38,040	\$51,440	\$58,280
Minneapolis-St. Paul MSA	\$22,160	\$28,520	\$36,480	\$49,320	\$55,880
Wisconsin	\$15,245	\$18,955	\$23,839	\$30,852	\$34,824

Source: National Low-Income Housing Coalition (NLIHC)

*Data is not available at the Town level.

The distribution of income in the Town of River Falls is provided below. Assuming that the income needed to afford FMR in River Falls is comparable to Pierce County and rents are at or above the fair market rate; nearly 8% of the Town's population is unable to afford a market rate efficiency apartment. Further, more than 14% do not have the income needed to support a two-bedroom apartment; and 28% cannot afford a three-bedroom apartment. Although the fair market rents in Pierce County are higher than the regional and statewide rates, the number of households that cannot afford fair market rental rates is somewhat low. Income levels in the town are relatively high. Affordability concerns are more pronounced however, for persons with fixed incomes.

Factors of Demand

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Extending the general standard of paying no more than 30% of household income as it relates to home ownership, we can develop a roughly comparable scenario about household ability to make a monthly mortgage payment. However, the scenario will differ based on the down payment brought to the transaction and private mortgage insurance (PMI) that may be required as well as other items that become part of an escrow account. Following is a sample scenario to provide an understanding of ability to pay.

Assumptions:

Household income = \$65,721 (median household income in Town of River Falls)
 Median home value = \$212,000 (median home value in Town of River Falls as supplied by Assessor)

- ⇒ Median monthly household payment including mortgage and escrowed PMI, taxes and homeowners insurance = \$1,311
- ⇒ \$1,311 X 12 (months) = \$15,732 (annual mortgage, PMI, taxes and insurance)
- ⇒ Annual payment (\$15,732) / Household income (\$65,721) = 23% of total household income.

Household Income	Number	Percent
Less than \$10,000	7	0.9%
\$10,000 to \$14,999	26	3.2%
\$15,000 to \$24,999	30	3.7%
\$25,000 to \$34,999	52	6.4%
\$35,000 to \$49,999	107	13.3%
\$50,000 to \$74,999	265	32.8%
\$75,000 to \$99,999	160	19.8%
\$100,000 to \$149,999	109	13.5%
\$150,000 to \$199,999	22	2.7%
\$200,000 or more	29	3.6%
TOTAL HOUSEHOLDS	807	100%

Source: U.S. Census Bureau. Sample data.

2004 Fair Market Rent by Number of Bedrooms					
Location	Efficiency	One Bedroom	Two Bedroom	Three Bedroom	Four Bedroom
Pierce Co.	\$578	\$743	\$951	\$1,286	\$1,457
Minneapolis-St. Paul MSA	\$554	\$713	\$912	\$1,233	\$1,397
Wisconsin	\$381	\$474	\$596	\$771	\$871

Source: National Low-Income Housing Coalition

Factors of Demand

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The Federal Department of Housing and Urban Development (HUD) sets Fair Market Rents (FMRs) to assure that a sufficient supply of rental housing is available to its program participants. To accomplish this objective, Fair Market Rents must be high enough to permit a selection of units and neighborhoods and low enough to serve as many households as possible. Developed by HUD, FMRs are updated annually based on Consumer Price Index data or HUD regional rent change factors developed from Random Digit Dialing surveys.

Source: U.S. Department of Housing & Urban Development (HUD)

Economic Factors

One main economic change affecting housing has occurred since 2000 when the Town worked on preparing this Comprehensive Plan. This changes is a roughly 300% increase in the cost of gasoline, which increases the cost of commuting to the Twin Cities, and which decreases the attractiveness of the Town for commuter residents.



Factors of Demand

Housing Element

Town of River Falls

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Age

The median age in the Town of River Falls is 36.8, which compares to 34.1 in the Minneapolis-St. Paul MSA. Nineteen percent (19%) of the town's population is between the ages of 35 and 44 and another 18 percent (18%) are between the ages of 45 and 54. This means that by 2025, 37% of the town's population will be retired or approaching retirement.

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- "...by 2025, 37% of the town's population will be retiring or approaching retirement."
-

Potential first-time homebuyers are currently in the 25 to 34-age cohort. This age group represents 10.2% of the town's population, and will likely be in the residential move-up market by 2025. Another 14% (ages 15 to 24 at present) potentially will be entering the first-time homebuyer or move-up market. It is likely that the population currently less than nine years old will demand rental housing and/or become first time homebuyers. This age group currently makes up 13% of the town's population.

In-migration of new residents and out-migration of existing residents will also be a factor. The guidelines above are general but provide one of several tools to determine the type of housing units needed in the future. The distribution of households over time may create demand for a greater mix of housing types. Older adults tend to move into a variety of housing arrangements when they are no longer interested in or able to maintain larger homes and lots.

In addition, lifestyle choices may also warrant a greater mix of housing types. If choices are not available in River Falls, existing residents may seek housing elsewhere.

Population by Age Group – Town of River Falls		
	Number	Percent
Under 5 years	109	4.7%
5 to 9	192	8.3%
10 to 14	231	10.0%
15 to 19	178	7.7%
20 to 24	142	6.2%
25 to 34	235	10.2%
35 to 44	444	19.3%
45 to 54	421	18.3%
55 to 59	122	5.3%
60 to 64	87	3.8%
65 to 74	87	3.8%
75 to 84	52	2.3%
85 and over	4	0.2%
TOTAL	2,304	100%

Source: US Census Bureau. Census 2000. 100 percent data.

Broken down by type of household 2000 Census figures indicate the following:

Household by Type – Town of River Falls	Actual
Family Householder	626
Non-family householder	176
TOTAL HOUSEHOLDS*	802

Source: U.S. Census Bureau

**Households are classified by type according to the sex of the householder and the presence of relatives. Two types of householders are distinguished: a family householder and a non-family householder. A family householder is a householder living with one or more persons related to him or her by birth, marriage, or adoption. The householder and all persons in the household related to him or her are family members. A non-family householder is a householder living alone or with non-relatives only.*

Factors of Community

Housing Element
Town of River Falls

Factors of Community

With the increasing population and proximity to the Minneapolis-St. Paul metropolitan area, housing plays a major role in defining the community’s sense of place. The development and redevelopment of housing serves as one component within a land use picture that, when applied, drives additional components such as community character, transportation and infrastructure investments, and location of community facilities. Consideration of the current conditions driving and regulating housing development affords the opportunity to explore the placement of future housing into “Smart Growth Areas” consistent with the town’s vision and comprehensive plan goals.

The Housing Development Environment

The cost of land and the regulatory environment affect the feasibility of various types of housing developments. The town’s Zoning Ordinance is its main means for achieving a mix of housing types. Subdivision regulations also have an effect on the diversity of residential development.

The chart below outlines the town’s residential zoning categories in effect as follows:

Town of River Falls Zoning Categories	
R-1*	Residence District
R-2*	Residence and Planned Mobile Home Development District
R-S*	Single-family Residence District
A-1	Exclusive Agricultural District
A-2	Agricultural Residential District

Source: Town of River Falls Zoning Code

* Note: The R-1, R-2, and R-S zoning categories exist only within the extraterritorial zone.

R-1: to provide for residential dwellings, and compatible uses including: churches, schools, libraries, municipal buildings, public recreational and community center buildings, cemeteries, truck gardening, nurseries, greenhouses, accessory buildings, private garages, and professional home offices.

R-2: to provide for all uses permitted in R-1, and planned mobile home developments.

Factors of Community

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A-1: to provide for exclusive agricultural uses. To preserve productive agricultural soils, maintain agriculture as a permanent, viable land use and economic activity, control untimely and uneconomical expansion of urban facilities and services, avoid conflicting land uses and comply with the provisions of the Farmland Preservation Law to permit eligible landowners to receive tax credits as per Wisconsin Statutes. Shall include only premises containing 35 acres.

A-2: to preserve productive farmlands and to protect farming operations from conflicting land uses. Further, this District is designed to prevent the inefficient spread of urban development into agricultural areas that are inadequately served by public facilities.

Subdivision Regulations

The town's subdivision regulations serve a number of purposes including fostering the orderly layout and use of land, facilitating adequate provision for transportation, natural resource protection, public water and sewer, schools, parks, playgrounds and other public necessities.

The design standards set forth in the regulations impact the size, shape, and orientation of residential lots among other variables. Required improvements include streets and drainage facilities.

Population, Households & Housing Units

Housing Element
Town of River Falls

Population, Households and Housing Units – Putting it all Together

Between 1990 and 2000, the town’s *population* grew by 18.5% or 360 persons. The total number of *households* increased by 27.5% or 173 and the town realized a 27% increase in *housing units* during this same period. Overall, residential growth occurred at a faster rate than population growth over the last ten-year period.

■ “Between 1990 and 2000, the town’s population grew by 18.5% or 360 persons.”

The Wisconsin Department of Administration (DOA) and the Mississippi River Regional Plan Commission (MRRPC) prepared population projections for the Town based on data up to and including the 2000 Census. Each set of projections suggests continued growth, with the MRRPC projecting slightly higher rates of growth than the DOA.

Official Population Projections – Town of River Falls							
Agency	1990*	2000*	2005	2010	2015	2020	2025
Wisconsin DOA	1,944	2,304	2,391	2,502	2,617	2,724	2,846
MRRPC	1,944	2,304	2,414	2,525	2,635	2,745	2,856

* U.S. Census Bureau

The Department of Administration population projections based on 2000 Census data are ~~now currently only~~ available through 2025. ~~Based upon 2000 Census data, recent growth trends, development interests, and the proximity to the Twin Cities, it appears that new projections for the town are warranted. DOA updates to official population projections are expected to become available soon. Until this update occurs,~~ the following projections are offered for consideration to assist with the preparation of this Comprehensive Plan. If updated projections are issued during the course of this process this information can be updated and amended as needed.

Revised Population Projections – Town of River Falls						
Growth Scenario	U.S. Census				Projections	
	1970	1980	1990	2000	2010	2020
Rapid Growth (2.1%)	1,642	2,168	1,944	2,304	2731	3362
10-Year Trend (1.9%)	1,642	2,168	1,944	2,304	2692	3248
Moderate Growth	1,642	2,168	1,944	2,304	2548	2843
Current Growth (0.8%)	1,642	2,168	1,944	2,304	2495	2701
20-Year Trend (0.3%)	1,642	2,168	1,944	2,304	2409	2479

Population, Households & Housing Units

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Source: Vierbicher Associates, Inc.

The methodologies used to produce the population projections above are simple projections intended to provide a range of potential growth scenarios in the town. New projections developed by the Department of Administration (DOA) are likely to employ more scientific methodology and should be consulted after they are updated based on the 2000 Census data. For a complete description of projection methodology, see page 16 of the Issues & Opportunities Element. The Town selected the Moderate Growth Scenario to use as the basis for this comprehensive plan.

Housing Stock

Another aspect of housing is quality. The town's image is built, in part, on the quality of its housing stock. The appearance of the housing structures within the community gives a powerful first impression to a visitor and contributes to the quality of life experienced by residents.

Condition of Housing Stock

Housing Characteristics – Town of River Falls	
Total Housing Units	821
Average family size	3.20
Average household size	2.87
Owner Occupied	682 /85%
Renter Occupied	120/15%
Seasonal	6
Vacant	19
Median Housing Value*	\$167,600
Median Contract Rent*	\$638

Source US Census Bureau. Census 2000. 100 percent data.

* Sample data

Age of Housing Stock – Town of River Falls		
Built in 1939 or earlier	172	20.5%
1940-1959	25	3.0%
1960-1969	74	8.8%
1970-1979	220	26.3%
1980-1989	132	15.8%
1990-1994	96	11.5%
1995-1998	101	12.1%
1999-March 2000	18	2.1%

Population, Households & Housing Units

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Source US Census Bureau. Census 2000. Sample data.

Agricultural Land Use

Another important consideration is competing land use. Farming is the primary land use activity in the town. According to information obtained from Pierce County, the best soils for farming are also in the same townships that have the highest density of housing units. The townships that have the highest percentage of acres prime for agricultural (based on soil types) are in the northern tier of townships – Clifton, River Falls, Martell, Gilman, and Trimbelle. Of these, the Town of River Falls has the highest number (17.5) of housing units per square mile. In large measure this density figure reflects the large number of dwelling units within the ETZ.

Recommendations

Consider the following when making decisions about site-specific residential densities:

- Design quality
- Adequacy of public facilities
- Provision of amenities
- Compatibility with existing neighborhood
- Agricultural potential and protection of productive soil types
- Placement of structure in ecologically sound manner

New residential development should respond to existing land uses, patterns and design standards.

Relevant Plans, Policies, Studies & Programs

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Town of River Falls

Relevant Plans, Policies, Studies and Programs

The balance of the Housing Element focuses on county, state and federal policies, plans and studies relating to the housing development environment.

Housing: A State Perspective

The State of Wisconsin has developed the **Consolidated Plan for the State's Housing and Community Development Needs** to maintain eligibility for funding from the federal Department of Housing and Urban Development (HUD). The current Consolidated Plan became effective in April 200~~5~~⁹ and is valid through March 200~~5~~⁹.

The Consolidated Plan serves as a guide for implementing the State's strategy for the delivery of housing and community and economic development resources.

The Plan suggests that, in general, the supply of housing available to the state's low-income population does not meet the demand for such housing. Very low-income older adult households continue to be impacted by severe housing cost burden, as do persons with disabilities.

The state receives four types of funds to support the development of housing affordable to persons with low and moderate incomes as follows:

- Community Development Block Grant (CDBG);
- The HOME Program;
- Emergency Shelter Grants (ESG); and
- Housing Opportunities for Persons With Aids (HOPWA)

The state's priority housing needs are outlined through the following ~~eight~~ ^{six} goals.

- ~~▪ Promote the affordability of housing to all consumers, especially those with severe cost burdens to increase and maintain affordable housing.~~
- ~~▪ Encourage the production of new units, including the development of large family units and housing for older adults accompanying support services.~~
- ~~▪ Preserve and increase the availability of safe, sanitary housing for low and moderate income renters to include lead-based paint hazard reduction and enhanced training and resources for these activities.~~
- ~~▪ Provide housing assistance for special needs groups to include homeless prevention activities, expansion of transitional housing programs and increased emergency shelter operating funds.~~
- ~~▪ Continue policies and activities that promote fairness and accessibility for all housing consumers, including enforcement and compliance with fair housing laws.~~
- ~~▪ Continue efforts to assist with housing disaster relief.~~
- > Support of maintenance, preservation, and purchase and rental of affordable housing to all households, especially those with severe residential cost burdens;

Relevant Plans, Policies, Studies & Programs

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- ® Adequate production of affordable units, including those for large families and persons with disabilities;
- ® The maintenance of safe, sanitary housing for low and moderate income owners and renters including lead based paint hazard reduction;
- ® Housing and supportive assistance for special needs groups, including migrant and immigrant resettlement, homeless prevention activities, expanding transitional/permanent housing and long term residential care options;
- ® Support for efforts to preserve affordable rental units at greatest risk of loss due to expiring use;
- ® Promotion of Energy Star® improvements and installations and other energy efficient and renewable energy technologies in housing;
- ® Advancement of fairness and accessibility for low income housing consumers through supporting antipredatory lending efforts and information dissemination, enforcement and compliance with fair housing laws; and
- ® Sustained efforts to provide housing disaster relief and mitigation.

Several ideas were proposed regarding affordable housing, one of which included applying for a CDBG to provide infrastructure in a development and then passing the savings on to homebuilders. Several elements to consider are workforce housing, starter homes, and alternative housing.

Relevant Plans, Policies, Studies & Programs

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Housing: A National Perspective

Each year, Harvard University's Joint Center for Housing Studies produces a report titled The State of the Nation's Housing. The 2007² report states that ~~despite upward trends in price, lower-income households have made the transition to homeownership in recent years. Spurred by the strong economy, favorable interest rates and innovations in mortgage finance, the share of home purchase loans going to lower-income households and/or households living in lower-income communities increased steadily over the last 10 years.~~ after setting records for home sales, single-family starts, and house price appreciation in 2005, housing markets abruptly reversed last year. In 2006, total home sales fell 10 percent, starts tumbled 13 percent, and nominal house price appreciation slowed to just a few percentage points. Suddenly, it was inventories of unsold vacant homes that set records and homes in foreclosure that were making the news.

~~The emergence of a dual mortgage delivery system in which new types of lending organizations provide distinctly different mortgage products to lower income markets that those commonly offered in higher income markets. Government-backed loans and lending by subprime and manufactured housing specialists account for nearly two-thirds of recent increases in low income ownership rates. Conventional lending—that is, mortgages with the lowest rates and most favorable terms—accounted for 37 percent of the growth in lower income lending, compared with 81 percent of loans to higher income borrowers in higher income neighborhoods. Innovative financing has enabled many households to become homeowners but, at the same time, these loans are at higher cost.~~

But housing affordability remains a pervasive problem. In just one year, the number of households with housing cost burdens in excess of 30 percent of income climbed by 2.3 million, hitting a record 37.3 million in 2005. Making real headway against this disturbing trend requires an unlikely combination of structural and public policy shifts—that state and local governments ease development regulations that drive up production costs, the federal government adds meaningfully to already significant expenditures aimed at relieving heavy housing cost burdens, and economic growth dramatically lifts the real incomes and wealth of the bottom quarter of households. It is too early to determine when the housing slump will end. House prices are only beginning to soften, loans most at risk are just starting to hit their reset dates, and credit standards have tightened. The adjustment will be particularly painful for those homeowners overwhelmed by higher mortgage payments, lenders that underestimated risk, and builders and owners forced to sell at lower prices. Yet however long the correction lasts, housing markets will eventually recover. Once excess inventories and credit problems are worked out and balance is restored, ongoing demand for new and improved homes promises to lift the value of new construction and remodeling to new highs.

Relevant Plans, Policies, Studies & Programs

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Section 42

Also contributing to the development of rental housing is the **Affordable Housing Tax Credit** or Section 42 (section 42 of the IRS code as part of the Tax Reform Act of 1986). The Affordable Housing Tax Credit is a dollar-for-dollar reduction of federal income taxes owed by owners/investors of affordable rental housing for tenants with incomes at specified levels. To receive the tax credit, an owner/investor must maintain a minimum percentage of rent-restricted units for tenants with limited incomes for at least 15 years.

The Multi-Purpose Pathway Study recommends exploration of areas suitable for mixed-use development including housing within this context. Such developments allow area residents and visitors safe access without the use of a motor vehicle. Connectivity from residential areas to other land uses provides flexibility in the choice of transportation.

S.W.O.T Analysis

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Community Survey

A community survey was completed on June 4, 2003. Seventeen hundred surveys were mailed out to town residents, and 35 percent (601 surveys) were returned. Questions pertaining to housing found the following:

Which of the following types of housing do you feel are needed in River Falls Town?

	Yes	No	Not sure	No response
a. townhouses/duplexes	29%	49%	18%	4%
b. apartments	21%	62%	13%	4%
c. single family homes	74%	12%	11%	3%
d. assisted living complexes	31%	40%	24%	5%
e. assisted living for seniors	43%	32%	22%	3%
f. handicapped access housing	40%	30%	26%	4%
g. mobile/trailer homes	7%	76%	13%	4%
h. prefabricated homes	25%	45%	26%	4%
i. low income housing	29%	49%	19%	3%

Should the Town encourage cluster housing? For the purpose of this question cluster housing is defined as, “several houses concentrated in a small area with natural undeveloped open space between the clustered houses and other clusters of housing”.

- 44% yes
- 35% no
- 17% not sure
- 4% no response

Goals, Objectives and Policies

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Goals and Objectives

1. Goal: Preserve the Town's Rural Character

Objectives

- Preserve and promote the natural, scenic, and conservation areas.
- Lands dedicated for parks, recreation, and open space should be reviewed periodically.
- Provide buffering between all conflicting land uses.
- The Town ~~should~~ has ~~crafted~~ a subdivision ordinance that ~~will~~ addresses clustering housing, preserving open space, and contributing to rural character.

2. Goal: Preserve Prime Agricultural Lands

Objectives

- Direct non-farm land uses to less productive lands.
- Encourage preservation of the family farm
- Soils classed I, II and III, according to NRCS, that are not being presently cropped should also be preserved for agricultural use if feasible. Prime agricultural land should be preserved from all types of development (including driveways) and/or non-farm uses.

3. Goal: Insure Orderly, Economical, and Diverse Development in Harmony with the Natural Environment.

Objectives

- Provide planned and guided development.
- Allow for diversity of housing opportunities to serve all residents of the Town of River Falls.
- Encourage development adjacent to public services.
- Ensure that the additional development costs of new developments are borne by the development.
- Discourage urban sprawl by directing development to areas most appropriate for supporting higher housing density.
- Maintain private ownership rights so the development controls do not remove the incentive to buy, sell and own land.
- Cluster development with smaller lot sizes will be considered to help maintain the efficiency of farming operations and to maintain wildlife habitat.
- Habitats of wildlife ~~should~~ will be considered in ~~all~~ land use planning including edge habitats and avoiding the dividing of large areas of habitat.

Goals, Objectives and Policies

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- ~~Evaluate the feasibility of establishing~~ The Town has created a Transfer of Development Rights committee and is currently drafting a purchase of development rights (PDR) and transfer of development rights (TDR) program in the Town establishing sending areas from outside of the ETZ area and receiving areas within the ETZ boundary.

Goals, Objectives and Policies

Housing Element
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4. Goal: Promote ~~tion of~~ Cooperation Between Residents

Objectives

- Educate new residents to the Town of River Falls services.
- Educate residents concerning the use and development of land within the Town, especially farm operations.
- Encourage participation in the town's government process.

5. Goal: Address the Needs of Senior, Assisted and Handicap Housing

Objectives

- ~~Undertake a regional market analysis to better determine the true level of need.~~
- ~~Undertake a regional survey to assist in determining the true level of need.~~
- ~~Consider all types of need including assisted living, independent living, full time care, developmentally disabled, and the integration of multiple needs within any one project type.~~
- Ensure residents are aware of assisted living opportunities within the City of River Falls.
-

Policies

Agricultural Areas: This area includes land that has agriculture as its primary, long-term function. It will preserve productive agricultural lands and discourage non-farm uses. This designation intends to encourage continued, long-term investment in agriculture.

Policies

- A. Non-farm residential development should be restricted to areas with soils classed IV through VIII (as described in the ~~Pierce County Soil Survey~~), US Natural Resources Conservation Service Soil Survey)
- B. The Town should consider a policy of regulating evaluating large-scale farms for environmental impacts.
- C. All farm practices shall be allowed within this area in accordance with provisions of state, county, and town zoning ordinances.
- D. Non-farm residential development should be restricted to areas with soils classed IV through VIII (as described in the Pierce County Soil Survey) and sited in an ecologically sound manner.

Goals, Objectives and Policies

Housing Element Town of River Falls

Agricultural – Residential Area: This designation provides for a mixing of farm and non-farm residential uses. This area is characterized by low-density residential development and represents the most appropriate location for such development in the future.

Policies

- A. Low-density rural residential development shall be allowed in this area along with the existing large and small-scale agriculture.
- B. Rural residential lot sizes shall not be less than two acres and shall not exceed four per quarter section.
- C. Non-farm residential development should be restricted to areas with soils classed IV through VIII (as described in the Pierce County NRCS Soil Survey), and sited in an ecologically sound manner.

Residential Area: This area includes planned residential development that will be primarily urban in character. The application of this designation will generally be limited to areas adjacent to the city of River Falls where service can be extended for city utilities.

Policies

- A. Residential lots should be designed so they can be further subdivided and integrated with the urban facilities and services of the adjoining municipality.
- B. These areas should be planned cooperatively with the city.

Extraterritorial (ETZ) Area: When established in 1974, revised in 1987, this area of the Town included that portion within 1 ½ miles from the city limits. This area represents only about 1/3 of Town land area, but ~~consists of~~ over ½ the Town development is in the ETZ.

The Town and the City jointly control the zoning through the ETZ Committee, which consists of three members from the Town and three members from the City. The residents in this area have experienced problems with the development and encroachment of the City of River Falls as the City receives requests to annex property within the ETZ.

Cooperative planning with the City is continuously ongoing. This is required to provide the necessary course to protect the Town residential area. In so doing the Town needs to establish policies to meet these goals.

Policies

- A. Look toward establishing a boundary agreement that is mutually beneficial to the Town and City and eliminating the ETZ

Goals, Objectives and Policies

Housing Element
Town of River Falls

Conservation Cluster Development (CCD): The Town recognizes the potential of CCD to provide more efficient and environmentally sensitive development and has implemented this approach within its subdivision ordinance, and is evaluating CCD for the Town's Transfer of Development Rights ordinance. ~~The Town will consider conservation development where these objectives can be met. (See Appendix E)~~

Policies

- A. The Town should develop appropriate policies and standards for CCD in applicable land use ordinances.
- B. CCDs should be subject to periodic reviews.
- C. CCDs should meet applicable density and road standards.
- D. CCDs proposals should include adequate organizational structure, bylaws and covenants to ensure long-term compliance.