

CHEQUAMEGON BAY REGION HOUSING REPORT

NOVEMBER 2021

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FINANCIAL CONTRIBUTORS

Ashland County	Bayfield County	City of Ashland
City of Washburn	City of Bayfield	Town of Bayfield
Town of Bayview	Town of Bell	Town of Cable
Town of Grand View	Town of Iron River	Town of Namakagon
Town of Washburn	Town of La Pointe	

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NOVEMBER 2021

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INTRODUCTION

The housing report will examine the state of the housing supply, examine housing demand and influences, local factors, and include a housing survey completed across many communities in Ashland and Bayfield Counties. It will also examine what community organizations, governments and citizens can do to build upon the existing housing stock located within the Chequamegon Bay Region. Due to funding restrictions associated with the grant award that enabled this report to be prepared, no specific data analysis and recommendations could be performed within the Red Cliff and Bad River communities.

Throughout the concept phase in framing the overall housing needs and conversation, the need for and lack of affordable workforce housing was noted. Workforce housing is housing for all persons across the employment sector; from those employees just starting their careers to those who have been working for some amount of time and looking to move up in their housing choice. Affordable quality housing is a cornerstone to having workforce housing. Over the past two years (2020-2021) housing sales have seen record setting levels and record prices.

Housing that is affordable cuts across all age and income levels. Generally, when households spend 30% or less of their monthly household income on monthly rent/mortgage principal, interest, taxes, insurance, and utilities then a home is considered affordable. Many factors influence whether households spend more or less than 30% of their monthly income on housing. While money is the key determinant, it also can be influenced by types of jobs available, education and training, available housing, and age of the householder.

EXECUTIVE SUMMARY

Throughout the counties of Ashland and Bayfield, there has been a concern that housing choices are limited. These concerns have been expressed from persons currently renting or looking to move to another rental unit, persons looking to move from their current home to another home, persons looking to move into the area, and employers stating their prospective employees cannot find housing or affordable housing. Local leaders are well aware impediments to affordable and decent housing can stifle business growth, slow or lower school enrollment levels, and limit families to live in areas where they would desire to live and work.

Locally, a group of community members came together to discuss housing issues framed around the housing shortfall for citizens of Ashland and Bayfield Counties. Their conversations centered around the lack of work force housing, for renters and home buyers. Those initial meetings grew to include representation from local units of government across the two counties. Discussions were later expanded to include state agencies and local and state elected officials. The City of Bayfield agreed to be the lead applicant on a planning grant to the Wisconsin Department of Administration, Division of Energy, Housing and Community Resources resulting in an award to the City of Bayfield setting the stage for the development of a housing report for the Chequamegon Bay Region (Ashland and Bayfield Counties).

Affordable and available housing of all types is necessary to maintain vibrant communities where residents want to live, work and play. Without housing choices available for all life cycle stages, barriers will exist for persons looking to relocate to area communities for employment opportunities and existing area homeowners and renters will not find new housing options available meeting their needs. In Bayfield and Ashland Counties, the availability of affordable workforce, senior, and low-income housing is in short supply. Several factors impact the current and future housing supply and will be examined within this report along with key recommendations intended to assist move the needle on all types of housing development.

Income is the largest factor when it comes to affording housing. The median household income of all occupied household in Ashland County is \$42,510 and \$56,096 in Bayfield County. Households making \$49,999 or less in Ashland County is represented by 55.9% of all occupied households and in Bayfield County the figure sits at 43.7%. In 2021, the median priced home in Ashland County was \$114,000 and \$193,000 in Bayfield County. Using the preferred threshold of 30% of income applied to home ownership costs, a household income of \$47,000 would be necessary to purchase a \$114,000 home in Ashland County and a household income of \$64,000 would be necessary to purchase of a \$193,000 home in Bayfield County.

Owner occupied households in Ashland County with a mortgage and housing costs exceeding 30% of their income identifies 621 units and households without a mortgage and housing costs exceeding 30% of their income total 362 units. In Bayfield County owner occupied households with a mortgage and housing costs exceeding 30% of their income identifies 792 units and households without a mortgage and housing costs exceeding 30% of their income total 455 units. Owner occupied median household income for Ashland County is \$55,608 and Bayfield County is \$60,503.

Renter occupied households in Ashland County total 2,082 and in Bayfield County total 1,185. Of the total renter occupied households, nearly 79% of households have an income below \$50,000 in Ashland County while 66% of households in Bayfield County have a household income below \$50,000. Nearly 44% of all renter occupied households in Ashland County pay more than 30% of their income on rent alone and in Bayfield County 32% of all renter occupied households pay more than 30% of their income on rent alone. The median income of renter occupied households in Ashland County is \$25,093 and \$30,733 in Bayfield County.

The median price of homes has seen marked increases over the past several years. Monthly data for home sales in July 2021 identified the median sales price of a home in Ashland County was \$116,214 and in Bayfield County it was \$240,993. A renter occupied two bedroom unit in Ashland County rents for \$641 a month and \$669 in Bayfield County. Affordability is the key driver in owning a home and being able to rent. Local employment opportunities, education, and work experience all play a role.

In conjunction with the overall housing report, a regional housing survey of Ashland and Bayfield Counties was completed by the University of Wisconsin-River Falls, Survey Research Center. The survey targeted a random sample of households in 14 sponsoring communities and a random sample of households outside the sponsoring towns and cities. Overall, 5,822 surveys were distributed and 2,057 completed surveys were returned, netting a 35% response rate. The housing survey report is included as an appendix to this report. A few takeaways from the survey:

- There is enough of the type of housing that best meets your current need in your community
 - No, 35%
 - Yes, 19%
 - Don't Know 46%
- Housing difficulties you/someone in your household have experienced in moving to or within Ashland/Bayfield Counties
 - No difficulty experienced 42%
 - Housing poor quality 32%
 - Housing too expensive 31%
 - Housing unavailable in desired location 30%
- Housing in your city, village, or town in Ashland/Bayfield County (generally agree (GA) and generally disagree (GD))
 - Housing in community becoming too expensive 81% GA and 19% GD
 - Need more seasonal worker/short-term housing 65% GA and 35% GD
 - Taxes go up if more affordable housing 38% GA and 62% GD
 - Value of residence decreases if more affordable housing 24% GA and 76% GD
 - Community less desirable if more affordable housing 20% GA and 86% GD
- Is there a sufficient number of housing options in your area for
 - Renters - 57% No, 10% Yes, 33% Don't Know
 - Lower Incomes – 52% No, 12% Yes, 36% Don't Know
 - Middle Incomes – 35% No, 28% Yes, 37% Don't Know

Seasonal homes, second homes, and short-term rental homes are influencing the housing market, particularly in Bayfield County. Forty-three percent of all housing units in Bayfield County are seasonal homes, compared to 23% in Ashland County. Evidence of this seasonal home influence can be seen in the recent median home sales price data examined in this report.

Overall, there is a strong demand for housing addressing affordable renter-occupied, owner-occupied, workforce, and senior housing. While this report examines the broader scope of data and information thought to be most useful to communities themselves, area leaders, developers/builders, and local citizens, there is much work to be done in order to address the demand for housing of all kinds in Ashland and Bayfield Counties.

Affordability is a key factor in any residential development project. Direct conversations by local leaders with local builders and developers is necessary to identify financial or development issues limiting housing development of all types. Bringing local lenders and housing agencies together to discuss partnerships will prove beneficial as will the examination of land use policy and ordinances to determine if changes could be made to allow for expanded housing types, density levels, and potential savings to construction/development costs.

Funding opportunities from state and federal sources and programs that communities might establish to encourage development should be assessed based on local abilities. Strategic planning by local governments should be conducted to access community desired housing. Rental housing development is needed for all life cycle states to accommodate rental units with varying levels of income affordability. Nearly all subsidized rental housing complexes in both counties have waiting lists, further pointing to the need for additional rental units.

Workforce housing rental units are needed. While also tied to the need for seasonal rental units, workforce housing also provides opportunities to those households above the income of subsidized housing yet struggling to find affordable housing. Sitting back and waiting for the open market to respond to employer needs has not resulted in solutions to the identified shortage of workforce housing. Local governments with the concentrated employment base are best suited for establishment of workforce rental housing. Coordination with surrounding towns may also prove beneficial due to close proximity to employment centers.

Senior housing in the form of either renter/owner occupied maintenance free/one level units is needed to help the 3,810 owner-occupied households aged 65 and older (1,524 owner-occupied households aged 75 and older) transition to a new housing unit, thus opening up opportunities for others to purchase these freed up houses.

The recommendations within this report are applicable to all units of government (town, village, city, and county). All units of government need to be engaged in discussions on housing activities best suited for their geographic location, development resources (land and financial), and support for the growth in housing needed to sustain the local population and employment sectors.

In summary, home ownership is becoming increasingly out of reach for many residents in Ashland and Bayfield Counties. In both counties approximately 21% of homeowners are stretched beyond their means, paying more than 30% of their income for housing. As home costs continue to rise, this gap is growing even larger.

Renters in Ashland and Bayfield counties face even greater challenges with 44% (Ashland County) and 32% (Bayfield County) of residents paying more than 30% of their income on rent.

The two-county region has several distinct challenges and opportunities:

- Recent population forecasts have been inaccurate, with some communities experiencing unpredicted growth. Trends suggest that the region will be attractive to new residents seeking remote work opportunities.
- Growth in seasonal home ownership is bringing additional wealth to the region, but is negatively affecting availability and affordability of housing.
- Construction of affordable homes and rental units has been inadequate to keep up with demands. No large-scale residential developments are currently under construction or planned. Bayfield County has a significantly lower percentage of renter-occupied units (16.8%) as compared to the U.S. National renter occupied household average of 36%.

The rural nature of the Chequamegon Bay region requires that communities be involved in creating affordable, small and medium-scale developments that meet specific demographic community needs. Success will require innovative partnerships among local government and developers and construction firms in addition to a variety of financing and ownership structures and partners

Local governments should reassess zoning, density, and other regulatory requirements that may increase development costs and reduce flexibility. Local units of government should focus development to take advantage of existing water, sewer, power and road infrastructure.

Local units of government must become familiar with and utilize state and federal assistance to expand and create housing options both for new and existing housing rehabilitation.

DEMOGRAPHICS

POPULATION

Local population requires expanding housing choices for renter and owner-occupied households. The specific type of units desired will vary depending on a householder family type, employment or retirement status, income or affordability level, credit worthiness, or where within a community they choose to live. Population change is certainly not the only driver predicting housing need as changes in income, household size, and other factors play a key role in the decision for households to move up or down in housing types.

In August 2021, the U.S. Census Bureau released 2020 population data. Ashland County’s decennial population levels have increased and decreased over the past 40 years with population between 1980-2020 resulting in a net decrease of 776 persons. On the other hand, Bayfield County’s decennial population over the past 40 years has seen increases each decade for a net increase of 2,398 persons. Compared to other surrounding counties, the last twenty-year decennial population levels are comparatively similar with a mix of population increase and decreases. Bayfield County total population now exceeds that of Ashland County, based on 2020 total population data.

Table 1: Population Change 1980-2020: Ashland, Bayfield, and Surrounding Counties

	1980	1990	2000	2010	2019 ACS	2020
Ashland County	16,783	16,307	16,866	16,157	15,617	16,027
Bayfield County	13,822	14,008	15,013	15,014	14,993	16,220
Douglas County	44,421	41,758	43,287	44,159	43,295	44,295
Iron County	6,730	6,153	6,861	5,916	5,687	6,137
Price County	15,788	15,600	15,822	14,159	13,416	14,054
Sawyer County	12,843	14,181	16,196	16,557	16,399	18,074

Source: U.S. Census Bureau, Decennial Census, 2015-2019 ACS 5-Year Estimates

Individually, Ashland and Bayfield Counties are represented by many towns, villages, and cities. These communities have unique qualities that represent their heritage, lifestyle, and environment. Tables 2 and 3 represent all local units of government and a range of data for each community. Ashland and Bayfield Counties both have three incorporated communities within their borders, however their represented populations vary significantly with Ashland County having 56 percent incorporated population compared to only 16.9 percent in Bayfield County. The City of Ashland accounts for the greatest share of Ashland County’s three incorporated communities representing 88.1 percent of the population. Between 2010 to 2020, Ashland County’s population declined 0.8% while Bayfield County’s population increased by 8.0%, compared to the State of Wisconsin population growth of 3.6%.

Towns within Ashland and Bayfield Counties represent 44% and 83.1% of their total population respectively, with populations ranging from as low as 131 persons in Shanagolden to 1,381 persons in Sanborn. The two most populous towns in both counties, Sanborn (Ashland County) and Russell (Bayfield County) are also home to the Tribal Nations of Bad River Band of Lake Superior Chippewa and Red Cliff Band of Lake Superior Chippewa, respectively.

Table 2: Ashland County Population

	1980	1990	2000	2010	2019 ACS	2020
	16,783	16,307	16,866	16,157	15,617	16,027
<i>Cities</i>						
Ashland	9,115	8,695	8,620	8,216	7,892	7,905
Mellen	1,046	972	845	731	638	698
<i>Villages</i>						
Butternut	438	416	407	375	454	366
<i>Towns</i>						
Agenda	623	591	513	422	294	370
Ashland	596	567	603	594	554	589
Chippewa	402	405	433	374	406	349
Gingles	545	492	640	778	712	738
Gordon	333	301	357	283	284	261
Jacobs	907	885	835	722	521	648
La Pointe	156	147	246	261	237	428
Marengo	276	284	362	390	446	460
Morse	469	444	515	493	449	499
Peeksville	184	167	176	141	180	137
Sanborn	834	998	1,272	1,331	1,517	1,381
Shanagolden	174	172	150	125	102	131
White River	685	771	892	921	931	1,067

Source: U.S. Census Bureau, Decennial Census, 2015-2019 ACS 5-Year Estimates

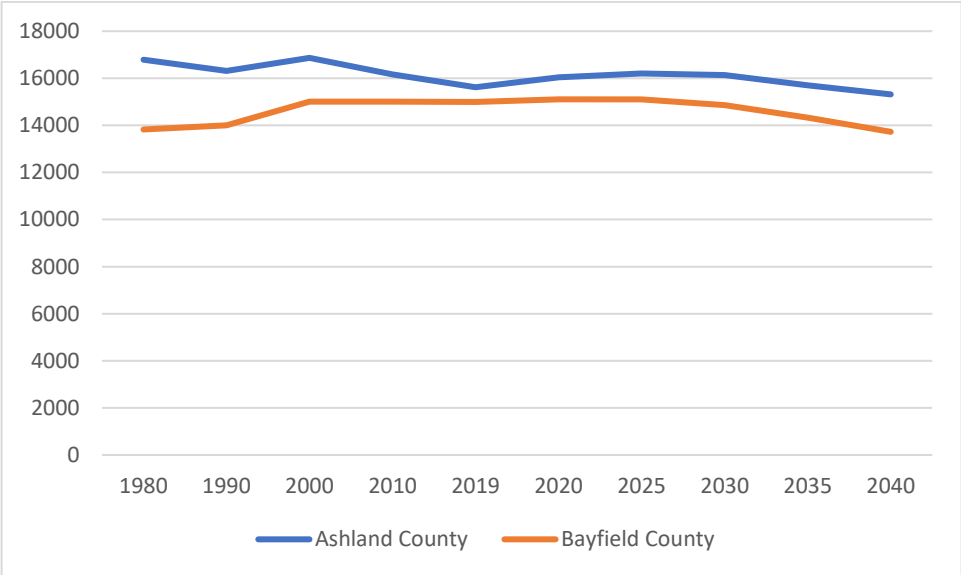
Table 3: Bayfield County Population

	1980	1990	2000	2010	2019 ACS	2020
Bayfield County	13,822	14,008	15,013	15,014	14,993	16,220
<i>Cities</i>						
Ashland						3
Bayfield	778	686	611	487	520	584
Washburn	2,080	2,285	2,280	2,117	1,978	2,051
<i>Villages</i>						
Mason	102	102	72	93	92	101
<i>Towns</i>						
Barksdale	762	756	801	723	717	745
Barnes	493	473	610	769	764	823
Bayfield	607	603	625	680	736	787
Bayview	343	402	491	487	500	512
Bell	247	237	230	263	340	355
Cable	831	817	836	825	715	853
Clover	254	213	211	223	209	261
Delta	205	215	235	273	212	315
Drummond	442	417	541	463	402	544
Eileen	664	665	640	681	723	722
Grand View	440	419	483	468	495	508
Hughes	290	334	408	383	396	471
Iron River	991	901	1,059	1,123	1,002	1,240
Kelly	354	383	377	463	414	436
Keystone	346	320	369	378	367	373
Lincoln	280	294	293	287	315	251
Mason	304	296	326	315	338	289
Namakagon	286	276	285	246	252	316
Orienta	109	114	101	122	138	164
Oulu	547	513	540	527	542	560
Pilsen	222	203	203	210	218	216
Port Wing	525	434	420	368	371	389
Russell	791	978	1,216	1,279	1,432	1,553
Tripp	145	182	209	231	207	244
Washburn	386	490	541	530	601	554

Source: U.S. Census Bureau, Decennial Census, 2015-2019 ACS 5-Year Estimates

The 1980-2020 decennial population of Ashland County has dipped ever-so-slightly and Bayfield County has seen an increase in each of the 1980-2020 decennial years. Drilling down to communities at the town, village, and city level show varying changes out to 2040. In Ashland County, 10 units of government are projected to see declines with the City of Ashland having the greatest numeric loss (756) and the City of Mellen with the greatest percentage of loss (32.3%). Six units of government are projected to increase in population with the Town of Gingles projecting the highest number of new persons (217) and the Town of La Pointe having the greatest percentage of growth (30.3%). In Bayfield County, nine units of government are projected to see declines with the City of Washburn having the greatest numeric loss (557) and the Town of Drummond with the greatest percentage of loss (29.8%). Nine units of government are projected to increase in population with the Town of Barnes and Russell both projecting the highest number of new persons (91) and the Town of Tripp having the greatest percentage of growth (14.8%). Updated population projections by DOA are expected to be completed soon now that 2020 U.S. Census Decennial data is available.

Figure 1: Past, Present, and Projected Population 1980-2040

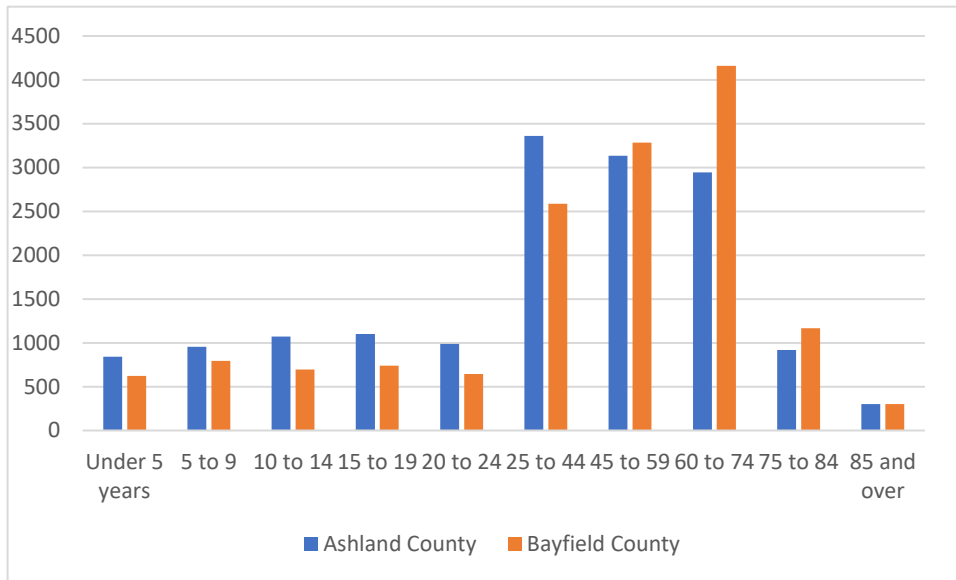


Source: U.S. Census Bureau, Decennial Census and Wisconsin Dept. of Administration

AGE

Figure 2 represents the total number of persons within age categories in each county based on U.S. Census Bureau 2015-2019 ACS data. Population 19 years of age and under is represented by 25% of Ashland County’s population as compared to Bayfield County’s 19%. The age group from 20-44 represents a key group of individuals and households who are seeking to either find their first apartment, home, or take the next step to starting a family. Ashland County’s population from 20-44 years of age is represented by 27.8% (4,347 persons), while Bayfield County’s same population age group is 21.5% (3,230 persons). Bayfield County is represented by 38% of all persons 60 and older (5,629 persons) as compared to Ashland County’s 27% (4,167 persons).

Figure 2: Population by Age Category (2019)



Source: U.S. Census Bureau, 2015-2019 ACS 5-Year Estimates

The 2019 median age of Bayfield County is 52.2 years, significantly higher than Ashland County’s median age of 42 and Wisconsin’s median age of 39.5. Demographic trends continue to point both counties towards having increased median age in future years.

RACE AND ETHNICITY

The predominant race in both Ashland and Bayfield Counties is white, followed by American Indian and Alaska Native. Table 4 represents the overall race and ethnicity of county residents.

Table 4: Race and Ethnicity (2019)

	Ashland County Population	Percent of Population	Bayfield County Population	Percent of Population
White Alone	13,094	83.8	12,904	86.1
Black or African American Alone	117	0.7	130	0.9
American Indian & Alaska Native Alone	1,852	11.9	1,516	10.1
Asian Alone	73	0.5	72	5
Native Hawaiian & Other Pacific Islander Alone	6	0	0	0
Some Other Race Alone	52	0.3	23	0.2
Two or More Races	423	2.7	348	2.3
Hispanic or Latino	450	2.9	300	2

Source: U.S. Census Bureau, 2015-2019 ACS 5-Year Estimates

HOUSEHOLD INCOMES

Overall, there are a total of 6,565 households in Ashland County and 7,057 households in Bayfield County (2019 ACS) with households represented by owner- and renter-occupied households.

Median household income of Ashland County lags Bayfield County by \$13,946. Both counties fall further behind the median household income of the State of Wisconsin and United States as represented in Table 5. While Per Capita Income is a better representation of income as it measures the amount of money per person in the county, Ashland and Bayfield Counties fall behind levels represented in Wisconsin and the United States. Households below the poverty level identify Ashland County approximately seven percentage points higher than the others represented in Table 5, with 17.8% of Ashland County households below the poverty level. Later in this report data from ALICE will further examine poverty and income data.

Table 5: Select Income Characteristics (2019)

Income Characteristics	Ashland County	Bayfield County	Wisconsin	United States
Median Household Income	\$42,510	\$56,096	\$61,747	\$62,843
Per Capita Income	\$23,946	\$31,825	\$33,375	\$34,105
Percent Households Below Poverty Level	17.8%	10.3%	10.4%	10.5%

Source: U.S. Census Bureau, 2015-2019 ACS 5-Year Estimates

Table 6 represents a comparison of median household income in the past 12 months by age of householder. The largest gap between counties is noted in the median household income of householders aged 25 to 44 with those households in Bayfield County having an extra \$20,215 in income.

Table 6: Median Household Income in the Past 12 Months by Age of Householder (2019)

	Ashland County	Bayfield County
Median Household Income	\$42,510	\$56,096
Householder under 25 years	\$40,275	\$54,205
Householder 25 to 44 years	\$46,464	\$66,679
Householder 45 to 64 years	\$54,736	\$63,958
Householder 65 years and over	\$33,193	\$42,265

Source: U.S. Census Bureau, 2015-2019 ACS 5-Year Estimates

Household income as reported in the past 12 months by age of householder is represented in Table 7. Overall, 55.9% of Ashland County households and 43.7% of Bayfield County households made less than \$50,000. Households making \$50,000 - \$99,999 were represented by 31.1% of Ashland County households and 36.7% of Bayfield County households. All households making \$100,000 or more were represented by 11% of Ashland County households and 19.6% of Bayfield County households.

Table 7: Household Income in the Past 12 Months by Age of Head of Household (2019)

Ashland County Household Income	Under 25	25-44	45-64	65 Years & Over	Total	Percent
Less than \$10,000	38	117	202	78	435	6.6
\$10,000 to \$14,999	2	159	161	304	626	9.5
\$15,000 to \$24,999	22	146	273	404	845	12.9
\$25,000 to \$34,999	11	305	233	301	850	12.9
\$35,000 to \$49,999	75	230	286	326	917	14
\$50,000 to \$74,999	34	399	533	346	1,312	20
\$75,000 to \$99,999	18	220	327	166	731	11.1
\$100,000 to \$149,999	3	187	322	59	571	8.7
\$150,000 to \$199,999	0	21	103	25	149	2.3
\$200,000 more	0	31	79	19	129	2
Total	203	1,815	2,519	2,028	6,565	

Bayfield County Household Income	Under 25	25-44	45-64	65 Years & Over	Total	Percent
Less than \$10,000	0	64	148	156	368	5.2
\$10,000 to \$14,999	20	32	107	185	344	4.9
\$15,000 to \$24,999	7	109	208	398	722	10.2
\$25,000 to \$34,999	60	123	219	356	758	10.7
\$35,000 to \$49,999	0	152	384	357	893	12.7
\$50,000 to \$74,999	63	316	614	532	1,525	21.6
\$75,000 to \$99,999	42	283	485	259	1,069	15.1
\$100,000 to \$149,999	9	233	431	222	895	12.7
\$150,000 to \$199,999	0	57	196	57	310	4.4
\$200,000 more	0	10	107	56	173	2.5
Total	201	1,379	2,899	2,578	7,057	

Source: U.S. Census Bureau, 2015-2019 ACS 5-Year Estimates

Further analysis of household income by age finds 72.9% of Ashland County households under 25 years of age make less than \$50,000 as compared to 43.3% of those in Bayfield County; 69.7% of Ashland County households 65 years and over make less than \$50,000 as compared to 56.3% of those in Bayfield County; and 5.1% of Ashland County households 65 years and over making \$100,000 or more as compared to 13.% of those in Bayfield County. The ability of households with incomes under \$50,000 will find it difficult to afford rent or a home mortgage along with other household expenses, particularly in the under 25-to-44-year age brackets.

Housing affordability is a significant issue for many throughout Ashland and Bayfield Counties. A tool to help examine the issue of housing affordability is data from United for ALICE. This data represents measures useful in assessing household financial hardship across twenty-one states, including Wisconsin. The data examines households in the community that struggle to afford basic needs. United

For ALICE (Asset Limited, Income Constrained, Employed) uses a standardized methodology to assess the cost of living and provides a comprehensive look at financial hardship of households. Data represented within ALICE assists in diving deeper into household financial struggles. ALICE households have income above the Federal Poverty Level, but not high enough to afford the essentials where they live.

ALICE reports are prepared using existing, unbiased data to measure financial hardship in a way to understand why households find it difficult to make ends meet. Reports examine data on household budgets, demographics, employment opportunities, housing affordability, public and private assistance, and other critical economic factors.

Data represented includes ALICE Threshold: the average income that a household needs to afford the basic necessities defined by the Household Survival Budget for each county in Wisconsin. Household Survival Budget estimates the actual bare-minimum costs of basic necessities (housing, childcare, food, transportation, health care, and basic smartphone plan) adjusted for different counties and household types. Households below the ALICE Threshold include both ALICE and poverty-level households.

Ashland and Bayfield Counties have a significant number of households below the ALICE Threshold, that being the average income a household needs to afford basic necessities.

Table 8: Ashland County: Households Below the ALICE Threshold

	Single or Cohabiting		Households with Children		65 and Older	
Total Households in Category	3,132		1,491		1,923	
Number of Households Below ALICE Threshold*	1,400		440		1,075	
Example Households	Single Adult	Two Adults	Two Adults, Two School Age Children	Two Adults, Two Children in Childcare	Single Senior	Two Seniors
Monthly Housing Cost Allocated by ALICE	\$515	\$518	\$689	\$689	\$515	\$518
Monthly Cost of Other Necessities Allocated by ALICE**	\$1,310	\$2,266	\$3,887	\$4,765	\$1,504	\$2,598
Monthly Total	\$1,825	\$2,784	\$4,576	\$5,454	\$2,019	\$3,116
Annual Total (Alice Threshold)	\$21,900	\$33,408	\$54,912	\$65,448	\$24,228	\$37,392

*Number of households designated as ALICE plus the number of households below the Federal Poverty Level

**Includes: childcare, food, transportation, healthcare, taxes, and an additional 10% for miscellaneous needs

Source: United for ALICE 2018, U.S. Census Bureau, Bureau of Labor Statistics

Table 9: Bayfield County: Households Below the ALICE Threshold

	Single or Cohabiting		Households with Children		65 and Older	
Total Households in Category	3,133		1,344		2,486	
Number of Households Below ALICE Threshold*	926		429		1,121	
Example Households	Single Adult	Two Adults	Two Adults, Two School Age Children	Two Adults, Two Children in Childcare	Single Senior	Two Seniors
Monthly Housing Cost Allocated by ALICE	\$481	\$526	\$700	\$700	\$481	\$526
Monthly Cost of Other Necessities Allocated by ALICE**	\$1,261	\$2,212	\$3,985	\$5,305	\$1,487	\$2,611
Monthly Total	\$1,742	\$2,738	\$4,685	\$6,005	\$1,968	\$3,137
Annual Total (Alice Threshold)	\$20,904	\$32,856	\$56,220	\$72,060	\$23,616	\$37,644

*Number of households designated as ALICE plus the number of households below the Federal Poverty Level

**Includes: childcare, food, transportation, healthcare, taxes, and an additional 10% for miscellaneous needs

Source: United for ALICE 2018, U.S. Census Bureau, Bureau of Labor Statistics

United for ALICE uses HUD Fair Market Rent for each Wisconsin county to calculate housing costs for different types of housing based on household size. These HUD rent limits include the cost of utilities, (electricity, water, sewer, gas, and trash removal). United for ALICE assumes housing needs based on household size and covers the following: 1) single person-efficiency; 2) head of household with a child or a household with two adults – one bedroom apartment; and 3) household with three or more people – two-bedroom apartment. For households below the ALICE threshold, they must find housing below fair market rent rates or be forced to cut back on other family necessities.

Federal poverty levels are established annually by the U.S. Department of Health and Human Services. In 2021, for a family of four, the federal poverty level is \$26,500. Families more than or less than four persons per household can simply add or subtract \$4,540 per person to determine the federal poverty level for their household size.

HOUSING SUPPLY

OCCUPIED HOUSING UNITS

Occupied housing units refer to a dwelling the person usually refers to as the location where they live. Total occupied housing units is relatively comparable in number between Ashland and Bayfield Counties, with Bayfield having an additional 492 units (7.5% more) than Ashland County.

Age of householders between both counties is marked by the greatest difference between percent of all units within the age groups of under 35 years with 156 more householders in Ashland County, age group of 35-44 with 282 more households in Ashland County, and the age group of 65-74 years with 410 more households in Bayfield County.

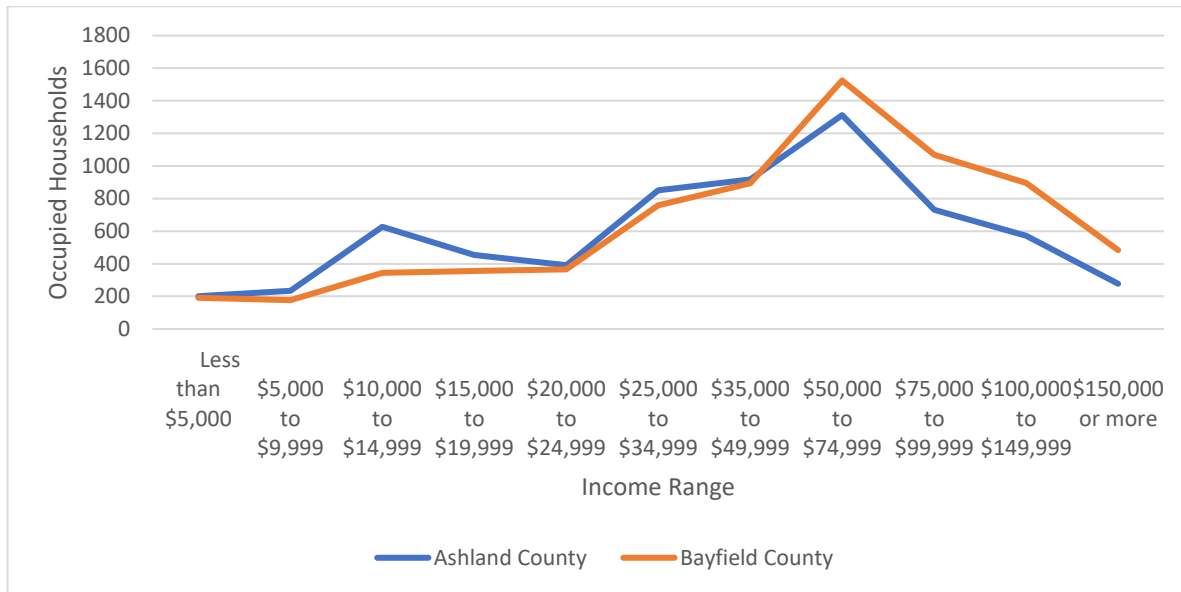
Table 10: Total Occupied Housing Units (2019)

	Ashland		Bayfield	
Total Occupied Housing Units	6,565		7,057	
Average total occupied household size	2.29		2.11	
Age of Householder	<i>Number</i>	<i>Percent</i>	<i>Number</i>	<i>Percent</i>
Under 35 years	1,017	15.5	861	12.2
35-44 years	1,001	15.2	719	10.2
45 to 54 years	1,010	15.4	1,172	16.6
55-64 years	1,509	23.0	1,727	24.5
65 - 74 years	1,135	17.3	1,545	21.9
75 - 84 years	674	10.3	810	11.5
85 years and over	219	3.3	223	3.2
Household Income	<i>Number</i>	<i>Percent</i>	<i>Number</i>	<i>Percent</i>
Less than \$5,000	201	3.1	191	2.7
\$5,000 to \$9,999	234	3.6	177	2.5
\$10,000 to \$14,999	626	9.5	344	4.9
\$15,000 to \$19,999	454	6.9	356	5.0
\$20,000 to \$24,999	391	6.0	366	5.2
\$25,000 to \$34,999	850	12.9	758	10.7
\$35,000 to \$49,999	917	14	893	12.7
\$50,000 to \$74,999	1,312	20	1,525	21.6
\$75,000 to \$99,999	731	11.1	1,069	15.1
\$100,000 to \$149,999	571	8.7	895	12.7
\$150,000 or more	278	4.2	483	6.8
Median Household Income (dollars)	\$42,510		\$56,096	

Source: U.S. Census Bureau, 2015-2019 ACS 5-Year Estimates

Household income for occupied households is represented in Figure 3. Differences by county can be seen graphically of those households with incomes of less than \$24,999 and \$50,000 or more. Median household income is \$13,586 dollars higher in Bayfield County versus Ashland County.

Figure 3: Ashland & Bayfield Occupied Households by Income Range (2019)



Source: U.S. Census Bureau, 2015-2019 ACS 5-Year Estimates

Total occupied households as noted above can be split further between owner-occupied and renter-occupied units. Ashland County has 4,483 owner-occupied units, representing 68.3% of all occupied housing units, while Bayfield County has 5,872 owner-occupied units, representing 83.2% of all occupied housing units.

Table 11 below highlights a comparison between Ashland and Bayfield Counties and their owner-occupied statistics. Notably, Bayfield County has a significantly higher percentage of owner-occupied housing units.

Table 11: Owner, Renter, and Total Occupied Housing by Housing Occupancy (2019)

	Owner Occupied		Renter Occupied		Total Occupied	
	<i>Number</i>	<i>Percent</i>	<i>Number</i>	<i>Percent</i>	<i>Number</i>	<i>Percent</i>
Ashland County						
1 person	1,244	27.7	847	40.7	2,091	31.9
2 persons	1,954	43.6	761	36.6	2,715	41.4
3 persons	570	12.7	225	10.8	795	12.1
4 or more persons	715	15.9	249	12	964	14.7
Bayfield County						
1 person	1,555	26.5	492	41.5	2,047	29
2 persons	2,865	48.8	305	25.7	3,170	44.9
3 persons	628	10.7	137	11.6	765	10.8
4 or more persons	824	14	251	21.2	1,075	15.2

Source: U.S. Census Bureau, 2015-2019 ACS 5-Year Estimates

Comparing owner-occupied and total occupied percentages of number of persons per household between Ashland and Bayfield County does not reveal any significant percentage differences. However, examining renter-occupied persons per unit between Ashland and Bayfield Counties two differences in the percent of renter occupied 2 person and 4-person households exist. In Ashland County 36.6% of rental units are 2-person households as compared to 25.7% in Bayfield County and 4 or more persons rental unit households in Bayfield County are represented by 21.2% versus 12% in Ashland County.

Units in structure by occupancy are represented in Table 12. Overall, 74.2% of all occupied units in Ashland County are detached single family units as compared to 86.1% of all occupied units in Bayfield County. As expected, detached single family homes makeup 87.6% of owner-occupied units in Ashland County and in Bayfield County the owner occupied detached single family home percentage is even higher at 91.5%.

Ashland County rental units are represented by 48% of all rental units being single family units (1,000 units). The remaining 52% of all rental units (1,082 units) are distributed amongst multi-family unit dwellings or mobile homes. Bayfield County rental units are represented by 60.2% of all rental units being single family units (713 units). The remaining 39.8% of all rental units (472) are distributed amongst multi-family unit dwellings or mobile homes.

Table 12: Housing Unit Type by Occupancy (2019)

Ashland County	Occupied		Owner		Renter	
	Units	Number	Percent	Number	Percent	Number
1 Detached	4,870	74.2	3,926	87.6	944	45.3
1 Attached	78	1.2	22	0.5	56	2.7
2 Apartments	336	5.1	68	1.5	268	12.9
3 - 4 Apartments	217	3.3	7	0.2	210	10.1
5 - 9 Apartments	115	1.8	5	0.1	110	5.3
10 or More Apartments	439	6.7	0	0	439	21.1
Mobile Home-Other	510	7.8	455	10.1	55	2.6
Totals	6,565	100.1	4,483	100	2,082	100
Bayfield County	Occupied		Owner		Renter	
	Units	Number	Percent	Number	Percent	Number
1-Detached	6,079	86.1	5,375	91.5	704	59.4
1-Attached	61	0.9	52	0.9	9	0.8
2 Apartments	155	2.2	32	0.5	123	10.4
3 - 4 Apartments	79	1.1	9	0.2	70	5.9
5 - 9 Apartments	79	1.1	6	0.1	73	6.2
10 or more Apartments	121	1.7	6	0.1	115	9.7
Mobile Home-Other	483	6.8	392	6.7	91	7.7
Totals	7,057	99.9	5,872	100	1,185	100.1

Source: U.S. Census Bureau, 2015-2019 ACS 5-Year Estimates

Table 13 represents the year occupied housing units were built with a breakdown of owner and renter occupied units. The highest percent of total occupied units built by year identifies 32% of Ashland County units built 1939 or earlier and in Bayfield County the highest percentage year built is 1980-1999 at 28.5%. Total occupied housing units built between 2010 or later represents a very small percentage of occupied homes. Ashland County had a total of 179 new units added (1.8% of total units) compared to Bayfield County's 248 units (3.5% of total units).

Throughout both counties the need for rental housing units has been expressed as a significant need. Based on Table 13, between 2010 and 2019 only 10 rental units were constructed in Ashland County and 11 rental units were constructed in Bayfield County. Not surprisingly persons looking for rental units to move to the area for employment or other purposes have difficulties in securing local housing.

Table 13: Occupied Housing Units by Year Built (2019)

Ashland County	Occupied		Owner		Renter	
Year Built	<i>Number</i>	<i>Percent</i>	<i>Number</i>	<i>Percent</i>	<i>Number</i>	<i>Percent</i>
2014 or later	67	1	66	1.5	1	0
2010 - 2013	112	1.7	103	2.3	9	0.4
2000 - 2009	622	9.5	527	11.8	95	4.6
1980 - 1999	1,252	19.1	908	20.3	344	16.5
1960 - 1979	1,389	21.2	821	18.3	568	27.3
1940 - 1959	1,019	15.5	645	14.4	374	18
1939 or earlier	2,104	32	1,413	31.5	691	33.2
Totals	6,565	100	4,483	100.1	2,082	100
Bayfield County						
	Occupied		Owner		Renter	
Year Built	<i>Number</i>	<i>Percent</i>	<i>Number</i>	<i>Percent</i>	<i>Number</i>	<i>Percent</i>
2014 or later	90	1.3	89	1.5	1	0.1
2010 - 2013	158	2.2	148	2.5	10	0.8
2000 - 2009	1,223	17.3	1,086	18.5	137	11.6
1980 - 1999	2,008	28.5	1,581	26.9	427	36
1960 - 1979	1,603	22.7	1,349	23	254	21.4
1940 - 1959	734	10.4	573	9.8	161	13.6
1939 or earlier	1,241	17.6	1,046	17.8	195	16.5
Totals	7,057	100	5,872	100	1,185	100

Source: U.S. Census Bureau, 2015-2019 ACS 5-Year Estimates

OWNER OCCUPIED HOUSING UNITS

Owner occupied housing is represented by 68.3% of all occupied households in Ashland County while Bayfield County owner occupied housing is represented by 83.2% of all occupied households. As a percentage of all housing units in each county, owner occupied is represented by 46.4% in Ashland County and 44.0% in Bayfield County.

Age of owner-occupied households as a percentage comparing both counties is mostly similar with the exception of 3.8% more 35–44 year-old aged householders in Ashland County and 4.0% more 65–75 year-old householders in Bayfield County (Table 14).

Income of owner-occupied households under \$50,000 is represented by 45.3% (2,030 households) in Ashland County and 30.2% (2,301 households) in Bayfield County. Income of owner-occupied households making \$100,000 or more is represented by 17.1% (766 households) in Ashland County and 22.3% (1,308 households) in Bayfield County.

Table 14: Owner Occupied Housing Units (2019)

	Ashland		Bayfield	
Owner Occupied Housing Units	4,483		5,872	
Average Owner-Occupied Household Size	2.35		2.11	
Age of Householder	<i>Number</i>	<i>Percent</i>	<i>Number</i>	<i>Percent</i>
Under 35 Years	411	9.2	528	9
35-44 Years	577	12.9	532	9.1
45 to 54 Years	766	17.1	985	16.8
55-64 Years	1,184	26.4	1,562	26.6
65 - 74 Years	886	19.8	1,400	23.8
75 - 84 Years	506	11.3	679	11.6
85 Years and Over	153	3.4	186	3.2
Household Income	<i>Number</i>	<i>Percent</i>	<i>Number</i>	<i>Percent</i>
Less than \$5,000	88	2	114	1.9
\$5,000 to \$9,999	79	1.8	106	1.8
\$10,000 to \$14,999	277	6.2	201	3.4
\$15,000 to \$19,999	185	4.1	229	3.9
\$20,000 to \$24,999	240	5.4	266	4.5
\$25,000 to \$34,999	492	11	604	10.3
\$35,000 to \$49,999	669	14.9	781	13.3
\$50,000 to \$74,999	1,032	23	1,351	23
\$75,000 to \$99,999	655	14.6	912	15.5
\$100,000 to \$149,999	516	11.5	835	14.2
\$150,000 or more	250	5.6	473	8.1
Median Household Income (dollars)	\$55,608		\$60,503	

Source: U.S. Census Bureau, 2015-2019 ACS 5-Year Estimates

Table 15 represents monthly housing cost as a percentage of income for owner occupied households with a mortgage. It is desirable to have 30 percent or less of household income going toward housing costs. Overall, 22.1% of Ashland County and 21.2% of Bayfield County owner occupied households with a mortgage have housing related costs 30% or more of their household income. However, households in the lower income brackets have a higher percentage of households paying 30% or more housing costs if having a mortgage. Households making less than \$20,000 a year with a mortgage reveals 77.2% of Ashland County and 74.6% of Bayfield County households pay more than 30% or more of their income towards housing costs. As household income increases, the percentage of households paying more than 30% in housing costs drops significantly. Households making between \$20,000-\$34,999 represent 35.1% of Ashland County and 38.7% of Bayfield County households with 30% or more of household income going towards housing costs.

Table 15: Monthly Housing Cost as a Percentage of Income for Owners with a Mortgage (2019)

Household Income Bracket	Gross Owner Costs as a Percentage of household Income for Owners with a Mortgage	Number of Households		Percent of Households in Income Bracket	
		Ashland County	Bayfield County	Ashland County	Bayfield County
Less than \$20,000	Less than 20%	47	85	1	1.4
	20 to 29.9%	88	72	2	1.2
	30% or more	456	460	10.2	7.8
\$20,000 to \$34,999	Less than 20%	291	315	6.5	5.4
	20 to 29.9%	184	218	4.1	3.7
	30% or more	257	337	5.7	5.7
\$35,000 to \$49,999	Less than 20%	399	408	8.9	6.9
	20 to 29.9%	149	219	3.3	3.7
	30% or more	121	154	2.7	2.6
\$50,000 to \$74,999	Less than 20%	680	845	15.2	14.4
	20 to 29.9%	246	281	5.5	4.8
	30% or more	106	225	2.4	3.8
\$75,000 or more	Less than 20%	1,200	1,856	26.8	31.6
	20 to 29.9%	178	293	4	5
	30% or more	43	71	1	1.2
	Zero or negative income	38	33	0.8	0.6
	No cash rent	(X)	(X)	(X)	(X)

Source: U.S. Census Bureau, 2015-2019 ACS 5-Year Estimates

While Table 15 above examines households by income brackets, Table 16 examines housing units with and without a mortgage. As noted previously, thirty percent or more of housing costs is considered burdensome to households. Housing units with a mortgage with household costs 30% or more represent Ashland County having 621 units (29.6%) and Bayfield County having 792 units (26.8%). Even housing units without a mortgage are still recorded as exceeding owner costs of 30% or more totaling 362 units (15.2%) in Ashland County and 455 units (15.6%) in Bayfield County.

Table 16: Mortgage Status by Selected Monthly Owner Cost as a Percentage of Household Income Past 12 Months (2019)

<i>Housing Units with a Mortgage</i>	Ashland County		Bayfield County	
	<i>Number</i>	<i>Percentage</i>	<i>Number</i>	<i>Percentage</i>
Less than 10.0 percent	139	6.6	172	5.8
10.0 to 14.9 percent	345	16.4	577	19.5
15.0 to 19.9 percent	410	19.5	646	21.8
20.0 to 24.9 percent	357	17.0	419	14.2
25.0 to 29.9 percent	218	10.4	335	11.3
30.0 to 34.9 percent	149	7.1	238	8
35.0 to 39.9 percent	99	4.7	138	4.7
40.0 to 49.9 percent	65	3.1	142	4.8
50.0 percent or more	308	14.7	274	9.3
Not computed	11	0.5	20	0.6
Total	2,101	100	2,961	100
<i>Housing Units without a Mortgage</i>				
Less than 10.0 percent	843	35.4	1,177	40.5
10.0 to 14.9 percent	593	24.9	573	19.7
15.0 to 19.9 percent	287	12	364	12.5
20.0 to 24.9 percent	156	6.6	193	6.6
25.0 to 29.9 percent	114	4.8	136	4.7
30.0 to 34.9 percent	131	5.5	93	3.2
35.0 to 39.9 percent	53	2.2	76	2.6
40.0 to 49.9 percent	99	4.2	103	3.5
50.0 percent or more	79	3.3	183	6.3
Not computed	27	1.1	13	0.4
Total	2,382	100	2,911	100

Source: U.S. Census Bureau, 2015-2019 ACS 5-Year Estimates

Table 17 represents data showing how long owner-occupied householders have been living in their respective homes. Seventy percent of all homeowners in both Ashland County (70.9%) and Bayfield County (70.3%) with a mortgage have been in their home from 2009 or earlier. A comparison of the households by percentage of the year households moved into their home show little variation between the year 2010 or later. However, Bayfield County is resented by 4.4% more householders having moved in between 1990-1999 and Ashland County is represented by 5.6% more householders having moved in between 1989 and earlier in Ashland County.

Table 17: Year Householder Moved into Owner Occupied Unit (2019)

Year Householder Moved in Owner Occupied	Ashland		Bayfield	
	Number	Percent	Number	Percent
Moved in 2017 or later	217	4.8	300	5.1
Moved in 2015 to 2016	292	6.5	494	8.4
Moved in 2010 to 2014	795	17.7	946	16.1
Moved in 2000 to 2009	1,299	29	1,739	29.6
Moved in 1990 to 1999	740	16.5	1,230	20.9
Moved in 1989 and earlier	1,140	25.4	1,163	19.8
Total	4,483	99.9	5,872	99.9

Source: U.S. Census Bureau, 2015-2019 ACS 5-Year Estimates

As a percentage of housing units, 64.7% of Ashland County owner occupied housing units are valued at \$149,999 or less, as compared to 45% of Bayfield County owner occupied housing units (2019). The next value range of \$150,000 to \$199,999 is represented by 635 units (14.2%) in Ashland County and 1,219 units (20.8%). Affordable housing is critical to allow younger families the ability to purchase a home and most desirable to achieve mortgage related costs equal to 30% or less of household income.

Table 18: Owner Occupied Housing Values (2019)

Owner Occupied Unit Value	Ashland County		Bayfield County	
	Number of Units	Percent of Units	Bayfield County	Percent of Units
Owner Occupied Unit Value	4,483		5,872	
Less than \$50,000	601	13.4	462	7.9
\$50,000 to \$99,999	1,354	30.2	948	16.1
\$100,000 to \$149,999	947	21.1	939	16
\$150,000 to \$199,999	635	14.2	1,219	20.8
\$200,000 to \$299,999	699	15.6	1,291	22
\$300,000 to \$499,999	192	4.3	726	12.4
\$500,000 to \$999,999	36	0.8	243	4.1
\$1,000,000 to \$1,999,999	18	0.4	34	0.6
\$2,000,000 or more	1	<0.0	10	0.1
Median (dollars)	\$113,100		\$157,300	

Source: U.S. Census Bureau, 2015-2019 ACS 5-Year Estimates

RENTER OCCUPIED HOUSING UNITS

Renter occupied housing is represented by 2,082 (31.7% of all occupied households) units in Ashland County while Bayfield County renter occupied housing is represented by 1,185 (16.8% of all occupied households) units. As a percentage of all housing units in each county, renter occupied is represented by 21.6% in Ashland County and 8.9% in Bayfield County.

Ashland County has nearly twice as many renter-occupied units as compared to Bayfield County and nearly 30% of Ashland County and Bayfield County renter occupied units are represented by households under the age of 35 years. In Ashland County 49.5% of all renter head of household occupied units are 44 years of age and under.

Table 19 identifies income of renter-occupied households under \$50,000 represented by 78.9% (1,643 households) in Ashland County and 66.2% (784 households) in Bayfield County. Income of renter-occupied households making \$50,000 to \$99,999 have similar number of householders 356 and 331 in Ashland and Bayfield Counties respectively, but their percentage to total renter occupied units is 17.1% in Ashland County versus 27.9% in Bayfield County.

Table 19: Renter Occupied Housing Characteristics (2019)

	Ashland		Bayfield	
Renter Occupied Housing Units	2,082		1,185	
Average Renter Occupied Household Size	2.15		2.08	
Age of Householder	<i>Number</i>	<i>Percent</i>	<i>Number</i>	<i>Percent</i>
Under 35 years	606	29.1	333	28.1
35-44 years	424	20.4	187	15.8
45 to 54 years	244	11.7	187	15.8
55-64 years	325	15.6	165	13.9
65 - 74 years	249	12	145	12.2
75 - 84 years	168	8.1	131	11.1
85 years and over	66	3.2	37	3.1
Household Income	<i>Number</i>	<i>Percent</i>	<i>Number</i>	<i>Percent</i>
Less than \$5,000	113	5.4	77	6.5
\$5,000 to \$9,999	155	7.4	71	6
\$10,000 to \$14,999	349	16.8	143	12.1
\$15,000 to \$19,999	269	12.9	127	10.7
\$20,000 to \$24,999	151	7.3	100	8.4
\$25,000 to \$34,999	358	17.2	154	13
\$35,000 to \$49,999	248	11.9	112	9.5
\$50,000 to \$74,999	280	13.4	174	14.7
\$75,000 to \$99,999	76	3.7	157	13.2
\$100,000 to \$149,999	55	2.6	60	5.1
\$150,000 or more	28	1.3	10	0.8
Median Household Income (dollars)	\$25,093		\$30,733	

Source: U.S. Census Bureau, 2015-2019 ACS 5-Year Estimates

As a rule, 30% or less of a household income is desirable to be spent towards monthly rent or mortgage. Paying more than thirty percent takes away funds needed for other living expenses including food, clothing, and transportation. Table 20 represents gross rent as a percentage of household income. Table 19 previously identified a large percentage of renter-occupied households with incomes less than \$50,000, 78.9% in Ashland County and 66.2% in Bayfield County. Table 20 identifies households with the least amount of household incomes pay a greater percentage of dollars towards rent that exceeds 30%. Overall, 47.9% of Ashland County and 41.5% of Bayfield County renter households are paying 30% or more of their household income towards rent.

Table 20: Gross Rent as a Percentage of Household Income (2019)

Household Income Bracket	Gross Rent as a Percentage of Household Income	Number of Households		Percent of Households in Income Bracket	
		Ashland County	Bayfield County	Ashland County	Bayfield County
Less than \$20,000	Less than 20%	66	27	3.2	2.3
	20 to 29.9%	112	40	5.4	3.4
	30% or more	616	242	29.6	20.4
\$20,000 to \$34,999	Less than 20%	115	47	5.5	4
	20 to 29.9%	163	60	7.8	5.1
	30% or more	217	123	10.4	10.4
\$35,000 to \$49,999	Less than 20%	75	39	3.6	3.3
	20 to 29.9%	77	35	3.7	3
	30% or more	78	18	3.7	1.5
\$50,000 to \$74,999	Less than 20%	157	99	7.5	8.4
	20 to 29.9%	82	34	3.9	2.9
	30% or more	0	14	0	1.2
\$75,000 or more	Less than 20%	133	180	6.4	15.2
	20 to 29.9%	9	0	0.4	0
	30% or more	0	1	0	0.1
	Zero or negative income	19	29	0.9	2.4
	No cash rent	163	197	7.8	16.6

Source: U.S. Census Bureau, 2015-2019 ACS 5-Year Estimates

Table 21 identifies the number of renter-occupied households based on the percentage of rental costs to household income. As noted previously, it is desirable to have rental costs be less than 30% of household income. Ashland County renter occupied households paying 30% or more of income towards rent is 47.9%, while Bayfield County renter occupied households paying 30% or more of income towards rent is 41.5%.

Table 21: Occupied Units Paying Rent (2019)

Occupied Units Paying Rent (excluding units where GRAPI cannot be computed)				
	Ashland County		Bayfield County	
	<i>Number</i>	<i>Percent</i>	<i>Number</i>	<i>Percent</i>
Less than 15.0 percent	241	12.7	277	28.9
15.0 to 19.9 percent	305	16.1	115	12
20.0 to 24.9 percent	229	12.1	69	7.2
25.0 to 29.9 percent	214	11.3	100	10.4
30.0 to 34.9 percent	219	11.5	115	12
35.0 percent or more	692	36.4	283	29.5
Not computed	182	(X)	226	(X)
Total	2,082		1,185	

Source: U.S. Census Bureau, 2015-2019 ACS 5-Year Estimates. GRAPI: Gross Rent as a Percentage of Household Income

Table 22 identifies the range of monthly rent payments being made by occupied rental units. The majority of rent payments are \$999 or less, with half (51%) of all Ashland County rent payments ranging between \$500-\$999.

Table 22: Occupied Units Paying Rent (2019)

	Ashland		Bayfield	
	<i>Number</i>	<i>Percent</i>	<i>Number</i>	<i>Percent</i>
Occupied Units Paying Rent				
Less than \$500	605	29.1	325	27.4
\$500 to \$999	1,062	51	471	39.8
\$1,000 to \$1,499	243	11.7	171	14.4
\$1,500 to \$1,999	0	0	19	1.6
\$2,000 to \$2,499	9	0.4	2	0.2
\$2,500 to \$2,999	0	0	0	0
\$3,000 or more	0	0	0	0
No Rent	163	7.8	197	16.6
Total	2,082	100	1,185	100
Median Rent \$	631		653	

Source: U.S. Census Bureau, 2015-2019 ACS 5-Year Estimates

Table 23 represents data showing how long householders have been living in their respective rental unit. Nearly one third of Ashland County (31.9%) and Bayfield County (32.4%) renter occupied households have been living in their rental unit from 2009 or earlier. As a percentage of units by year renter household moved into their unit, Ashland and Bayfield County percentages are nearly the same.

Table 23: Year Householder Moved into Renter Occupied Unit (2019)

	Ashland		Bayfield	
	<i>Number</i>	<i>Percent</i>	<i>Number</i>	<i>Percent</i>
Moved in 2017 or later	323	15.5	179	15.1
Moved in 2015 to 2016	534	25.6	289	24.4
Moved in 2010 to 2014	562	27	333	28.1
Moved in 2000 to 2009	485	23.3	252	21.3
Moved in 1990 to 1999	131	6.3	69	5.8
Moved in 1989 and earlier	47	2.3	63	5.3
Total	2,082	100	1,185	100

Source: U.S. Census Bureau, 2015-2019 ACS 5-Year Estimates

Renter occupied housing is not spread out across Ashland and Bayfield Counties evenly, with the largest percentage of units found in communities generally having municipal services. The Cities of Bayfield and Ashland have the largest percentage of rental units in their respective county, followed by the Towns of Sanborn (Ashland County) and Russel (Bayfield County). Several communities with a high percentage of rental units can be attributed to subsidized housing units and larger rental complex developments located within their jurisdictional boundary as noted in the Appendix.

Table 24: Ashland County Rental Units by Jurisdiction

	Total Occupied Households	Renter Occupied	Percent Renter Occupied
Ashland County	6,565	2,082	31.7%
Cities			
Ashland	3,466	1,480	42.7%
Mellen	322	101	31.4%
Villages			
Butternut	189	66	34.9%
Towns			
Agenda	138	11	8.0%
Ashland	231	26	11.3%
Chippewa	186	19	10.2%
Gingles	282	22	7.8%
Gordon	133	5	3.8%
Jacobs	289	66	22.8%
La Pointe	115	19	16.5%
Marengo	130	10	7.7%
Morse	192	29	15.1%
Peeksville	82	6	7.3%
Sanborn	487	189	38.8%
Shanagolden	49	4	8.2%
White River	274	29	10.6%

Source: U.S. Census Bureau, 2015-2019 ACS 5-Year Estimates

Table 25: Bayfield County Rental Units by Jurisdiction

	Occupied Households	Renter Occupied	Percent of Renter Occupied
Bayfield County	7,057	1,185	16.8%
Cities			
Bayfield	280	124	44.3%
Washburn	902	223	24.7%
Villages			
Mason	35	0	0.0%
Towns			
Barksdale	316	25	7.9%
Barnes	416	19	4.6%
Bayfield	367	31	8.4%
Bayveiw	245	33	13.5%
Bell	192	4	2.1%
Cable	377	49	13.0%
Clover	105	17	16.2%
Delta	98	0	0.0%
Drummond	203	67	33.0%
Eileen	320	41	12.8%
Grand View	249	12	4.8%
Hughes	192	32	16.7%
Iron River	521	110	21.1%
Kelly	165	6	3.6%
Keystone	169	23	13.6%
Lincoln	129	3	2.3%
Mason	136	30	22.1%
Namakagon	141	13	9.2%
Orienta	75	14	18.7%
Oulu	250	5	2.0%
Pilsen	89	8	9.0%
Port Wing	212	24	11.3%
Russell	546	227	41.6%
Tripp	90	22	24.4%
Washburn	237	16	6.8%

Source: U.S. Census Bureau, 2015-2019 ACS 5-Year Estimates

VACANT HOUSING UNITS

Table 26 examines the status of vacant units. A total of 3,090 housing units, 32% of all Ashland County housing units, were categorized as vacant in 2019 with 23.1% of those housing units identified as seasonal, recreational, or occasional use. A total of 6,278 housing units, 47.1% of all Bayfield County housing units, were categorized as vacant in 2019 with 43.0% of all housing units identified as seasonal, recreational, or occasional use.

Table 26: Ashland and Bayfield Counties Vacant Housing (2019)

Vacant Housing	Ashland County	Bayfield County
For Rent	197	126
Rented Not Occupied	32	31
For Sale Only	93	131
Sold Not Occupied	3	10
For Seasonal/Recreation/Occasional Use	2,227	5,729
For Migrant Workers	0	0
Other Vacant	538	251
Total	3,090	6,278

Source: U.S. Census Bureau, 2015-2019 ACS 5-Year Estimates

Community population and housing data on a broader scale represents information viewers can look back on over time. Since 2010, the U.S. Census Bureau began providing yearly housing and population estimates based on a sample of responses from residents of the community/county. While the data represents yearly data/trends, the overall margin of error is significant if one was to dive deeper into the overall statistics. For now, the data will suffice representing a snapshot in time for our local communities.

ECONOMIC INFORMATION OF THE REGION

EMPLOYMENT AND JOBS

The local economy and the supporting jobs have the greatest influence on whether persons can rent or purchase a home or sell their home and move up to a different home. The key factor to driving renter and homeownership affordability is the availability of jobs paying wages sufficient to support rental and homeowner ownership costs, along with other family financial responsibilities. Table 27 examines the 11 primary job sectors, breaking down annual average employment and average annual wage.

Table 27: 2018 Industry Annual Average Employment and Wages

	Ashland County		Bayfield County	
	2018 Annual Average Employment	County Average Annual Wage	2018 Annual Average Employment	County Average Annual Wage
Trade, Transportation, Utilities	1,555	\$32,130	675	\$29,123
Public Administration	1,056	\$37,259	626	\$28,297
Professional & Business Services	386	\$32,095	117	\$30,670
Other Services	267	\$29,616	80	\$25,598
Natural Resources	89	\$31,884	42	\$29,219
Manufacturing	1,052	\$53,212	213	\$35,015
Leisure & Hospitality	805	\$15,847	1,025	\$19,452
Information	72	\$36,702	64	\$63,890
Financial Activities	205	\$40,519	111	\$42,980
Education & Health	2,212	\$45,429	919	\$32,425
Construction	367	\$51,390	318	\$96,354
All Industries	8,066	\$38,616	4,191	\$33,627

Source: Wisconsin Dept. of Work Force Development, *WisConomy 2019 Workforce Profile*

While Table 27 above looks at broader level detail of employment types and wages, Tables 28 and 29 depict the top ten occupations (Standard Occupation Classification) by employment in both counties.

Table 28: Top 10 Ashland County Occupations

Occupations (Ashland County)	Average Hourly Earnings	Median Hourly Earnings	Median Annual Earnings	2019 Jobs	2020 Jobs
Cashiers	\$11.83	\$11.56	\$24,037.99	338	332
Home Health and Personal Care Aides	\$11.27	\$10.85	\$22,565.54	265	232
Retail Salespersons	\$16.19	\$12.08	\$25,116.94	253	232
Registered Nurses	\$37.87	\$36.93	\$76,821.52	231	225
Janitors and Cleaners, Except Maids and Housekeeping Cleaners	\$15.40	\$13.92	\$28,951.19	210	188
Office Clerks, General	\$17.31	\$16.63	\$34,591.08	194	173
Fast Food and Counter Workers	\$12.22	\$12.14	\$25,245.97	180	141
Farmers, Ranchers, and Other Agricultural Managers	\$22.00	\$13.12	\$27,293.86	169	166
Bookkeeping, Accounting, and Auditing Clerks	\$17.63	\$16.78	\$34,911.19	156	135
Heavy and Tractor-Trailer Truck Drivers	\$25.57	\$21.51	\$44,745.35	155	154

Source: EMSI, September 2021

Table 29: Top 10 Bayfield County Occupations

Occupations (Bayfield County)	Average Hourly Earnings	Median Hourly Earnings	Median Annual Earnings	2019 Jobs	2020 Jobs
Farmers, Ranchers, and Other Agricultural Managers	\$20.32	\$11.25	\$23,392.53	246	245
Personal Service Managers, All Other; Entertainment and Recreation Managers, Except Gambling; and Managers, All Other	\$28.51	\$20.86	\$43,379.36	160	161
Maids and Housekeeping Cleaners	\$12.90	\$11.98	\$24,914.42	153	137
Cashiers	\$11.27	\$10.96	\$22,800.63	147	138
Construction Laborers	\$20.77	\$17.31	\$36,006.27	143	144
Retail Salespersons	\$16.00	\$11.76	\$24,464.43	140	127
Real Estate Sales Agents	\$48.87	\$27.95	\$58,134.08	136	143
Bartenders	\$11.75	\$11.18	\$23,245.09	133	105
Heavy and Tractor-Trailer Truck Drivers	\$27.98	\$22.63	\$47,066.16	121	121
Carpenters	\$22.80	\$19.79	\$41,158.73	118	118

Source: EMSI, September 20201

HOUSING SALES AND IMPACT TO REGION

It should come as no surprise to readers, the housing market across the U.S. and in Ashland and Bayfield Counties have seen marked increase in home sales beginning in the middle of 2020 and has continued into late summer of 2021. Data represented in this section points to sale transactions trends that began in 2016. The majority of these home sales were not new construction sales, but rather existing home sales. In many cases, homes were on the market for a short duration with purchase offers exceeding asking price. A request for homes sales data by individual jurisdictions was requested of the Wisconsin Realtors Association, but no data was made available.

Table 30 represents Ashland County housing sales from 2007 to August 2021. Housing sales data shows a marked uptick beginning in 2016, with increased annual sales data from 2016 to 2020, with the exception of a slight downturn in 2018. Between 2016 and 2020, an average of 215 homes were sold per year. The first eight months of sales data in 2021 reports homes sales ahead of 2020 (199 sales January-August in 2021 compared to 154 in 2020).

Table 30: Ashland County Housing Sales 2007-2021

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year Totals	Change Year-to-Year
2007	11	5	14	13	20	24	11	23	12	12	5	6	156	
2008	8	5	8	10	5	12	14	13	18	15	7	8	123	-33
2009	7	7	5	11	2	12	17	11	11	8	10	13	114	-9
2010	8	4	7	15	11	14	13	6	11	13	7	10	119	5
2011	6	9	11	7	18	14	17	13	14	10	8	7	134	15
2012	5	10	16	19	16	24	9	12	12	15	11	6	155	21
2013	4	8	22	10	11	16	17	18	7	18	8	12	151	-4
2014	7	2	8	15	18	9	14	25	16	16	12	19	161	10
2015	4	8	12	17	12	17	21	22	17	16	5	9	160	-1
2016	8	13	13	17	18	23	20	21	16	17	13	12	191	31
2017	9	7	10	9	14	31	14	18	23	25	16	20	196	5
2018	12	10	10	9	16	18	23	24	16	19	15	14	186	-10
2019	13	15	11	15	17	28	33	26	17	24	15	13	227	41
2020	17	10	14	11	22	22	26	32	44	38	17	22	275	48
2021	18	14	16	17	31	31	36	36	0	0	0	0	199	

Source: Wisconsin Realtors Association, October 1, 2021

Median sales price (the middle sales figure of the lowest to highest property price sold) is shown in Table 31. Examining the number of homes sold each month in Table 30, we can review the median sales price for that same month and determine how many homes were sold for more or less of the median number. For example, in June 2021 a total of 31 homes were reported sold and the median price was \$152,500. Based on median sales price data, we know 15 homes were sold for \$152,500 or more and 15 homes were sold for \$152,500 or less.

Table 31: Ashland County Median Sales Price 2007-2021

	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
2007	\$11,700	\$72,500	\$84,250	\$97,000	\$76,000	\$91,000	\$79,500	\$99,395	\$80,750	\$73,000	\$55,000	\$94,500
2008	\$92,000	\$66,000	\$77,000	\$80,900	\$95,000	\$95,500	\$84,750	\$91,000	\$120,000	\$106,000	\$71,500	\$165,000
2009	\$85,000	\$74,000	\$109,000	\$50,000	\$81,500	\$90,750	\$75,000	\$105,000	\$90,000	\$132,850	\$128,750	\$110,000
2010	\$85,250	\$91,000	\$98,000	\$83,000	\$99,900	\$128,000	\$75,000	\$85,000	\$90,000	\$92,000	\$70,800	\$88,750
2011	\$67,250	\$35,000	\$135,000	\$79,000	\$84,750	\$75,000	\$73,500	\$105,000	\$81,950	\$90,500	\$77,000	\$61,000
2012	\$64,901	\$46,000	\$145,000	\$100,000	\$125,500	\$124,450	\$109,000	\$89,250	\$93,750	\$67,000	\$73,500	\$77,500
2013	\$70,750	\$74,950	\$81,750	\$65,300	\$77,900	\$87,500	\$91,670	\$84,500	\$100,000	\$103,500	\$162,750	\$53,000
2014	\$122,500	\$162,450	\$47,500	\$93,000	\$61,000	\$134,000	\$84,250	\$88,000	\$84,750	\$107,500	\$95,500	\$86,000
2015	\$37,000	\$74,000	\$64,500	\$40,000	\$85,750	\$98,000	\$117,500	\$118,500	\$79,000	\$61,000	\$40,850	\$42,000
2016	\$105,500	\$145,000	\$107,500	\$54,000	\$64,950	\$90,000	\$109,000	\$132,500	\$81,500	\$63,000	\$58,000	\$121,250
2017	\$120,000	\$87,000	\$115,500	\$59,900	\$127,500	\$12,950	\$134,750	\$101,000	\$72,500	\$128,000	\$82,500	\$89,750
2018	\$73,450	\$144,950	\$49,500	\$68,250	\$107,500	\$112,500	\$92,000	\$106,000	\$117,600	\$88,000	\$125,000	\$71,750
2019	\$65,900	\$113,000	\$50,000	\$120,000	\$142,000	\$132,500	\$176,500	\$83,000	\$107,000	\$90,500	\$110,000	\$109,000
2020	\$165,000	\$72,950	\$69,000	\$80,000	\$98,500	\$138,450	\$123,500	\$112,500	\$133,000	\$154,950	\$97,000	\$112,450
2021	\$60,000	\$113,500	\$136,000	\$137,500	\$81,000	\$152,500	\$133,000	\$154,950	\$0	\$0	\$0	\$0

Source: Wisconsin Realtors Association, October 1, 2021

Table 32 represents Bayfield County housing sales from 2007 to June 2021. Similar to that of Ashland County, housing sales data shows a marked uptick beginning in 2016, with increased annual sales data from 2016 to 2020, with the exception of a slight downturn in 2017 and 2018 but still higher than any year prior to 2016. Between 2016 and 2020, an average of 367 homes were sold per year. The first eight months of sales data in 2021 reports home sales slightly behind 2020 (244 sales in 2021 compared to 249 in 2020).

Table 32: Bayfield County Housing Sales 2007-2021

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year Totals	Change Year-to-Year
2007	13	9	9	10	12	16	29	29	17	18	17	16	195	
2008	10	6	7	8	11	8	13	16	16	12	8	12	127	-68
2009	2	3	8	6	9	13	15	18	17	19	8	9	127	0
2010	2	3	12	13	26	25	18	17	20	19	15	18	188	61
2011	13	9	11	7	19	20	18	20	23	15	19	17	191	3
2012	11	13	16	13	23	28	24	25	22	30	29	20	254	63
2013	5	10	12	8	30	15	19	23	14	30	19	10	195	-59
2014	11	6	12	15	26	33	31	31	29	36	17	16	263	68
2015	11	17	14	20	26	41	27	26	38	42	17	18	297	34
2016	12	10	20	31	17	47	36	24	60	46	29	28	360	63
2017	17	14	23	25	31	43	32	42	42	39	24	16	348	-12
2018	20	7	23	27	34	36	41	36	39	37	24	23	347	-1
2019	15	20	18	30	41	40	51	28	40	34	31	18	366	19
2020	9	15	18	20	31	46	54	56	44	50	43	27	413	47
2021	16	24	29	31	42	29	41	32	0	0	0	0	244	

Source: Wisconsin Realtors Association, October 1, 2021

Median sales price for Bayfield County home sales is shown in Table 33. Examining the number of homes sold each month in Table 32, we can review the median sales price for that same month and determine how many homes were sold for more or less of the median number. For example, in June 2021 a total of 29 homes were reported sold and the median price was \$260,000. Based on median sales price data, we know 14 homes were sold for \$260,000 or more and 14 homes were sold for \$260,000 or less than.

Table 33: Bayfield County Median Sales Price 2007-2021

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2007	\$125,000	\$154,000	\$155,000	\$145,250	\$123,285	\$180,000	\$166,000	\$120,000	\$161,000	\$165,950	\$18,6000	\$147,500
2008	\$133,000	\$119,500	\$138,000	\$52,500	\$108,000	\$185,500	\$186,000	\$137,450	\$153,500	\$153,175	\$130,000	\$61,050
2009	\$230,000	\$90,000	\$97,500	\$177,500	\$149,500	\$135,000	\$98,500	\$137,450	\$94,500	\$164,000	\$125,000	\$90,000
2010	\$233,000	\$260,000	\$71,750	\$79,000	\$120,000	\$119,500	\$116,000	\$82,500	\$187,000	\$177,000	\$130,000	\$139,500
2011	\$91,500	\$153,000	\$108,400	\$82,336	\$162,000	\$94,950	\$94,750	\$120,000	\$144,000	\$125,000	\$90,000	\$135,000
2012	\$195,000	\$109,300	\$123,000	\$88,000	\$75,000	\$164,500	\$138,250	\$178,000	\$153,750	\$154,000	\$168,400	\$163,000
2013	\$156,000	\$116,000	\$165,500	\$135,000	\$142,000	\$160,000	\$157,000	\$160,000	\$132,500	\$163,500	\$175,000	\$143,000
2014	\$138,000	\$73,750	\$132,500	\$125,000	\$173,750	\$115,000	\$127,000	\$135,000	\$135,000	\$138,500	\$100,000	\$125,000
2015	\$97,500	\$136,000	\$108,500	\$112,000	\$132,000	\$142,500	\$135,000	\$187,000	\$141,250	\$141,000	\$139,900	\$106,000
2016	\$131,750	\$203,250	\$148,500	\$140,000	\$155,000	\$165,000	\$164,800	\$130,000	\$152,000	\$153,500	\$149,500	\$184,350
2017	\$167,000	\$151,000	\$245,000	\$170,000	\$188,400	\$146,600	\$145,000	\$147,400	\$193,000	\$200,000	\$137,400	\$161,500
2018	\$121,250	\$106,000	\$162,000	\$160,000	\$139,750	\$158,250	\$175,000	\$175,252	\$171,500	\$182,000	\$155,500	\$250,000
2019	\$168,000	\$102,500	\$165,000	\$150,500	\$135,000	\$232,000	\$178,500	\$165,000	\$176,100	\$265,000	\$130,000	\$178,500
2020	\$157,000	\$150,000	\$128,750	\$235,000	\$139,000	\$183,500	\$192,450	\$290,950	\$214,450	\$217,500	\$199,000	\$185,000
2021	\$324,000	\$198,000	\$175,000	\$235,000	\$239,950	\$260,000	\$255,000	\$252,500	\$0	\$0	\$0	\$0

Source: Wisconsin Realtors Association, October 1, 2021

HOUSING CHOICES BASED ON LIFE CYCLE

Where we live and the type of home we live in is influenced by many factors, such as, income, employment, family, and available housing units. Additionally, the type of home we live in changes based in part on the life cycle (age and type) of family housing needs. This life cycle can be depicted in six different categories/stages (source: Maxfield, Scott County Housing Study 2016):

Stage 1: Entry-level Households – often referred to as rent basic, inexpensive apartments, may need low- or moderate-income rental housing if income(s) are low, usually single or couples without children, often will “double-up” with roommates in apartment, usually in their early 20s.

Stage 2: First-time homebuyers and move-up renters – may purchase modestly-priced single-family and townhomes or rent more upscale homes, and usually married or cohabiting couples, some with children, in their mid-20s to mid-30s.

Stage 3: Move-up homebuyers – prefer to purchase newer, larger, and therefore more expensive single-family home, typically families with children where householders are in their late 30s to early 50s.

Stage 4: Empty Nesters and Never Nesters (persons who never had children) – prefer owning, often starting to seek lower maintenance housing whether owning or renting, generally couples in their late 50s to late 60s.

Stage 5: Younger independent seniors – had preferred owning but now looking to rent, will move (at least part of the year) to retirement locations, generally in their 70s and early 80s.

Stage 6: Older seniors – may need to move out of their single-family house due to physical/health conditions or to reduce maintenance responsibilities, generally single females (widowed) in their early 80s or older.

Ashland and Bayfield County have a mix of housing that accommodate all types of the life-cycle housing, however, the costs associated with these levels may not provide an affordable housing opportunity to residents and those seeking to move to the two counties.

For purposes of this analysis, the following table depicts the life-cycle stages by age.

Table 34: Life-Cycle Stages by Age

Stage	Age Range	Stage	Age Range
Stage 1	24 and younger	Stage 4	55-69
Stage 2	25-34	Stage 5	70-84
Stage 3	35-54	Stage 6	Over 85

Source: Maxfield, Scott County Housing Study 2016

Current concerns regarding availability of affordable housing have been expressed for all life-cycle stages. In particular, first-time homebuyers were noted as having the greatest difficulty in finding starter homes to purchase and individuals moving to the area for job opportunities. Existing population places 1,584 persons from Ashland County (10.1% of population) and 1,234 persons from Bayfield County (8.2% of population) in Stage 2, the most likely stage of those seeking to purchase a home.

OVERALL HOUSING MARKET

RENTAL & OWNER MIX

The two counties while tied to the area through the “Chequamegon Bay”, have housing communities with similar needs for affordable housing to support existing and future residents. Table 35 examines current available data related to rental, owner, and vacancy status.

Table 35: Rental, Owner, and Vacancy Housing (2019)

	Ashland County	Bayfield County
Population	15,617	14,993
Population in Rental Units	4,468	2,459
Population in Owner Units	10,556	12,404
Population in Group Quarters	593	130
Households, excluding Group Quarters	15,024	14,863
Average Household Size	2.29	2.11
Renter Average Household Size	2.15	2.08
Owner Average Household Size	2.35	2.11
Occupied Units	6,565	7,057
Rental Units	2,082	1,185
Owner Units	4,483	5,872
Vacant Units for Rent, excludes seasonal	197	126
2019 Rental Vacancy Rate	8.5%	9.4%
Rental Vacancy Rate Standard	7%-8%	7%-8%
Vacant Units for Sale, excludes seasonal	93	131
2019 Homeowner Vacancy Rate	2.0%	2.2%
Homeowner Vacancy Rate Standard	2%	2%
Overcrowded Units – Occupied	18	21
Seasonal Units	2,227	5,729
Other Vacant Units	583	251

Source: U.S. Census Bureau, 2015-2019 ACS 5-Year Estimates

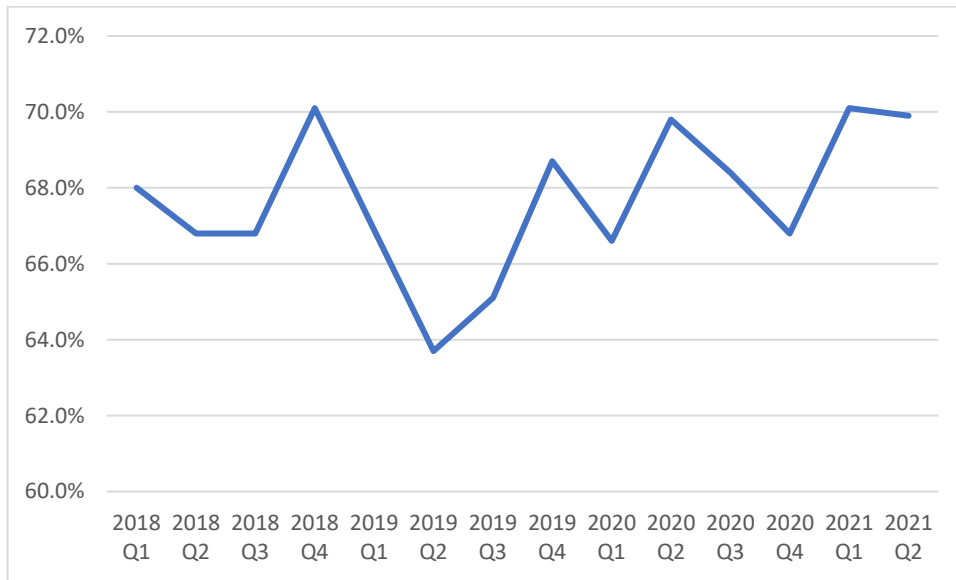
Based on community input, it is generally perceived both counties lack the availability of housing for rental units and affordable entry-level single-family homes. Ashland County owner to renter occupied housing has 68.3% owner occupied and 31.7% renter occupied and mirrors the Wisconsin statewide data. On the other hand, Bayfield County owner to renter occupied housing has 83.2% owner occupied to 16.8% renter occupied. As a reference, in 2000, Bayfield County mix of owner occupied to renter occupied was nearly identical with 82.6% owner occupied and 17.4% renter occupied. Some factors for this difference are Bayfield County has a higher percentage of seasonal residential homes and smaller incorporated municipalities, while Ashland has a larger incorporated municipality and college (technical/university) systems.

In the past 18 months, statewide and local housing markets have seen a marked rise in the number of homes sold and purchase price paid since early 2020, as noted previously in this report (Tables 28-31). According to U.S. Census data, Wisconsin home ownership vacancy rates have averaged 0.86% between 2018 and Q2 2021 and Wisconsin rental vacancy rates averaged 4.43% during the same period.

The healthy rental vacancy rate for communities is generally considered to be 7% - 8% and a healthy homeowner vacancy rate is 2%. Data represented in Table 14 identifies Ashland and Bayfield Counties owner-occupied vacancy rates within the normal range and both counties just slightly better than normal for rental vacancy rates.

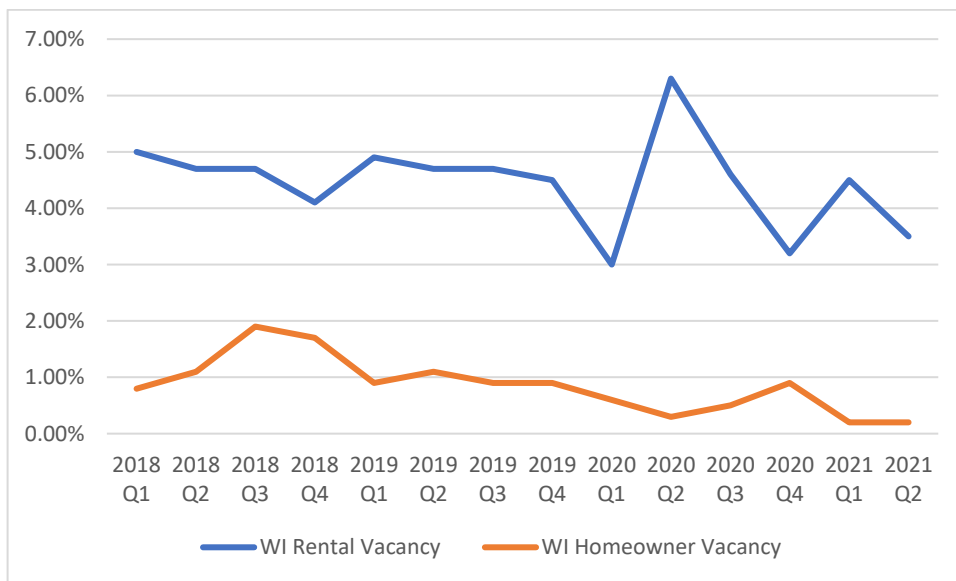
According to U.S. Census data, Wisconsin statewide home ownership vacancy rates mirror those of Ashland County based on current available data (2019).

Figure 4: WI Home Ownership Rates



Source: U.S. Census Quarterly Vacancy & Homeownership Rates by States & MSA

Figure 5: WI Rental & Homeowner Vacancy Rates



Source: U.S. Census Quarterly Vacancy & Homeownership Rates by States & MSA

While statistical data points to an adequate supply of rental and owner-occupied housing, local communities and employers would say there is not an adequate supply of housing, at least in part for rental and work force affordable housing. Locals are also aware of many homes in need of revitalization that could significantly improve rental and work force housing.

Owner-occupied property values represented in the 2019 5-year ACS data indicates Ashland County has 601 units valued less than \$50,000 and Bayfield County with 417 units. County level residential assessment data analyzed September 2021 was used to determine the number of structures where property has a residentially assessed improvement with a value range from \$10,000 - \$50,000. This broad data set has limitations for use but can be used in the context of where properties presumed to be residential in nature. Using county data sets, Ashland County has 1,618 structures and Bayfield County has 1,703 structures with residential assessment values from \$10,000-\$50,000 (Appendix).

REHABILITATION TO IMPROVE RENTER AND OWNER-OCCUPIED HOMES

The ability to make home improvements as required and necessary is not equal across the landlord and owner-occupied landscape. Generally, those with the ability to pay will make necessary improvements to maintain their home value and from having minor repairs become major repairs. Homeowners in the middle with some funds or those who must defer maintenance due to no savings or other family financial needs are more prone to defer maintenance. Landlords often cannot make repairs as current rents are not sufficient to cover repairs and charging more rent may result in tenants leaving and units sitting vacant.

Financial programs are few for making improvements to rental and owner-occupied units needing assistance. Financial institutions could provide home equity loans (assuming there is equity and owners are bankable) or refinance mortgages. Qualifying homeowners could also access federally funded zero percent deferred payment loans for repairs to their homes and landlords could access zero percent loans with amortization levels up to 15 years. Recent changes to the State of Wisconsin Community Development Block Grant housing program guidance now allows for rehabilitation funding to be loaned to Public Housing Authorities. In cases where a home is so far beyond repairs and the cost to repair exceeds home equity, replacement housing is available. As with all federal programs, requirements must be met to access funds. The Cities of Bayfield, Washburn, Ashland, and Mellen, along with Ashland and Bayfield Counties have housing repair funds to assist qualifying households make repairs. On average there is \$1 million per year available to residents.

The previously identified 3,321 parcels with structures, derived from county residential assessed parcel data of valuations between \$10,000-\$50,000, is a significant number. It is not realistic to assume each structure is a home as some properties may be cottages/cabins, storage sheds/garages, and accessory residential structures. U.S. Census Bureau figures identify 1,018 owner-occupied units valued at \$10,000-\$50,000 in Ashland and Bayfield Counties. Many of these structures could likely qualify for rehabilitation funding assistance to make improvements to their home.

RENTAL MARKET

Renter occupied housing data from the U.S. Census Bureau (2019 ACS 5-year) identifies 2,082 units in Ashland County and 1,185 units in Bayfield County (3,267 units). As noted in Table 12 Ashland County rental units represents 31.7% and Bayfield County rental units represent 16.8% of all occupied housing units. Table 12 also identifies only 197 rental units in Ashland County and 126 rental units in Bayfield County (323 units) are vacant and available for rent. Examining community details of vacant units for rent finds the City of Ashland has 99 units, nearly 50.3% of all Ashland County units, followed by the City of Mellen with 34 units for rent. Eight of sixteen local units of government in Ashland County (50%) have no vacant units for rent. The City of Bayfield has 25 vacant units for rent and Iron River has 20 vacant rental units in Bayfield County. Seventeen of twenty-eight local units of government (60.7%) in Bayfield County have no vacant units for rent.

Census data also provide a category labeled “other vacant” with Ashland County having 538 units and Bayfield County having 251 units, for a total of 789 units. Other vacant housing units are labeled as no one lives in the unit and the owner does not want to sell or rent, is using the building for storage, is elderly and living in a nursing home or with family elsewhere, held for settlement of the estate, being repaired or renovated, or is being foreclosed. These under-utilized vacant units could impact the counties significantly if the homes were transitioned to rent or owner occupancy.

Rental housing availability is limited. U.S. Census Bureau highlights this with only 3,267 rental units in place across both counties. New construction of rental units has seen few units constructed since 2010. According to U.S. Census data, between 2010-2019 ten rental units were constructed in Ashland County and only 11 rental units were constructed in Bayfield County. The numbers are only slightly better between 2000-2009 with 95 units constructed in Ashland County and 137 in Bayfield County.

Some key takeaways regarding rental units for Ashland and Bayfield County respectively:

- 40.7% and 41.5% of rental units are 1-person households, while 12% and 21.2% are four or more person households
- 41.1% and 39.5% of renters moved in between 2015-2019
- 47.9% and 41.5% pay 30% or more of their income on rent
- 49.8% and 43.7% of rental households have incomes less than \$25,000

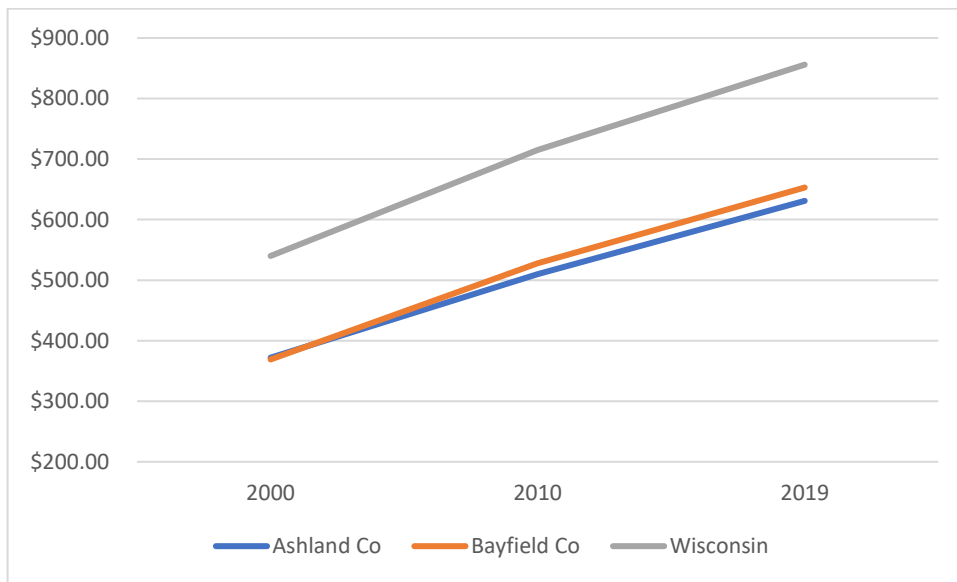
Other rental units include assisted living units but make up a small percentage of the overall rental units in both counties. Sixty-seven units or 3.2% of rental units in Ashland County and 50 units or 4.2% of rental units in Bayfield County comprise a portion of the total rental units. Nursing home beds within each county are not considered part of the overall rental unit figures as they are classified as group quarters. As of September 2021, Ashland County has 256 licensed nursing home beds and Bayfield County has 65 licensed nursing home beds.

Another segment of rental properties includes subsidized income qualifying housing. Ashland County has 19 facilities housing 546 units. Bayfield County has 16 facilities housing 194 units. Nearly all rental properties had waiting lists and only 4 units were available for rent (March 2021). One facility noted a waiting list anticipated to exceed two years for occupancy.

A search of rental units on Zillow, Trulia, Apartments, and Craigslist in early September 2021 found only 7 units (three in Bayfield County and four in Ashland County) with monthly rent ranging between \$625-\$975, in addition to a townhouse for rent at \$1,445 per month. A rental search of wihousingsearch.org (associated with the Wisconsin Housing and Economic Development Authority) found 14 apartments (12-income restricted & 2-not income restricted) in Ashland County and six apartments (6-income restricted) in Bayfield County.

U.S. Census data (2019) identifies monthly rent of units with no bedroom at \$385 in Ashland County and \$561 in Bayfield County, while monthly rent of a two-bedroom apartment is \$641 in Ashland County and \$669 in Bayfield County. U.S. Census data (2019) depicted in Figure 6 identifies the Median Gross Rent from 2000-2019.

Figure 6: Gross Median Rent



Source: U.S. Census Bureau, Decennial Census, 2015-2019 ACS 5-Year Estimates

As noted previously, new construction of rental units in the past several years has been very low. However, recent announcements of new rental unit construction may provide some new hope. A 50-unit project in the City of Ashland is scheduled to begin in the spring of 2022. The development will consist of 1-to-3-bedroom units and are intended to provide affordable rents. The developers announced a Wisconsin Housing and Economic Development Authority award of \$1,577,291 to assist in the overall \$12 million dollar project.

Communities including the City of Washburn and City of Ashland have completed housing analysis studies or strategic plans. A 2017 report titled *Analysis of the Residential & Commercial Sectors in Washburn, Wisconsin* highlighted background data on the city and focused on a 50-unit rental apartment with 18-24 maintenance free, small lot single-family homes. As noted in the report, no new construction of this nature has occurred in the community for some time. While the 2017 report recommended the housing development, no new residential development occurred. However, the analysis provided the city and community developers with useful insights and information.

OWNER MARKET

Sales of existing residential properties since early 2020 have pushed monthly home sales and median prices to record highs according to data from the Wisconsin Realtors Association. Short supply and more demand for homes have been fueling the unprecedented housing market. According to *Michael Theo, President & CEO, Wisconsin REALTORS® Association, July 2021*, "Housing demand conditions remain strong, fueled by very low mortgage rates and a growing economy. However, the ongoing supply problems have pushed prices up at well above the rate of inflation, and this has reduced our affordability. Fortunately, we continue to see only modest erosion in affordability because mortgage rates remain quite low. The 30-year fixed-rate mortgage has been below 3% for the third straight month. As a result, the Wisconsin Housing Affordability Index shows that a buyer with median family income can afford to purchase nearly twice the median-priced home in the state assuming 20% down and the remaining balance financed with a 30-year mortgage."

While mortgage rates continue to remain historically low, the ability of persons looking to purchase or move up in housing stock can be hampered by lack of sufficient household income, lack of savings and available down payment, lack of credit, and personal debt.

Analysis of Wisconsin Realtor Association data for Ashland and Bayfield County sales points to a difference in the overall value of homes sold between January-July 2021. In Bayfield County, out of a recorded 167 homes sold between January-July 2021, the average median sale price was \$240,993 as compared to Ashland County in the same time period where 125 homes were sold with an average median sale price of \$116,214.

Wisconsin Real Association July 2021 report

- Average days on the market dropped 27.8% compared to July 2020, falling from 90 days to just 65 days. This is the lowest level for days on the market since the WRA began tracking this data in January 2005.
- Housing affordability only dropped 6.5% over the past year, as lower mortgage rates helped offset the significant increase in existing home prices over the past 12 months.

LAND AND DEVELOPMENT COSTS

Developable land for residential construction is generally considered available throughout Ashland and Bayfield Counties. The cost of land has many variables based on parcel size, land with or without trees/vegetation, views, and land having access or no access to municipal water/sewer/streets. Depending on parcel size and location cost could be purchased for as little as \$1 (City of Washburn) or upwards.

Building costs associated with new residential construction varies based on property needs, access to public/private utilities (water, sewer, electricity, roads), type/style of home construction, interior/exterior amenities, mechanicals, building materials, and labor costs. The *Analysis of the Residential & Commercial Sectors in Washburn, Wisconsin* noted 2017 construction costs for “standard” housing ranging from \$115-\$130 per square foot range. Construction costs for a standard housing project in 2021 are higher. A basic ranch style 1,650 sq. ft. 3 bedroom, 2 bath home, with no bells and whistles, averages about \$157 sq. ft. (*Cost of Building a New Home in Wisconsin 2020*, Joseph Douglas Homes, Menomonie WI). Based on discussions with building contractors in the Ashland/Bayfield Area, construction costs for a standard home range between \$150-\$180 sq. ft. and middle of the road custom cabins/homes range in price between \$230-\$280 sq. ft.

Lumber and material shortages in the housing market during the summer of 2021 saw housing material related prices climb quickly with increase in some materials 200% or higher. Building supply warehouses and lumber yards identify “lumber” has declined from its highs in early summer but are still significantly higher than in early 2021. It was noted that while lumber has declined in price, other housing materials such as windows, shingles and building components have not declined from summer high prices. These high market prices continue to result in higher-than-normal construction costs in 2021. According to the National Association of Home Builders, since April 2020 lumber prices have seen increasing prices causing the average price of a new single-family home to increase by nearly \$30,000.

Red Cliff Housing Authority is developing a number of sites as part of a manufactured housing development project. Estimated cost for site preparation totals \$72,509 per site, excluding the price of the home: concrete slab on grade/foundation \$26,910, site utilities \$8,452, electrical pedestal \$2,839, site work and excavation (including tree/stump removal, site prep for concrete slab) \$30,308, and landscaping \$4,000. Overall, it is estimated that site improvement costs for the Red Cliff Housing Authority project will be approximately 33%-40% of the total development cost of a single-family house.

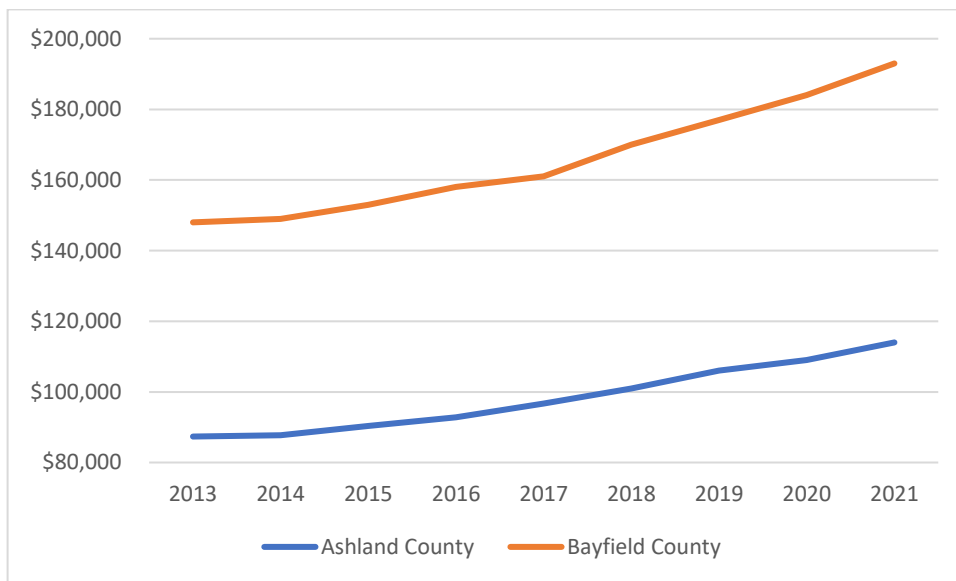
AFFORDABILITY OF RENTER & OWNER UNITS

OWNER AFFORDABILITY

One of the top American dreams is to own a home. However, owning a home requires responsibilities for upkeep and maintenance, ensuring monthly mortgage and utility payments are paid, and keeping the home in decent shape so as to not lose the equity one has invested into the home. Affordability cuts across all income segments as household's financial situations are different for each and every household. Financial factors influencing a household's ability to purchase and maintain home ownership are shaped by a household's income, savings, debt, job status and hours available to work, skill level for career/income advancement, continued training opportunities, and the available job market in and around the community.

Figure 7 identifies the rising value of homes between 2013-2021, with each county having an overall increase of 30% during the time-period. Zillow reported January 1, 2021 value of all homes (seasonally adjusted) at \$114,000 for Ashland County and \$193,000 for Bayfield County. These figures correlate closely to those of the National Association of Realtors data for median home value in the first quarter of 2021.

Figure 7: Ashland and Bayfield County Home Values



Source: Zillow Home Values-All Homes Reported January 1 by year

Home ownership costs including mortgage, interest, taxes, insurance and utilities are desired to be no more than 30% of household income to allow households to have sufficient discretionary income available for other purchases including transportation, food, clothing, and other necessities. Of all owner-occupied units with a mortgage, 621 units (29.6%) of Ashland County and 792 units (26.8%) of Bayfield County have owner costs of 30% or more. Even housing units without a mortgage, have unit costs exceeding 30% with 362 units (15.2%) in Ashland County and 455 units (15.6%) in Bayfield County. Several factors could be in place for those spending greater than 30% of their income on homeownership costs: loss of income due to job change, layoff, or quitting a job; transitioning from the workforce to retirement, or other financial commitments such as the need to purchase a vehicle or health related illness.

Historically low interest rates are helping households of all income levels in purchasing a home. While housing prices have continued to rise, low interest rate financing available to most households means purchasers can get more home, with even higher prices, than otherwise if interest rates were higher.

As noted earlier, affordability of a home is based on many factors, but primarily based on household income. Table 36 represents the average home value as of January 1, 2021 and the estimated cost of ownership upon purchase of the home. This example assumes a 3.5% interest rate, 30-year conventional mortgage with 10% down payment, and mortgage insurance (no closing costs and other potential associated costs to buyer were included in this example).

Table 36: Estimated Monthly Cost to Purchase a Home

	Purchase Price	Principal & Interest	Taxes & Insurance	Mortgage Insurance	Utilities	Monthly Total	Annual Total
Ashland	\$114,000	\$461	\$267	\$67	\$370	\$1,165	\$13,980
Bayfield	\$193,000	\$784	\$334	\$113	\$370	\$1,601	\$19,212

Source: NWRPC

Using the preferred threshold of 30% of income to be applied towards home ownership, a household income of \$47,000 would be necessary to purchase the \$114,000 home example and \$64,000 would be necessary to purchase the \$193,000 home example in order to keep monthly home mortgage and utility payments below 30%.

RENTER AFFORDABILITY

As reported previously in this report, nearly half (47.9%) of all renter households pay more than 30% of their income towards rent in Ashland County, followed closely by 41.5% of all renter households in Bayfield County. Renter households with incomes of \$50,000 or more are represented by 0% of Ashland County renters paying 30% or more of household income on rent, while Bayfield County households paying more than 30% on rent accounts for less than 2% (15 units).

Table 37 examines households of \$49,999 or less identifies a large portion of each income bracket paying a high percentage of income on rents. While it is logical that income brackets with less income will have a higher percentage of income going to rent, the fact that three quarters of all households making less than \$20,000 are represented by 858 total households paying more than 30% of their household income on rent is high. This high cost could also translate to these renter households likely having other financial constraints.

Table 37: Renter Households by Income and Percent of Income for Rent (2019)

Household Income Bracket	Gross Rent as a Percentage of Household Income	Number of Households		Percent of Households in Income Bracket	
		Ashland County	Bayfield County	Ashland County	Bayfield County
Less than \$20,000	0 to 29.9%	178	67	22.4	21.7
	30% or more	616	242	77.6	78.3
\$20,000 to \$34,999	0 to 29.9%	278	107	56.2	46.5
	30% or more	217	123	43.8	53.5
\$35,000 to \$49,999	0 to 29.9%	152	74	66.1	80.4
	30% or more	78	18	33.9	19.6

Source: U.S. Census Bureau, 2015-2019 ACS 5-Year Estimates

Renter occupied households with incomes of \$49,999 or less and paying rent of 30% or more identifies 47.9% (911 units excluding zero or negative income and no cash rent) in Ashland County while Bayfield County has 39.9% (383 units excluding zero or negative income and no cash rent).

Median gross rent of a two-bedroom apartment in 2019 (Figure 6: Gross Median Rent) was \$641 in Ashland County and \$669 in Bayfield County. Household incomes required to afford these median rents and pay less than 30% of household income requires an income of \$26,000-\$27,000.

In Ashland County, there are 1,030 renter occupied head of household renters aged 44 years or less representing 49.5% of all rent occupied housing units. Bayfield County has 520 renter occupied head of household renters aged 44 years or less representing 43.9% of all rent occupied housing units. This age group represents a number of households that may be in the market now or in the future to purchase a home. Several factors may be holding back their ability to purchase a home, such as insufficient income, bad credit, no savings, not enough savings to meeting financial institution down payment requirements, high debt, or a population that is flexible on where they live and do not want to be tied down to one geographic area.

Table 34 (Estimated Monthly Cost to Purchase a Home) also applies to renters seeking to purchase a home and related monthly cost associated to home ownership. An important component that applies to all home buyers, but more particularly to renters is the 28/36 Rule financial institutions will likely use to determine eligibility and affordability of a home purchase. The 28/36 Rule measures a prospective borrower’s ability to afford a mortgage payment based on household gross monthly income, monthly housing related payments, and any other monthly debts.

In the example of the Ashland County median value home in Table 29, a renter seeking to purchase a home should spend no more than 28% (front-end ratio) of its gross monthly income on a monthly house payment including principle, interest, taxes, insurance, and mortgage insurance. A total monthly mortgage payment of \$795 would require the household to have a gross monthly income of \$2,839 (\$34,068 year). The 36% rule (back-end ratio) includes the monthly mortgage payment total plus all other recurring monthly payments including vehicle payments, student loans, credit cards, and other personal loans. Each prospective home buyers back-end ratio will be different, but as an example a household with a car payment of \$450 a month and a student loan payment of \$200 would have a total monthly payment of \$1,445. To qualify under the 36% rule, the borrower would need to earn at least \$4,014 in gross monthly income (\$48,168 year).

Renter occupied housing characteristics (Table 19) identifies a total of 1,643 households in Ashland County having an income of less than \$49,999. Assuming the mortgage and debt scenario above, nearly all of the 1,643 households would not be able to afford the median value home of \$114,000. Assuming a household has no debt, most of the 1,395 households with annual income of less than \$34,999 would not be able to afford the median value home in Ashland County as total annual household income would need to be \$34,068.

Taking the same scenario described above and applying the purchase of a median value home in Bayfield County (\$193,000) a monthly mortgage payment of \$1,231 would require the household to have a gross monthly income of \$4,396 (\$52,752 year), additional \$650 monthly debt for a total monthly payment of \$1,881. To qualify under the 36% rule, the borrower would need to earn at least \$5,225 in gross monthly income (\$62,700 year). Assuming a household has no debt, 784 households with annual income of less than \$49,999 would not be able to afford the median value home in Bayfield County as total annual household income would need to be \$52,752.

HOUSING NEEDS OF LMI/WORKFORCE/SENIORS

Housing choices based on life cycle stages described earlier in this report influences our desired housing choice. However, our desired housing choice is constrained by many external influences, including but not limited to, available housing units, income, employment opportunities, household size, cost of housing units, and location. Data represented throughout this report and in the Chequamegon Bay Regional Housing Survey Report 2021 point to facts no different than in most rural communities: an aging housing stock, a wide gap in household income, limited new construction of residential housing, and an aging population.

Homeownership may be the American Dream, but without financial resources it is just that, a dream. Limited availability of affordable rental units and homes for purchase squeeze households on the margin of income sustainability from purchasing or finding affordable living units. The FY2021 median family income as represented by the U.S. Department of Housing and Urban Development identifies Bayfield County with a median family income of \$65,800 and Ashland County with a median family income of \$61,000. The median household income (2019) in Ashland County is \$42,510 and \$56,096 in Bayfield County (Table 5). Bayfield County households with incomes less than \$50,000 total 3,073 (43.7%) and Ashland County households total 3,673 (55.9%). While the U.S. Census income category of less than

\$50,000 is between both county median household income, the figures represent a significant number of households with income challenges to support home ownership or rent in addition to discretionary expenditures.

AFFORDABLE HOUSING (LOW INCOME HOUSING)

Affordable housing is generally defined as housing of which the occupant is paying no more than 30% of gross income for housing costs, including utilities (www.hud.gov). Affordable housing can also be categorized as those living in relative poverty, which is usually defined as making less than 60% of the median household income (Wikipedia-Affordable Housing). The U.S. Department of Housing and Urban Development have created programs to assist households with incomes at or below 80% of the median family income. Programs include funds to make repairs to existing owner and renter occupied homes, rent subsidies, and homeowner down payment assistance. Households eligible to access these funding opportunities in both Ashland and Bayfield Counties must meet income guidelines listed in Table 38. Subsidized housing units are represented in a listing of units by county in the Appendix based on data derived from online sources and correspondence from tribal housing authorities.

Table 38: 2021 Income Limits by Persons in Family/Household by Size

	Number of Persons in Family/Household							
	1	2	3	4	5	6	7	8
30% Income (Extremely Low)	\$15,100	\$17,250	\$19,400	\$21,550	\$23,330	\$25,000	\$26,750	\$28,450
50% Income (Very Low)	\$25,150	\$28,750	\$32,350	\$35,900	\$38,800	\$41,650	\$44,550	\$47,400
60% Income	\$30,180	\$34,500	\$38,820	\$43,080	\$46,560	\$49,980	\$53,460	\$56,880
80% Income (Low)	\$40,250	\$46,000	\$51,750	\$57,450	\$62,050	\$66,650	\$71,250	\$75,850

Source: U.S. Department of Housing & Urban Development

U.S. Census data identifies a significant segment of the Ashland and Bayfield County households exceeding 30% of monthly household income on owner and renter occupied expenses. Total renter and owner-occupied units with gross rent or owner costs exceeding 30% are represented in Table 39. A greater percentage of renter occupied households in both counties have gross rent and owner household related expenditures as compared to owner-occupied. Of all occupied households, Ashland County has 3,673 households (56.0%) with an annual household income less than \$50,000 and Bayfield County has 3,085 households (43.7%) with an annual household income less than \$50,000 (Table 7).

Table 39: Monthly Owner and Renter Gross Costs Exceeding 30% of Household Income (2019)

		Ashland County		Bayfield County	
	<i>Percent of Household Income by All Income Brackets</i>	<i>Number</i>	<i>Percent</i>	<i>Number</i>	<i>Percent</i>
Owner Occupied	Over 30%	983	21.9%	1,247	21.2%
	Under 30%	3,500	78.1%	4,625	78.8%
Renter Occupied	Over 30%	911	43.8%	398	33.6%
	Under 30%	1,117	56.2%	787	66.4%

Source: U.S. Census Bureau, 2015-2019 ACS 5-Year Estimates

The Chequamegon Bay Regional Housing Survey Report, 2021 highlight affordable housing responses:

- Approximately one-half of respondents (53%) could afford a mortgage/rent of \$800 or less per month that best meets their needs,
- Of those responding to housing difficulties you/someone in your household have experienced in moving to or within Ashland/Bayfield Counties identifies 32% housing poor, 31% housing too expensive, and 30% housing unavailable in desired area, and
- Of all respondents 57% did not think there was sufficient rental options and 52% did not think there were sufficient options for lower incomes.

A series of questions on the survey asked respondents to consider if more affordable housing were built in the community. As noted in the report, “substantial proportions of respondents who had an opinion, generally disagreed that more affordable housing will cause:

- Their taxes to increase (62% disagree),
- The value of their residence to decline (76% disagree),
- Their community to be less desirable (80% disagree), and
- School quality to decline (87% disagree).”

WORKFORCE HOUSING

What is Workforce Housing? According to the report titled “Falling Behind” by the Wisconsin Realtors Association, workforce housing is the supply of housing in a community (a variety of housing types, sizes, locations, and prices) that meets the needs of the workforce in that community and is housing that is “affordable” for renting families earning up to 60% of the area’s median income and for owning families earning up to 120% of the area’s median income.

The “Falling Behind” report outlines many issues surrounding statewide workforce housing shortages. One of the issues identified is declining affordable housing. The report measures affordability whether a typical household, usually the median income household, can afford housing in the community. An entry-level housing affordability index (2017) was completed for each Wisconsin County, finding Ashland County as being affordable and Bayfield County as barely affordable. A similar index was developed for rental affordability and found Ashland County as not affordable and Bayfield County as barely affordable.

Few housing programs are available to households in the workforce housing segment, except for those in the 60%-80% income bracket. Workforce housing has been cited as one of the most pressing needs of the Chequamegon Bay Area in order to support families who are looking for entry level housing (owner and rental) and to support local employers who report their prospective employees cannot find housing.

Workforce housing is generally targeted to individuals in their early 20’s to mid-40’s and located in communities where employment opportunities are the greatest. As with all levels of home ownership or rental affordability, the key factors are wages and individual family finances that will impact rental or home ownership decisions.

Workforce households aged under 25-44 will be examined as the most likely in search for workforce housing opportunities. Householders aged 15-44 owning a home in Ashland County total 988 and 1,060 in Bayfield County, while householders aged 15-44 renting in Ashland County total 1,030 and 520 in Bayfield County (Table 40). Twenty-four percent of households (484 units) under 25-44 years of age make less than \$25,000 in Ashland County compared to 14.6% (232) in Bayfield County.

Table 40: Income by Age of Head of Households Under 25-44 Years Old (2019)

Household Income Range	Ashland County Households Under 25-44 Years Old		Bayfield County Households Under 25-44 Years Old		Affordable Monthly Housing Cost
	Number	Percent	Number	Percent	Range
Less than \$10,000	155	7.7	64	4.1	\$0 - \$250
\$10,000 to \$14,999	161	8	52	3.3	\$250 - \$375
\$15,000 to \$24,999	168	8.3	116	7.3	\$375 - \$625
\$25,000 to \$34,999	316	15.7	183	11.6	\$625 - \$875
\$35,000 to \$49,999	305	15.1	152	9.6	\$875 - \$1,250
\$50,000 to \$74,999	433	21.4	379	24	\$1,250 - \$1,875
\$75,000 to \$99,999	238	11.8	325	20.5	\$1,875 - \$2,250
\$100,000 or more	242	12	309	19.6	\$2,500 or more

Source: U.S. Census Bureau, 2015-2019 ACS 5-Year Estimates

SENIOR HOUSING

The majority of “senior housing” is residential structures owned by persons 65 and older. Nearly one-third (30.9%) of all occupied households in Ashland are occupied by a head of householder aged 65 and older, whereas in Bayfield County the figure is 36.5%. Of those 65 years and older, 69.6% of householders have an income of less than \$50,000 in Ashland County and 56.3% of householders have an income of less than \$50,000 in Bayfield County. This income representation is expected as householders in this age grouping would traditionally be retired and living on a fixed income.

Of the 2,082 rental units in Ashland County, 483 are householders 65 years and older. In Bayfield County, 313 of 1,185 rental units are households 65 years and older. According to Table 41, households in Ashland County with a head of household aged 65 and older identify 213 households (44.1%) having rent payments of 30% or more, while households in Bayfield County with head of household aged 65 and older identify 156 households (49.8%) having rent payments of 30% or more. Households with rents exceeding 30% are considered cost burdened by rent, meaning households likely do not have sufficient funds for daily necessities.

Table 41: Age of Householder 65 years and over by Gross Rent as a Percentage in Income Past 12 Months

	Ashland County Households 65 Years & Over		Bayfield County Households 65 Years & Over	
	Number	Percent	Number	Percent
<i>Householder 65 years and over</i>				
Less than 20 percent	98	20.3	56	17.9
20.0 to 24.9 percent	55	11.4	21	6.7
25.0 to 29.9 percent	60	12.4	17	5.4
30.0 to 34.9 percent	66	13.7	57	18.2
35.0 percent or more	147	30.4	99	31.7
Not computed	57	11.8	63	20.1
Total	483	100	313	100

Source: U.S. Census Bureau, 2015-2019 ACS 5-Year Estimates

Median income of Ashland County households 65 years and older is \$33,193, compared to Ashland Countywide median household income of \$42,510. Median income of Bayfield County households 65 years and older is \$42,265, compared to Bayfield Countywide median household income of \$56,096. Table 42 depicts household income ranges of occupied 65 years and over households and monthly affordable housing costs based on 30% of household reported income.

Table 42: Income by Age of Head of Occupied Households 65 Years of Age or Older

Household Income Range	Ashland County Households 65 Years & Over		Bayfield County Households 65 Years & Over		Affordable Monthly Housing Cost
	Number	Percent	Number	Percent	Range
Less than \$10,000	78	3.8	156	6.1	\$0 - \$250
\$10,000 to \$14,999	304	15	185	7.2	\$250 - \$375
\$15,000 to \$24,999	404	19.9	398	15.4	\$375 - \$625
\$25,000 to \$34,999	301	14.8	356	13.8	\$625 - \$875
\$35,000 to \$49,999	326	16.1	357	13.8	\$875 - \$1,250
\$50,000 to \$74,999	346	17.1	532	20.7	\$1,250 - \$1,875
\$75,000 to \$99,999	166	8.2	259	10	\$1,875 - \$2,250
\$100,000 or more	103	5.1	335	13	\$2,500 or more

Source: U.S. Census Bureau, 2015-2019 ACS 5-Year Estimates

Members of the Chequamegon Bay Region Housing Committee expressed comments during the development of the planning process of this report that insufficient senior rental housing (apartments or senior renter/townhome developments) existed in either county. It is believed that many of the households aged 65 and over living in an owner occupied or renter occupied home would consider moving to a senior rental/townhome complex. Based on 2019 U.S. Census data, Ashland County households 65 years and over are represented by 483 renters and 1,545 owner occupied households and Bayfield County households 65 years and over are represented by 313 renters and 2,265 owner occupied households. Affordability would be a concern with future senior developments as 53.6% of Ashland County and 48.3% of Bayfield County households aged 65 years and older have an affordability threshold of \$875 or less per month. Development of senior apartments would likely create a new housing market for workforce and others as householders 65 years and older transition from their single-family home to a rental unit.

The Chequamegon Bay Regional Housing Survey Report, 2021 asked *Within the next five years, do you think you or someone in your household will need:* Housing for independent seniors had responses of 11% yes, 36% maybe, and 53% no; assisted living housing had responses of 4% yes, 34% maybe, and 62% no.

RECOMMENDATIONS

The Chequamegon area is not unlike many other rural areas of Wisconsin or other areas of the U.S. when it comes to housing issues. Key factors influencing affordability, availability, and development of housing include price of construction for new homes, supply and demand of existing units, financial mechanisms available to qualifying households, and developers' ability to make a profit/pay back in the overall housing development project. In addition, the area is influenced by a high percentage of seasonal homes, particularly in Bayfield County where 43% of all housing units are seasonally occupied compared to only 23.1% in Ashland County. This high percentage of seasonal housing units, particularly in Bayfield County, lends itself to persons from outside the area competing with local residents on home purchases.

Throughout both counties, community plans and studies have examined housing needs whether specifically for project focused activity such as *An Analysis of the Residential & Commercial Sectors in Washburn Wisconsin* and systematic strategies for housing segments as noted in the *City of Ashland Strategic Housing Plan*. Additionally, Ashland and Bayfield Counties and nearly all town, village, and city governments have local comprehensive plans containing target community driven direction to housing and land use goals, objectives, and strategies. These comprehensive plans were not analyzed individually for specific comparison but represent the desired direction for those communities in moving forward in housing priorities.

In 2022-2023, Bayfield County and many towns will likely begin an update to their comprehensive plans. During the comprehensive plan updates, housing is a critical element for communities to review and add context to their local comprehensive plans. Zoning and land use regulations to accommodate housing desired by the community must be examined and documented. At that time, local recommendations and strategies will be examined and updated information from this report and the future WHEDA initiative project(s) can provide guidance and direction to assisting communities with housing concerns.

As noted previously in this report, population by decade has varied across the area (Table 1). U.S. Census Decennial population data for 2020 identified Ashland County having a 0.8% decline (-130 persons) from 2010 figures while Bayfield County had a modest increase of 8% (1,206 persons). In Bayfield County, the greatest percentage of population increases occurred mostly in the towns with the highest percentage of seasonal homes, with the exception of only a few other local governments. While the State of Wisconsin Demographics Services Center data (prepared in 2013 based on 2010 Census data) projects decreases in population to 2040, local officials believe the recently released 2020 Census data will cause future population models to show population growth out to 2050.

RENTER OCCUPIED HOUSING

Current Summary

Consistently, members of the Chequamegon Bay Regional Housing Committee and citizens noted a need for additional rental units in the area. In particular, rental units with affordable rental units. Affordable rates will vary across the spectrum of households including those needing subsidized housing to market rates for households able to afford any level of rental cost. Between 41-49% of renter occupied households were paying more than 30% of their income on rent (Table 20) in both counties. Affordability is also a determinant based on household income and is a key factor to identifying the types and affordability of newly constructed rental units (Tables 19). Bayfield County has a significantly lower percentage of renter-occupied units (16.8%) as compared to the U.S. National renter occupied household average of 36%.

While statistics are not available on the number of rental units (homes) sold in recent years, the conversion of rental houses to single family occupied homes has reduced the number of overall rental units. U.S. Census data 2010-2019 identifies little new rental construction occurring in the area over the last 20 years (Table 13). The lack of new rental unit construction puts pressure on the existing rental market and particularly on those needing to find affordable rental housing and unable to purchase a home.

Ashland County

- 31.7% of occupied housing units are renter occupied
- 11 occupied rental units were built between 2010-2019
- 105 of the 2,082 occupied rental units were built between 2000-2019
- 911 renter occupied units (47.9%) are paying 30% or more of their household income on rent

Bayfield County

- 16.8% of occupied housing units are renter occupied
- 10 occupied rental units were built between 2010-2019
- 148 of the 1,185 occupied rental units were constructed between 2000-2019
- 398 renter occupied units (41.5%) are paying 30% or more of their household income on rent

Resident Responses to Need

Some key takeaways from the Chequamegon Bay Regional Housing Survey Report, 2021 pertaining to renter occupied housing/households. Pages 32-40 of the survey report further examines sub-populations of renters and other household units.

- A question relating to if they believe there is a sufficient number of housing options found 57% responding there is not sufficient rental and 52% stating there is not sufficient housing for lower incomes.

- Respondents were asked how much they could afford to pay monthly for rent/mortgage that meets their needs, found 20% could afford rents \$500 or less per month and 33% could pay \$501 to \$800 per month.
- Those responding to opinions about housing and related issues found:
- 66% identifying rental housing generally not maintained and 65% identifying a need for more seasonal worker/short-term housing.
- A series of questions asked about impacts if more affordable housing is built in their community and a substantial proportion of respondents who had an opinion, generally disagreed that more affordable housing will cause:
 - their taxes to increase (62% disagreed);
 - the value of the residence to decline (76% disagreed);
 - their community to be less desirable (80% disagreed); and
 - school quality to decline (87% disagreed).

FUTURE ACTIONS

Rental housing development is needed for *all* life cycle stages (Table 32) that accommodate rental units with varying levels of affordability for a range of renters seeking low-income, workforce, market rate, seasonal worker, and senior housing. Too often “*not in my back yard*” (NIMBY) comments from locals can stop needed housing activities critical to supporting housing needs. Responses from the community surveys conducted as part of this report (noted in above bullets) point to a strong majority dispelling NIMBY held beliefs.

Renter occupied housing by year unit built (U.S. Census) tells the story that rental housing construction has been very limited in the past 20 years. Affordability is key to all income levels seeking rental housing options. Median household income of renter occupied households in Ashland County is \$25,093 and \$30,733 in Bayfield County. This median income translates to being able to afford monthly rent of \$627 or less (30% or less of monthly income) for Ashland County renter households and \$768 or less per month for renter households in Bayfield County.

The Chequamegon Regional Housing Study identifies respondents represented by 26% who have lived in the Ashland/Bayfield County area for 10 years or less and 74% who have lived in the area for more than 10 years. Short-term residents were more likely to say they can afford a monthly rent/mortgage of more than \$800 for a residence that meets their needs (56% vs. 43% long-term residents). Examining respondents from households with less than \$50,000 annual income were less likely to be able to afford a monthly rent/mortgage of more than \$800 for a residence that meets their needs (14% vs. 65% with household incomes of \$50,000 or more).

Development of rental housing is a market driven process with developers and local contractors leading project activities. However, the lack of rental construction points to either the inability of developers to cash flow rental developments due to monthly rental rates being higher than targeted population segments can afford or contractors simply having no desire to be in the rental market. Local units of government need to engage directly with local home builders to gauge their ability to assist in developing rental units.

Zoning ordinances and regulations play an important role in providing development standards based on community desires and the ability of land to be used for certain types of development. Local land use and zoning ordinances should be reviewed and updated to enable higher density developments. Development costs are a significant factor in development. Enabling higher density developments and smaller lot sizes to accommodate all types of housing is critical.

Local housing authorities, foundations and other organizations should gather to focus efforts on populations that best fit their service segment. These meetings could establish partnerships with contractors, build relationships with existing rental market property managers and organizations, and result in expanded rental housing opportunities. Subsidized rental housing units available in both counties are dispersed to maximize resident's desire to live in or very near their home community. Nearly all subsidized rental housing unit complexes have waiting lists, further pointing to the need for additional rental units.

Many local businesses rely on seasonal workers to fill positions in their operation during peak tourism months or during the entire year. However, many of these businesses are unable to hire seasonal workers as local rental units are not available or priced too high for their prospective employees. Under current conditions, this issue will continue as no new rental units are being created within targeted price points for prospective employees in those income ranges needing affordable housing. Community leaders and businesses must convene meetings to discuss the gap in seasonal housing. Potential examples exist to create either new construction or convert existing homes to housing for seasonal workers: donating vacant land to a developer or business for new rental construction; businesses who need seasonal workers could construct their own rental units or purchase homes listed for sale in which their workers could live.

Workforce housing rental units are needed. While also tied to the need for seasonal rental units, workforce housing also provides opportunities to those households above the income of subsidized housing yet struggling to find affordable housing. Employers and local leaders have expressed concerns for the need of this housing segment. Community discussions and collaborations will assist in moving this housing need to the forefront of housing activity and may result in rental housing construction. Incentives from local governments and businesses, such as land at no cost, businesses financially contributing to direct ownership or partnering on developments may be necessary. Workforce housing tax credit legislation is being proposed in the Wisconsin legislature (October 2021), but the statewide need will create a significant demand on the funding likely made available to the program. Sitting back and waiting for the open market to respond to employer needs has not resulted in solutions to the identified shortage of workforce housing.

In both Ashland and Bayfield Counties, many owner-occupied or seasonally occupied homes are being used as vacation rentals. In some cases, area homes have been sold to out-of-town buyers seeking to use the home as a vacation rental in the interim until such time as the owners can move to the area. This is ultimately taking some workforce housing out of the market. Examples of encouraging vacation homeowners to rent to local residents have been cited with several communities offering cash incentives. The Winter Park town council (Colorado) has an incentive program to encourage short-term rental owners to rent their properties to full-time tenants rather than nightly visitors. For a one-bedroom

unit, the town will give property owners who choose to rent to an employee working at least 35 hours a week \$5,000 for a six-month lease and \$10,000 for a 12-month lease. Two- and three-bedroom units could receive \$10,000 for a six-month lease and \$20,000 for a 12-month lease.

The ability to make repairs to renter occupied homes may be influenced by landlords not being able to afford repairs due to rent levels or unable to secure conventional financial institution financing. A program exists that provides landlords with zero percent interest loans amortized out over 10-15 years. While programmatic requirements exist to ensure rental units are affordable and provided to low-to-moderate income households, it could provide a positive living experience for tenants and much needed repairs to buildings owned by landlords.

Costs associated with conventional rental unit construction do not allow for rents that are generally affordable to most segments of the population seeking rental housing in the area. Subsidized affordable housing programs are generally supported by tax credits provided to offset a portion of the overall project development cost. Preceding and during this report, community members had expressed concern and lack of adequate development scoring criteria for applications seeking Wisconsin Housing and Economic Development Authority (WHEDA) funding that impeded more rural subsidized housing developments. WHEDA recently brought forth changes to the scoring mechanisms after seeking public comments and input on potential changes.

In April 2021, WHEDA announced an award of \$1,577,291 in state and federal tax credits to a developer proposing to construct a 50-unit affordable housing complex. The tax credits awarded by WHEDA will be sold by the developer to investors that will generate nearly \$5,400,000 towards the projected total project cost of \$12 million. While this one 50-unit complex will be located on a parcel of land in the City of Ashland, local community members have expressed the desire for smaller affordable housing complexes that might be a “scattered” development in a number of communities. Scattered development needs to be further examined for WHEDA tax credit eligibility, scoring, and construction cost increases at multiple location sites. Communities in the area should meet with developers and city officials to discuss other tax credit opportunities. A number of developers are listed on the WHEDA website under applications received/awarded tax credit funding and these developers could be contacted for further dialog.

OWNER OCCUPIED HOUSING

Current Summary

The potential for future population growth may come with the opportunity to attract medium scale single-family housing developments. A market will exist, as it does today for individual builds for current owner-occupied households or renters seeking to move into a new home and contracting with a local contractor. The potential exists for smaller micro developments of 2-4 homes, particularly in areas where a contractor already has a sold unit (pre-construction). These 2-4 unit developments are the most desirable by local representatives. Additionally, custom built homes for households seeking to retire or live while completing their later years of professional career will remain.

Ashland County:

- 68.3% of occupied homes are owner-occupied
- New homes added 2010 or later (2019): 169 homes, 3.8% of total owner-occupied units
- New homes added 2000 to 2009: 527 homes, 11.8% of total owner-occupied units

Bayfield County:

- 83.2% of occupied homes are owner-occupied
- New homes added 2010 or later (2019): 237 homes, 4.0% of total owner-occupied units
- New Homes added 2000 to 2009: 1,086 homes, 18.5% of total owner-occupied units

Resident Responses to Need

Some key takeaways from the Chequamegon Bay Regional Housing Survey Report, 2021 pertaining to owner-occupied housing/households.

- Survey respondents were asked if they believe there is sufficient number of options for different types of housing in their area. Fifty-two percent responded there is not enough for lower incomes and 35% noted there is not enough for middle-income.
- Eighty-one percent of respondents generally agree housing in their community is becoming too expensive.

During the Regional Housing Committee meetings, it was often brought up that many residents don't see the housing issues community leaders and public housing agencies see and hear regarding families having difficulties in finding affordable and available housing units that fit their needs. This is expressed in many of the survey questions with high percentage of responses in the Don't Know or Maybe responses.

FUTURE ACTIONS

Additional owner-occupied housing construction will be necessary to provide housing choices for existing households currently renting, owner-occupied households seeking to move up in housing stock, those seeking lifestyle changes and preferences, and simply to replace homes lost to deterioration or mother-nature. These owner housing choices will have many "styles" from ranch, two-story, tiny homes, manufactured, or townhome/condo households. Trade-off to construction costs without municipal services require increased upfront capital for well and septic (and potential power), whereas municipal/sanitary districts have available water and sewer making for lower upfront capital needs.

Strategic development of land in area communities (incorporated and unincorporated) should be planned to maximize municipal resources already placed in the ground, such as water, sewer, power, and roads. These development costs have already been realized and will benefit developers and the community. The City of Washburn has identified and mapped city owned parcels and has a number of the parcels listed for sale with appraised values. The City Administrator has been given the ability to negotiate the sale of properties on the sale list, expediting potential development opportunities. Other

communities should develop a strategy to access municipal owned properties, determine if these properties could be developed, determine land values, and market these sites for development.

Affordability is a key factor in any residential development build. As noted earlier in this report, Ashland County median home value of \$114,000 requires \$13,980 annually towards PITI and PMI, requiring a household income of at least \$47,000 year to maintain less than 30% of household income towards housing costs. In Bayfield County the median home value is \$193,000 and requires \$19,212 per year towards PITI and PMI, requiring a household income of at least \$64,000 to maintain less than 30% of household income towards housing costs. Price points for homeowner and renter affordability will depend on their combined household income, savings, debt and other factors. Median household income of owner and renter occupied households (Tables 14 & 19) is a key factor to examine when considering construction of potential housing units.

Zoning ordinances and regulations play an important role in providing development standards based on community desires and the ability of land to be used for certain types of development. Local land use and zoning ordinances should be reviewed and updated to enable higher density developments. Development costs are a significant factor in development. Enabling higher density developments and smaller lot sizes to accommodate all types of housing is critical.

Communities need to convene conversations directly with construction home builders in the area. These builders are the most important link to gauging current and future trends in construction practices and will enable communities to build rapport to explore potential partnerships in public/private home building ventures. These ventures could provide direct cash or other deferred investments by communities for certain costs which would make homes more affordable. Owner occupied workforce housing has been an identified need in the area. A public/private partnership with home construction companies could be provided with a financial investment by the community, foundation, or other partners to bring down the overall cost by either donating land, potential infrastructure cost reductions of city lots, or deferring land costs until the home is sold.

Few financing mechanisms exist to offset municipal costs to develop water, sewer, power and road infrastructure. Tax Increment Finance options may exist for residential development, specifically targeted to developers, in villages and cities. The Wisconsin legislature is discussing the potential for tax incentives to developers to assist in the development/redevelopment of workforce housing. Additionally, units of government have been provided significant funding by way of the American Rescue Plan Act of 2020 (ARPA), however no clear guidance has been provided to indicate these funds are available to assist directly with housing developments. Another funding opportunity (applicable to all housing development types) accessible only by local units of government are Board of Commissioner of Public Lands (BCPL) loans that could be used to develop a residential tract of land or incentivize developer's projects. Repayment of these funds accessed by local governments could potentially have repayments for the upfront costs via assessment payback over 10 years, deferred payment of lot until owner sells the home in the future, or payback at the time of lot sale.

While most households would "like" a new home, there is a large segment of the current owner-occupied housing stock that is aging in place and likely in need of repairs and postponed maintenance. In Ashland County a total of 2,879 (64.2%) owner-occupied homes were built in 1979 or earlier, with 71.5% of those

built in 1959 or earlier. In Bayfield County a total of 2,968 (50.6%) owner-occupied homes were built in 1979 or earlier, with 54.6% of those built in 1959 or earlier. Maintenance and repairs are necessary to keep up a home as the exterior is subject to weather conditions and interior mechanicals and fixtures wear from day-to-day use. Without home equity or financial savings keeping up with repairs can be difficult. Several cities and both counties have zero percent interest, deferred payment loan programs, specifically for income eligible households. These funds are not intended to “remodel” a home, but rather to assist homeowners with necessary repairs to ensure the home is safe, decent, and sanitary.

SENIOR HOUSING

Senior rental housing development is impacted by the same issues facing other rental housing needs: lack of financial mechanisms to construct market rate housing, high costs of building materials, and contractors/developers not interested in this segment of housing supply. Likewise, owner occupied housing with one-level construction providing for maintenance free and convenient access to shopping can provide an alternative to the many current seniors living in their owner-occupied homes. Development of senior housing has the potential to make available a significant number of single-family homes for home buyers at all financial levels due to seniors moving from their home to a rental or one-level unit structure.

According to 2019 Census data (Table 14), there are 1,545 owner-occupied households in Ashland County with the head of householder aged 65 and over (659 owner-occupied aged 75 and over). Bayfield County has a significantly higher number with 2,265 owner-occupied households with the head of householder aged 65 and over (865 owner-occupied aged 75 and over). Many of these households may be interested in downsizing from their home to an apartment if a particular rental housing segment was available in the area. These high number of senior occupied housing units represents an opportunity.

Units of government, local community leaders and others should explore potential opportunities to partner and develop senior rental housing. Conversations should also include local medical clinics and hospitals as potential partners based on proximity and potential land holdings next to or in proximity to medical services.

HOUSING COORDINATION AND COOPERATION

Housing choices are important for existing and future residents, employers, businesses, local governments, and visitors. Continued dialog is necessary to carry the housing conversation forward towards an increased availability of housing choices.

The upcoming Chequamegon Bay WHEDA Rural Affordable Housing Workforce Initiative will provide directed conversation targeted towards workforce housing initiatives and is tentatively scheduled to begin in spring/summer 2022. Two other workforce housing efforts, one completed in Door County (2021) and another underway that began summer 2021 in Marinette County, will benefit the Chequamegon Region with processes and insight into their workforce housing needs.

Coordinated and sustained efforts are necessary by a diverse representation of the community to move the needle on increased housing supply. Community representation needs to include:

- persons of all types of housing need;
- local government;
- contractors;
- financial institutions;
- housing authorities;
- citizens; and
- developers.

Conversations must include potential new housing construction types and engaging existing homeowners (owner occupied and landlord). Communities should also travel to other communities where specific project activities have been developed that may mirror similar housing their community desires.

Strategic planning for community desired housing should be developed. While this report provides an assessment of existing conditions and identifies all types of housing is needed, housing priorities of communities may differ. A community focused discussion on housing goals and strategies will enable developers and contractors to direct their time and resources to communities who are engaged, and identified their housing priorities, potential housing sites, infrastructure availability and capacity, and financial initiatives towards future housing developments.

APPENDIX

Housing Development and Rehabilitation Financial Assistance Programs

This guide is a listing of financial resource agencies/organizations that may be available to assist in the purchase, construction, and rehabilitation of residential properties. These resources have varying levels of eligibility and requirements and will not apply to all types of development. Inclusion of these funding sources is meant to be a resource for community leaders and others seeking financial participation.

Department of Administration, Division of Energy, Housing, and Community Resources

<https://doa.wi.gov/Pages/LocalGovtsGrants/Community-Development-Block-Grant-Small-Cities-Housing-Program.aspx>

The Wisconsin Community Development Block Grant (CDBG) program, administered by the Wisconsin Department of Administration, Division of Energy, Housing, and Community Resources (DEHCR), provides grants to general purpose units of local government for housing programs which principally benefit low to moderate income (LMI) households. These funds are primarily used for rehabilitation of housing units, homebuyer assistance, and small neighborhood public facility projects. CDBG dollars are flexible and responsive to local needs.

In addition to addressing LMI housing needs, CDBG can be used to leverage other programs or serve as a local match. The grant also can be used as an incentive to involve the private sector in local community development efforts or to respond to area needs. The CDBG program often serves as a catalyst for other community development projects.

Programs within the Division

- CDBG Small Cities Housing Program
 - Seven regional housing programs across the state administer funding to provide owner- and renter-occupied rehabilitation, accessibility improvements to qualified low- to moderate-income households. Funds are provided in the form of a zero percent interest deferred payment loan to owner occupied households and landlords have access to zero percent interest loans towards repairs to rental units. The regions can be found at <https://doa.wi.gov/DECHR/CDBG%20Housing%20Regions%20Map%20with%20contacts%208-2021.pdf>
 - Many town, village, city, and county governments have CDBG Revolving Loan Funds using the same requirements as noted under the regional housing program.
 - Eligible Activities
 - Rehabilitation of dwelling units.
 - Removal of architectural barriers.
 - Homeownership opportunities for renters.
 - Payment of relocation costs and benefits.
 - Demolition or removal of buildings so site can be used for LMI housing.
 - Conversion of buildings into LMI dwelling units.
 - Acquisition of real property for the construction of LMI housing with other sources of funds.
 - Site improvements for the construction of LMI housing with other sources of funds.

- Homebuyer and Housing Rehabilitation (HHR)
 - The source of funds is the U.S. Department of Housing and Urban Development (HUD) HOME Investment Partnerships Program (HOME).
<https://doa.wi.gov/Pages/LocalGovtsGrants/HOMEHHRMainPage.aspx>
 - Eligible Activities include the following:
 - Homebuyer assistance: Direct assistance may be provided to eligible homebuyers for acquisition (down payment and closing costs), acquisition and rehabilitation, or new construction. Grantees may utilize the funds to construct housing for sale to low- and moderate-income (LMI) homebuyers (household income at or below 80% County Median Income).
 - Owner-occupied rehabilitation: Funds are provided for making essential improvements to single-family homes serving as the principal residence of LMI owners. Eligible costs include energy-related improvements, accessibility improvements, lead-based paint hazard reduction, and repair of code violations.

- Housing Cost Reduction Initiative (HCRI)
 - The program was created in 1989, by the Governor and the Wisconsin Legislature. The State sets aside funds to provide housing assistance to low- and moderate-income (LMI) households seeking to own decent, safe, affordable housing.
<https://doa.wi.gov/Pages/LocalGovtsGrants/HCRIMainPage.aspx>
 - Eligible Activities include the following:
 - Acquisition: Assist eligible homebuyers purchase affordable homes by providing down payment, closing cost, and/or gap financing assistance.
 - Foreclosure Prevention: Assist with payment on behalf of homeowner to prevent foreclosure and/or utility disconnections. Costs include payments to cover mortgage, property tax, principal, interest, and/or arrearages.

- Community Housing Development Organizations (CHDO)
 - A CHDO is an official designation of selected private nonprofit housing development corporations. An organization, which is designated as a CHDO can potentially qualify for special project funds, operating funds and technical assistance support associated with a project funded under the State's HOME Program, and may be eligible to retain project proceeds. <https://doa.wi.gov/Pages/LocalGovtsGrants/Community-Housing-Development-Organizations-CHDO.aspx>
 - CHDO's may serve as:
 - Developers of projects which they own and maintain, or
 - Project Sponsors wherein they develop a project they intend to pass on to a non-profit owner at a specific time or which they develop in a partnership, of which the CHDO is the sole managing member or general partner, using a subsidiary of the CHDO, or

- Owners of project they either develop or purchase and intend to maintain and operate.
- For single-family Homebuyer development projects, CHDO's must serve as developers only.
- Rental Housing Development (RHD) Program
 - The program assists eligible housing organizations, including Community Housing Development Organizations (CHDOs), with funds to develop affordable rental housing. For-profit corporations may partner with the above-mentioned groups or apply directly for RHD funds. <https://doa.wi.gov/Pages/LocalGovtsGrants/RHDHomePage.aspx>

Federal Home Loan Bank of Chicago

<https://www.fhlbc.com/>

- Affordable Housing Program (AHP)
 - Through the Affordable Housing Program (AHP) General Fund, FHLB member institutions partner with for- and not-for-profit developers, community organizations, units of government, public housing authorities, and tribal governments to apply for annual grants to subsidize the acquisition, new construction, and/or rehabilitation of affordable rental or owner-occupied housing. AHP subsidy is provided as a forgivable grant from the Federal Home Loan Bank of Chicago, through a member, to a project sponsor. <https://www.fhlbc.com/community-investment/competitive-affordable-housing-program-ahp>
- Down Payment Plus Program
 - Down Payment Plus (DPP®) and Down Payment Plus Advantage® (DPP Advantage®) offer Federal Home Loan Bank of Chicago members (financial institutions) access to down payment and closing cost assistance to help their income-eligible customers achieve homeownership. <https://www.fhlbc.com/community-investment/downpayment-plus-programs>

U.S. Department of Housing and Urban Development (HUD)

<https://www.hud.gov/>

- Supporting ([Section 202](#)) Housing for the Elderly and ([Section 811](#)) Housing for Persons with Disabilities programs. Section 202 provides capital advances and operating subsidies to facilitate the creation of multifamily housing for very low-income elderly with a household member 62 years or older, and Section 811 provides funding to develop and subsidize rental housing with the availability of supportive services for very low- and extremely low-income adults with disabilities.

Wisconsin Housing & Economic Development Authority (WHEDA)

<https://www.wheda.com/>

- Low Income Housing Tax Credit Program
 - Provides federal income tax credits for construction, rehabilitation, and preservation of affordable rental housing. Investors and/or owners invest cash into a tax credit housing development and receive a dollar-for-dollar credit against their federal income tax liability each year for 10 years. In exchange for receiving the credit, owners agree to set aside for 30 years at least 20% of the units for households with income less than 50% of the county median income, or set aside at least 40% of the units for households with income less than 60% of the county median income.
<https://www.wheda.com/developers-and-property-managers/tax-credits/htc>

- Construction Plus Tax Credit Development Loan
 - Eligible borrowers include for-profit, qualified non-profits, housing authorities, or other entities meeting criteria established by WHEDA. Eligible developments are residential rental housing for families, elderly, or people with disabilities and include apartments, including townhouses, and new construction, the purchase and renovation of existing multifamily properties and adaptive re-use developments.
<https://www.wheda.com/developers-and-property-managers/financing/term-sheets/construction-plus-loan>

- A number of home buyer assistance programs are offered for eligible clients including the First Mortgage and Down Payment Assistance Program, Rehabilitation Mortgage Program, Home Improvement Loan Program, and Down Payment Assistance Program. Greater details on each of the programs can be found at <https://www.wheda.com/homeownership-and-renters/home-buyers/six-steps-to-a-wheda-loan>

Board of Commissioners of Public Lands

<https://bcpl.wisconsin.gov/Pages/Home.aspx>

- The Board of Commissioners of Public Lands makes loans to municipalities and school districts for public purpose projects including economic development, local infrastructure, capital equipment and vehicles, building repairs and improvements, and refinancing existing liabilities to reduce future borrowing costs. <https://bcpl.wisconsin.gov/Pages/Home.aspx>

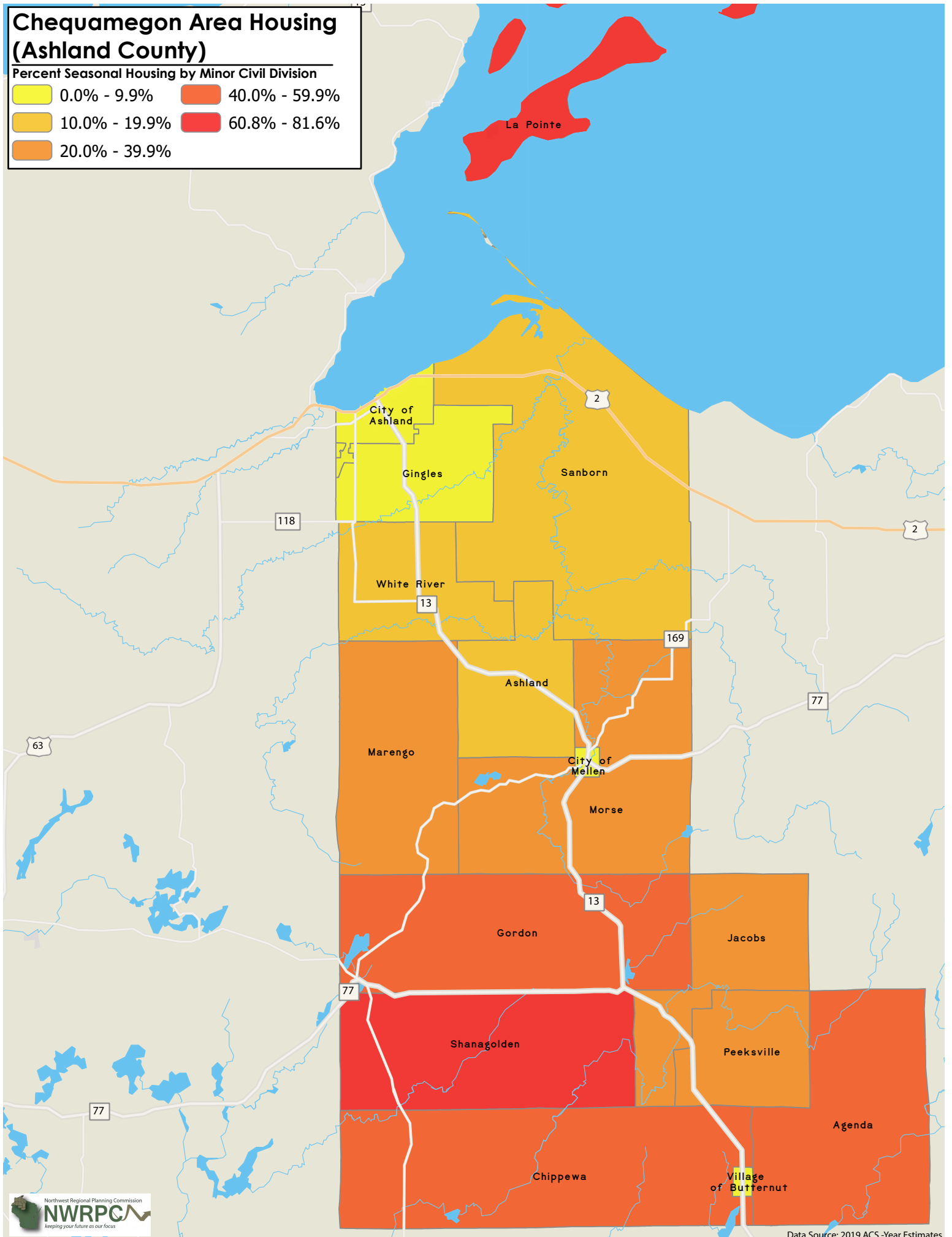
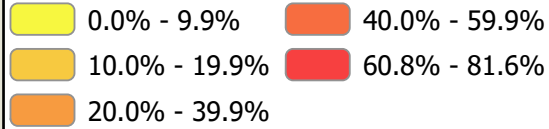
Tax Increment Financing

<https://www.revenue.wi.gov/Pages/FAQS/slf-tif-general.aspx>

- Tax Increment Financing enables municipalities the ability to establish a tax increment finance district that can support public facilities that may be related to residential activities and provide direct financial assistance to developers.

Chequamegon Area Housing (Ashland County)

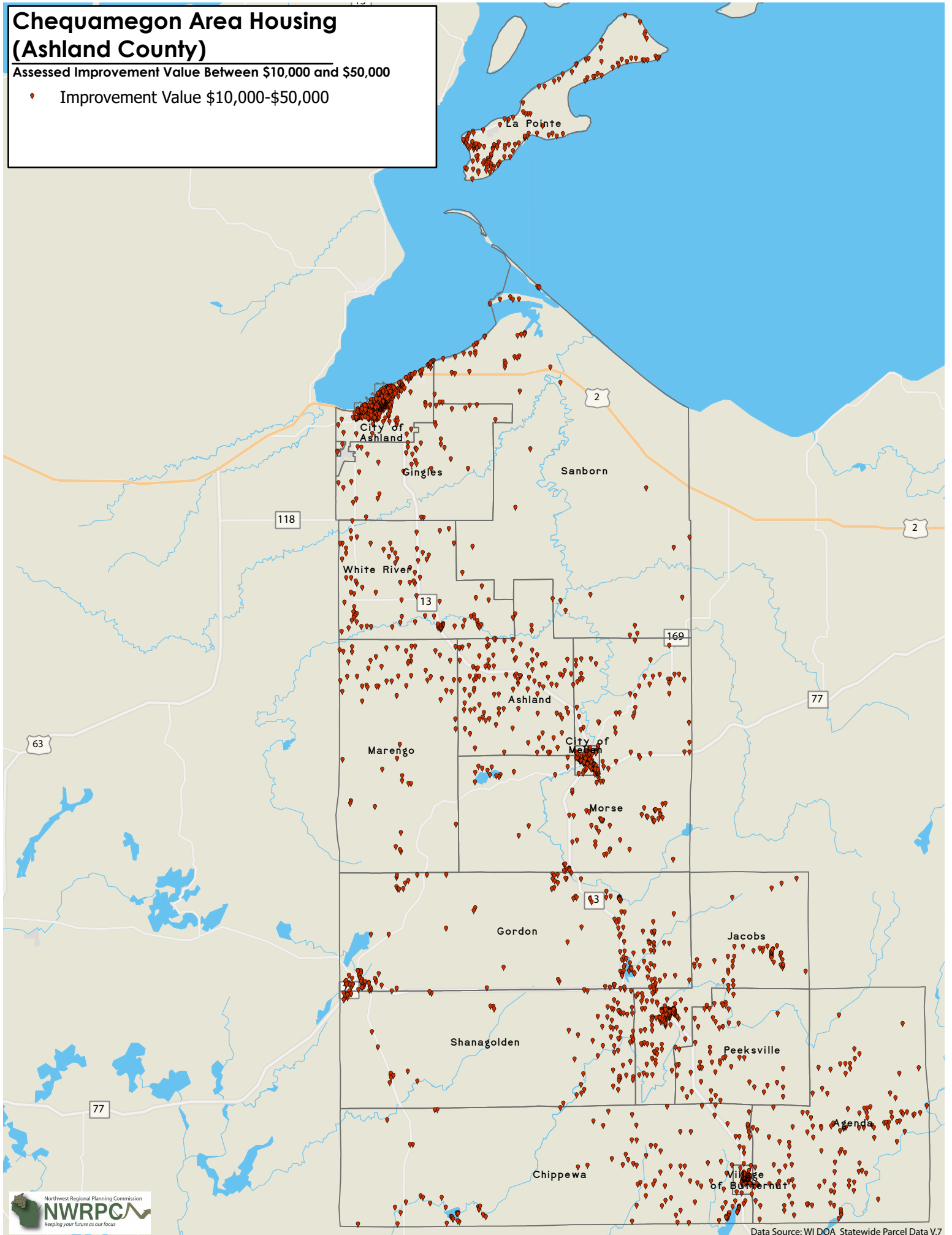
Percent Seasonal Housing by Minor Civil Division



Chequamegon Area Housing (Ashland County)

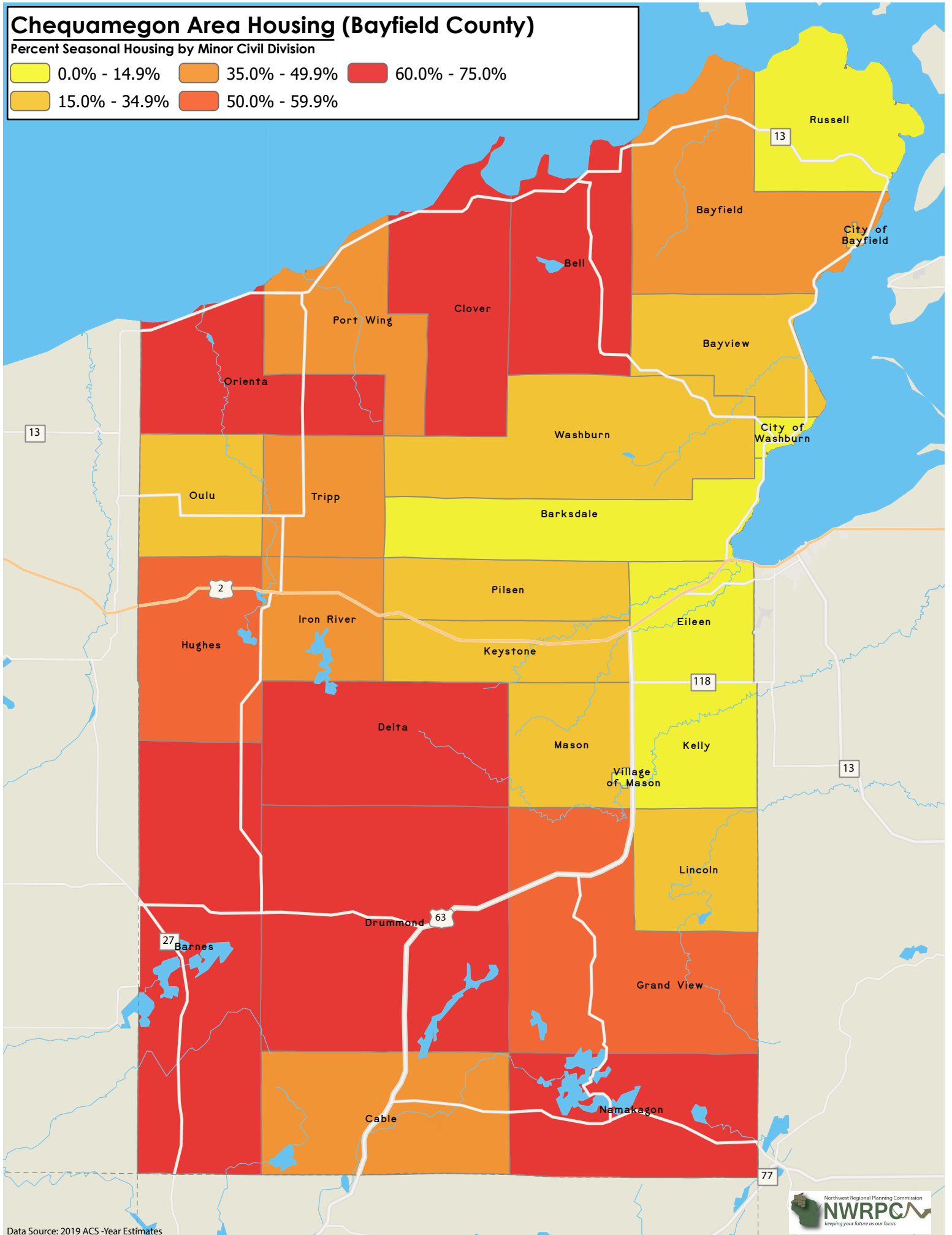
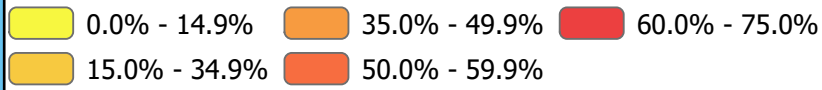
Assessed Improvement Value Between \$10,000 and \$50,000

◆ Improvement Value \$10,000-\$50,000



Chequamegon Area Housing (Bayfield County)

Percent Seasonal Housing by Minor Civil Division



Chequamegon Area Housing (Bayfield County)

Assessed Improvement Values Between \$10,000 and \$50,000

◆ Improvement Value \$10,000-\$50,000

