



# **CITY OF RHINELANDER**

## **Housing Needs Assessment**

October 28, 2021 FINAL

# ACKNOWLEDGMENTS

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**Thank you to all of the residents and organizations who provided valuable input during the process!**

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## DEFINITIONS

### **Affordable Housing:**

Housing that serves lower-income residents, typically households earning 80% or less of the area median income (AMI) as calculated by the US Department of Housing and Urban Development (HUD).

### **Housing Affordability:**

The measure of how much a household can spend toward total housing cost. The widely accepted standard for affordability states that a household should spend no more than 30% of their gross income toward housing costs.

### **Workforce Housing:**

Housing that is affordable to the workforce in a community. Because incomes within the workforce vary, a range of housing options is needed to fit the needs of the community.

## GLOSSARY

**ACS:** American Community Survey (Census Bureau)

**AMI:** Area Median Income

**DOA:** (Wisconsin) Department of Administration

**HUD:** (US Department of) Housing and Urban Development



# EXECUTIVE SUMMARY

## INTRODUCTION

The purpose of this study is to help the City better understand its affordable housing market, which starts with a general understanding of the overall housing market. This study examines the existing balance between housing demand and supply by analyzing data, talking to housing experts, and understanding local residents' experiences. Based on this examination housing gaps in Rhinelander are indicated. To close these gaps and improve affordable housing options in the city, this study lays out a toolbox of targeted strategies.



## KEY FINDINGS

- Based on recent trends, the population in the city is projected to decrease by 8% between 2020 and 2040. The population in surrounding towns is projected to increase by 6% during this timeframe.
- There is a **growing senior population and lack of independent and assisted living options** in Rhinelander. Developing housing options for seniors will have the added benefit of putting additional affordable, single-family homes on the market.
- There is a demonstrated **need for affordable AND market rate housing** in the city. The development of market rate housing frees up more affordable units in the city that are currently rented/owned by households at higher income levels.
- For a hypothetical household earning median income in Rhinelander (\$33,023), **50% of existing rental units are considered affordable**. Despite having low housing costs, there is a concern about quality of existing units in the city due to their age.
- Development of new single-family homes has remained low in Rhinelander primarily due to the lack of space available for greenfield development. The City's **primary opportunity for new neighborhood development is annexation**.
- **Developers like working in Rhinelander**. Some stakeholders had suggestions on how the City could be even easier to work with, especially to get affordable units constructed.
- In order to fully meet the city's affordable housing needs, **partnerships with surrounding communities and additional programs at the State and Federal level are needed**.

# EXECUTIVE SUMMARY

## HOUSING GAPS & OPPORTUNITIES

Using both conservative and high growth scenarios to arrive at a range, the city will need the following to meet projected housing demand by 2030:

- **30-101 rental units (3-10/year)**

This equates to approximately the following per year, based on current rental price points and HUD FY2020 income categories:

- 11-38 units with monthly rent up to \$900
- 8-26 units with monthly rent between \$1,000-\$1,400
- 11-37 units with monthly rent greater than \$1,200

- **26-129 owner-occupied units (3-13/year)**

This includes attached and detached units and equates to the following per year, based on current ownership price points and HUD FY2020 income categories:

- 5-18 units priced up to \$56,000
- 3-14 units priced between \$50,000-\$90,000
- 4-19 units priced between \$118,000-\$178,000
- 4-18 units priced between \$150,000-\$235,000
- 12-60 units priced greater than \$190,000

It should be noted that these unit projections are meant to guide development and are not meant to be prescriptive or limiting. The housing market is regional in nature and the City could attract new households who are looking to move to the area if the right types of housing are provided.

## PRIORITY FOCUS

### Unit Types Needed

- **Senior Housing**—Independent and assisted living units for the growing senior population. These units should be targeted downtown, within walking distance of services and opportunities for socialization.
- **Missing Middle Housing**—Varied housing forms with 2-16 attached units, either rental or condo, addressing both affordability and neighborhood compatibility.
- **Quality Rental Units**—Both subsidized and market rate.

## STRATEGIES TO IMPROVE HOUSING OPTIONS

(refer to pages 83-87 for more detail)

### Capacity Building & Communication

1. **Establish Housing Committee**—The Housing Committee can be the driving force to implement this plan, provide oversight on the development and administration of funding programs, support public outreach about the City's housing needs and programs, and support updates to this plan as the market shifts and outside funding programs change.
2. **Redevelopment Authority**—State Statutes authorize cities, towns and villages in Wisconsin to create a Redevelopment Authority. The RDA can issue bonds or borrow money to fund redevelopment projects without obligating the City or affecting its debt limits.
3. **Staff & Developer Communications & Processes**—Development projects require collaboration with multiple City departments. Getting feedback and sign-off from each department in an efficient manner is a challenge in many communities, including Rhinelander.

### Initiatives

4. **City-Owned Properties**—Identify properties that would be prime for redevelopment, in particular downtown, as well as locations in existing neighborhoods where smaller development projects serve as a means to increase affordability. The City should consider purchasing these properties and advertising them on the City's website.
5. **Require or Incentivize Universal Design**—Consider requiring or incentivizing all new residential construction to conform to at least several key universal design standards
6. **Continuing Care Retirement Community**—Seek out a developer for a Continuing Care Retirement Community (CCRC). A CCRC offers seniors the opportunity to stay in place as they age and their needs change.
7. **Rental Conversion Program**—Create a program aimed at converting rental-occupied properties to owner-occupied properties. This program could be funded with TIF, TIF-Affordable Housing One-Year Extension, or general funds.

# EXECUTIVE SUMMARY

8. **Actively Seek Cottage Courge-Style Development**—This style of development includes small groupings of housing around a shared public space. Often the homes are smaller, and may be particularly attractive to seniors looking to downsize.
9. **Growth Through Annexation**—Due to limited opportunities for new neighborhood development within current municipal limits, it should be the City's intention to seek orderly annexation in key growth areas.

## Regulation

10. **Allow Accessory Dwelling Units**—Consider allowing accessory dwelling units (ADUs) by right in the R-1, R-2, and R-3 districts.
11. **Eliminate Single-Family Only Zoning District**—The City should eliminate the R-1 Single-Family Residential District. A majority of the properties currently in the R-1 district could be rezoned to the R-2 Single- and Two-Family Residential District.

## Funding

12. **Affordable Housing Fund**—The City could create an Affordable Housing Fund to be a general purpose funding vehicle that can serve various affordability initiatives anywhere in the City
13. **Workforce Housing Fund**—Facilitate the creation of a Workforce Housing Fund with major employers and investors in the area for the purpose of funding affordable units for workers in the region.
14. **Utilize Tax Increment Financing for Affordable Housing Incentives**—Use TIF for the construction of infrastructure to encourage the development of housing.
15. **Utilize Tax Increment Financing-Affordable Housing One-Year Extension**—Hold open TIF Districts that are about to be closed for one additional year beyond their planned or maximum duration to generate funds that can be used anywhere in the City for affordable housing.
16. **Promote the Use of the Federal and State Low Income Housing Tax Credit (LIHTC) Program** — Support and encourage developer use of LIHTC. Neighborhood Revitalization Funds could be used as local match for LIHTC.
17. **Wisconsin Low-Income Housing Tax Credit**—Wisconsin offers a 4% non-competitive state tax credit which can be used as match for the federal 4% program.
18. **Increase use of WHEDA 7/10 Flex Financing**—Encourage developers to apply for these low interest

loans that require developers to set aside at least 20% of units to households at or below 80% AMI.

19. **Continue CDBG Housing Rehab Program**—The Housing Rehabilitation Assistance Program provides housing rehab assistance to low- and moderate-income households within City limits.
20. **Waive Fees on Housing Rehab for Low-Income Owners**—Consider waiving fees for housing rehabilitation projects for low income households (<80% AMI).
21. **Increase Use of Downpayment Assistance**—Promote Newcap, Wisconsin Housing and Economic Development Association (WHEDA), and Federal Home Loan Bank of Chicago (FHLBC) downpayment assistance programs.
22. **Encourage Senior Property Tax Deferral Loan Program**—Eligible households can borrow up to \$3,525 each year they qualify, and make no monthly principal or interest payments until ownership of the property is transferred or until the borrow no longer lives in the home.
23. **Federal Home Loan Bank Affordable Housing Program**—Encourage local banks and single-family home developers to participate in the Federal Home Loan Bank (FHLB) Affordable Housing Program (AHP)

## Partnerships

24. **Support Habitat for Humanity and Other Affordable Housing Providers**—Help arrange a supply of lots for new home construction and rehabilitation of existing buildings.
25. **Continue to Partner with Newcap**—Help connect residents to Newcap for low-income housing programs.
26. **Implement Landlord Education**—Work with existing organizations such as Newcap or the Housing Authority to provide training opportunities for landlords and tenants as to the rights and responsibilities of each.
27. **Seniors and Health Care**—Work with developers to co-locate senior housing with or near health care facilities to improve access.





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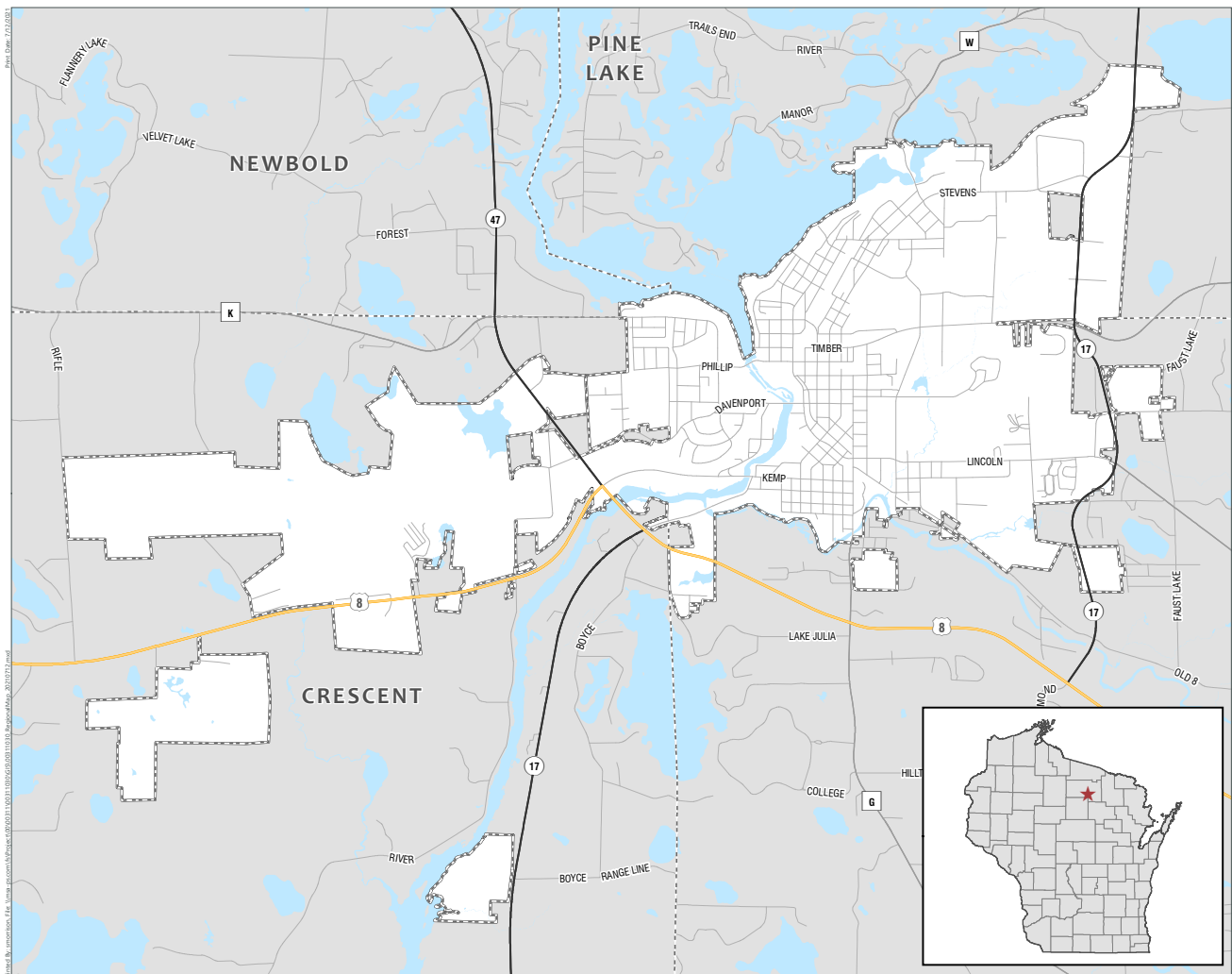
# INTRODUCTION

# OVERVIEW

This study was commissioned by the City of Rhinelander to inventory the existing housing stock in the city and assess where gaps exist in the housing market. The purpose of this study is to help the City better understand its housing market and to craft targeted strategies to improve options within the community.

There are two parts to the Rhinelander housing supply. The first is all of the housing in Rhinelander and the second is all of the housing outside of Rhinelander for people who go to school or work in the city. The housing in Rhinelander is the easiest to measure and analyze, and is the part that the City has the most control over. The housing outside the city is a bit harder to quantify and qualify, but it is nevertheless important to our understanding of the overall market. This needs assessment attempts to document conditions and trends in the overall market, including an understanding of why people are choosing to live where they live.

The needs assessment uses a variety of methods and data to understand the housing market. Objective, measurable data were collected from the City, Oneida County, the Multiple Listing Service (real estate listings and sales), the State of Wisconsin, the U.S. Department of Housing and Urban Development, and the U.S. Census Bureau. The city is compared to surrounding communities and wider context (county, state, nation) in a variety of ways, and also compared to itself in the form of time-series data that reveal trends. This study also incorporated one-on-one interviews with people familiar with the housing market—the housing experts, and two public open houses where residents and housing experts came to share their experiences and views on housing needs in the community.





# STUDY PROCESS

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## Project Oversight

MSA had ongoing correspondence with the Rhinelander's City Administrator and met with City Council three times during the study process: first in June 2021 for a kickoff discussion of issues and opportunities facing the city and region, then in August 2021 to review stakeholder input and preliminary recommendations, and finally for a presentation of the entire draft of the study in September 2021.

## Public Meetings

Two public meetings were held on the same day in July 2021. The meetings included an introduction presentation to the housing study followed by small group conversations to better understand residents' and housing experts' (landlords, realtors, employers, non-profits, City staff and officials) experiences and feedback on housing needs in the community. For those unable to attend the meeting in-person, we sent a recording of the presentation and the list of questions we used in the small group discussions and invited their feedback. In total we had over 30 participants in-person and online. The public open house was advertised on the City's website, social media, and via press release. Relevant findings are featured throughout the report.

## Interviews

To supplement feedback from the public meeting, the project team met and interviewed additional people with knowledge and insight about the local housing market, including a realtor, director of a non-profit, and developers. Feedback collected through interviews often naturally gravitated toward similar topics and knowledge, indicating a strong shared understanding of how the local housing market inherently functions. This feedback is used throughout the report.

# DEFINITIONS

The terms 'housing affordability', 'affordable housing' and 'workforce housing' are often used interchangeably, however they have different meanings. These terms are defined here to aid in understanding the analysis and recommendations in this study.

## Housing Affordability

Housing affordability is a measure of how much a person or household can spend toward total housing cost. This

measure is relative to income, meaning that higher-income households have a wider selection of homes that would be affordable, while lower-income households generally have fewer affordable options within the housing market.

The widely accepted standard for affordability states that a household should spend no more than 30% of their gross income toward housing costs. This standard is the same for owners and renters. For renters this also includes utilities and renters insurance. For homeowners this includes principal, interest, taxes, insurance, and utilities.

Income categories are calculated by the US Department of Housing and Urban Development (HUD), and used to determine appropriate monthly housing costs across different regions. HUD's income categories are based on Area Median Income (AMI) for a region and divided into typically four categories 30%, 50%, 80%, and >100% AMI. Each category has an income limit based on the number of persons in a household. For Oneida County, affordability limits are shown on the following page. For example, in Oneida County a household of four earning 100% of the area median income could afford a \$235,100 home or a monthly rent of \$1,810. In contrast, a household of four earning 50% of the area median income could afford a \$89,900 home or a monthly rent of \$905.

## Affordable Housing

Affordable housing is housing that typically serves the lowest-income residents of a community. Generally this includes residents with no income up through residents making 80% the area median income. Income limits calculated by HUD give ranges for which housing market service levels are measured. The income limits for Rhinelander are defined using Oneida County. Current 2021 Income limits for Oneida County are shown in the figures on the following page.

Funding for newly constructed affordable housing almost always comes from subsidies that offset costs of construction and/or operation. This allows rents to be set at a certain price that is manageable for low-income households based on the HUD income limits that come out every year. The price also takes into consideration families' other expenses such as food, childcare, transportation and healthcare. Other forms of affordable housing include:

- » Naturally Occurring Affordable Housing (NOAH)
- » Housing Operated by Non-Profits
- » Vouchers, Tax Credits, Other Federal Programs

**Figure 1. FY 2021 Income Limits for Oneida County**

Source: US Department of Housing and Urban Development

FY 2021 Income Limit Area	Median Family Income for Family of 4	FY 2021 Income Limit Category	Persons in Family							
			1	2	3	4	5	6	7	8
Oneida County	\$72,400	Extremely Low Income 30% AMI	\$15,200	\$17,420	\$21,960	\$26,500	\$31,040	\$35,580	\$40,120	\$44,660
		Very Low Income 50% AMI	\$25,350	\$29,000	\$32,600	\$36,200	\$39,100	\$42,000	\$44,900	\$47,800
		Low Income 80%AMI	\$40,550	\$46,350	\$52,150	\$57,900	\$62,550	\$67,200	\$71,800	\$76,450

**Figure 2. FY 2021 Affordability Thresholds for Oneida County**

Source: US Department of Housing and Urban Development

FY 2021 Income Limit Area	Maximum Monthly Housing Cost for Family of 4 (100% Median Income)	FY 2021 Income Limit Category	Persons in Family							
			1	2	3	4	5	6	7	8
Oneida County	\$1,810	Extremely Low Income 30% AMI	\$380	\$436	\$549	\$663	\$776	\$890	\$1,003	\$1,117
		Very Low Income 50% AMI	\$634	\$725	\$815	\$905	\$978	\$1,050	\$1,123	\$1,195
		Low Income 80%AMI	\$1,014	\$1,159	\$1,304	\$1,448	\$1,564	\$1,680	\$1,795	\$1,911

## Workforce Housing

Workforce housing is housing that is affordable to the workforce in a community. Because incomes within the workforce vary, a range of housing options is needed to fit the needs of the community. Workforce housing also means ensuring a supply of affordable housing for employee households that earn minimum wage—and ensuring appropriately priced housing for moderate to high-income earners in both the rental and ownership markets.

Variety in the housing stock is important, as households have a variety of preferences that impact where and how they can live. Important types of variety necessary to serve area employees include structure types, sizes, locations, and price points.

A large, dark, horned creature sculpture, possibly a dragon or a mythical beast, is the central focus. It has a stone base and is set against a red-tinted background of a building. The creature has large, curved horns and a wide, toothy mouth. The background shows a building with a gabled roof and a window. The overall scene is bathed in a warm, reddish-orange light.

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ABOUT  
RHINELANDER



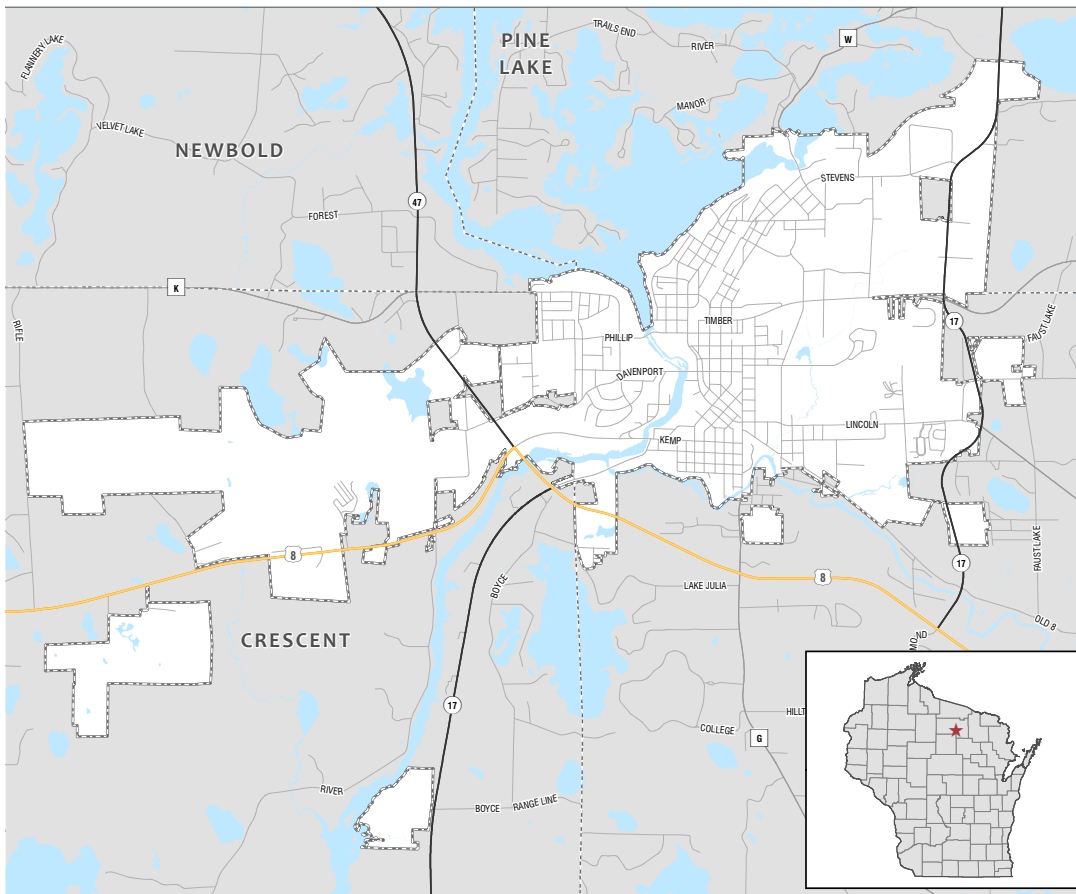
# CITY OVERVIEW

The city of Rhinelander is in Oneida County, located in northern Wisconsin. Rhinelander is the only incorporated community in the county and makes up 21% of its population. The city is approximately 60 miles north of Wausau and 65 miles northwest of Green Bay.

Rhinelander is known for its natural/recreational amenities, small-town feel, and is a major location for retail as well as a government center that serves the entire Northwoods.

## KEY DATA

- Based on recent trends, the population in the city is projected to decrease by 8% between 2020 and 2040. The population in surrounding towns is projected to increase by 6% during this timeframe.
- Those age 65+ could increase by 27% (2,600 people) between now and 2040 in Oneida County.
- Rhinelander's median household income is lower than surrounding communities at \$48,313.
- The weighted average salary for the most in-demand occupations in North Central Wisconsin is \$47,800.



# POPULATION

Population within the city has decreased over the past decade, similar to peer communities, while population in surrounding towns has grown. Between 2010 and 2020 Rhinelander saw a net decrease of 111 residents—a 1% decrease in population. During the same time period there was a net increase of 282 residents in surrounding towns, or a 3% increase in population. The county overall also experienced a net decrease of 111 residents, or 0.3%.

The growth pattern within the surrounding towns and county indicates the city’s loss of potential growth to the towns as well as a general loss of population in the area. Population change is directly tied to change in the number of households and the size of those households, both of which are influenced by availability of desirable units within desired markets.

**-1.4%**

*Rhinelander population decrease, 2010-2020*

**-0.3%**

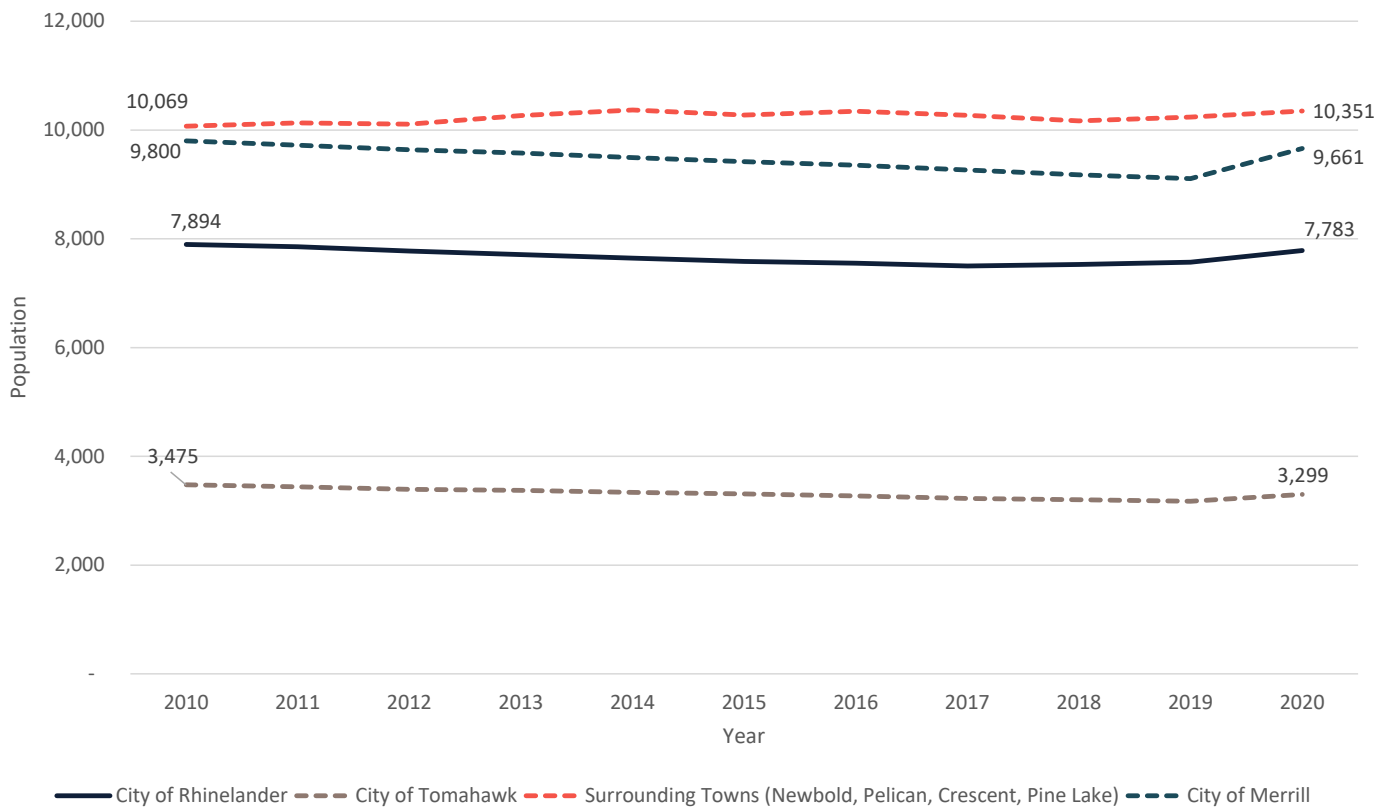
*County population decrease, 2010-2020*

**+2.8%**

*Surrounding Towns’ population increase, 2010-2020*

**Figure 3. Population Growth Trend in Rhinelander and Surrounding Communities**

Source: 2010-2019 ACS 5-Year Estimates, WI DOA 2020 Estimates



# POPULATION PROJECTIONS

Rhinelanders' future population growth has been projected by the State Department of Administration (DOA). The latest projections were made in 2013 for 2020 through 2040. We now have estimates for 2020. Because DOA's 2020 projections were 2% higher than actual estimates for Rhinelanders, DOA's 2025 through 2040 projections have been adjusted down by 2%. Similar calculations were done for all communities below.

Based on the adjusted projections, the city's population is expected to increase by 1% between 2020 and 2030, but overall contract by approximately 8% (643 residents) between 2020 and 2040. The city's peer communities of Tomahawk and Merrill are expected to see similar contractions. Surrounding towns are expected to have a 6% increase during this time frame, an addition of roughly 663 residents. Overall, Oneida County is expected to add 1,202 residents during this timeframe, an increase of 3%.

DOA projections are based on historical trends, and market forces and local policy can have a large impact on the accuracy of these projections. There is potential that strategic investment in housing opportunities could shift these projections and the city could capture some of the growth anticipated to occur at the county level.

**-8.3%**

*Rhinelanders projected population decrease, 2020-2040*

**+3.3%**

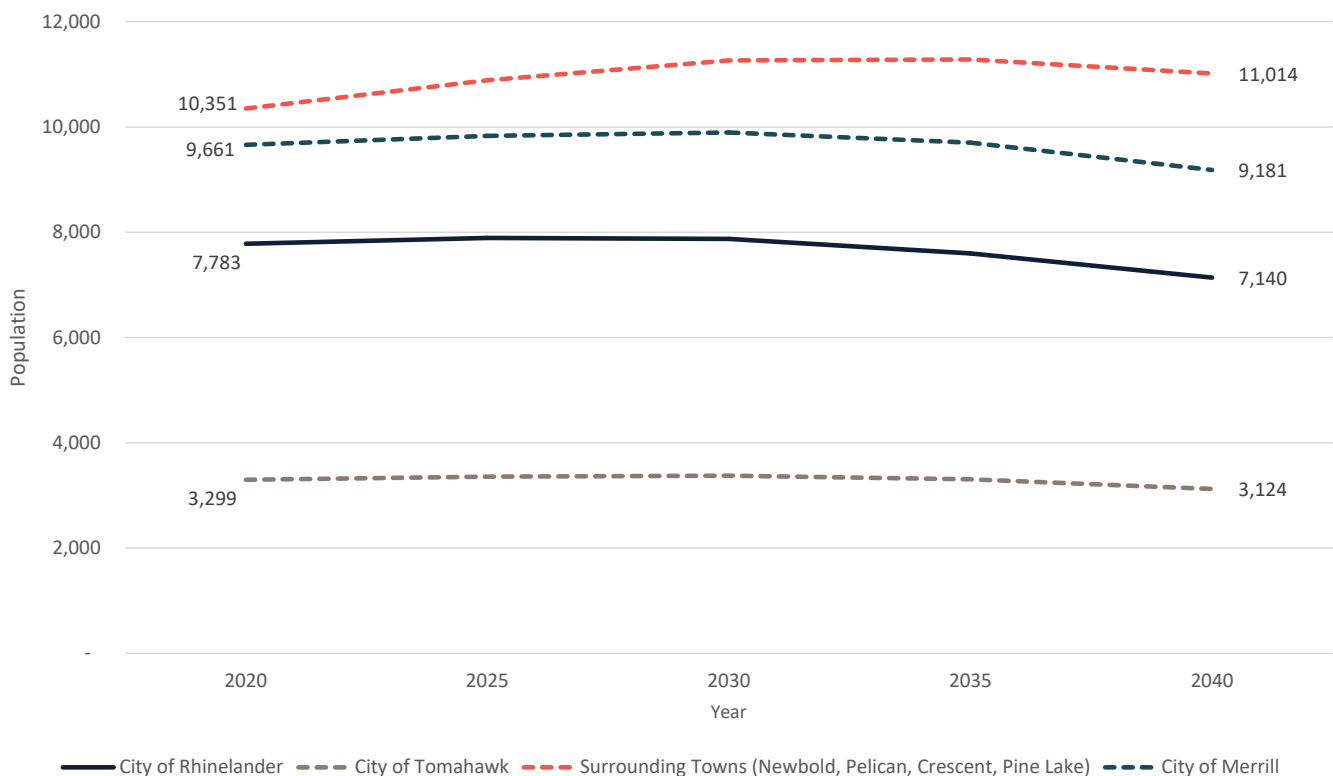
*County projected population increase, 2020-2040*

**+6.4%**

*Surrounding towns' projected population increase, 2020-2040*

**Figure 4. Population Projections for Rhinelanders and Surrounding Communities**

Source: WI DOA 2020 Estimates, WI DOA Projections



# HOUSEHOLDS

The estimate of total households within Rhinelander has declined since 2010 by 9%. Tomahawk (-1%), Merrill (-10%), surrounding towns (-9%), and the county (-12%) have also had declines in total households since 2010.

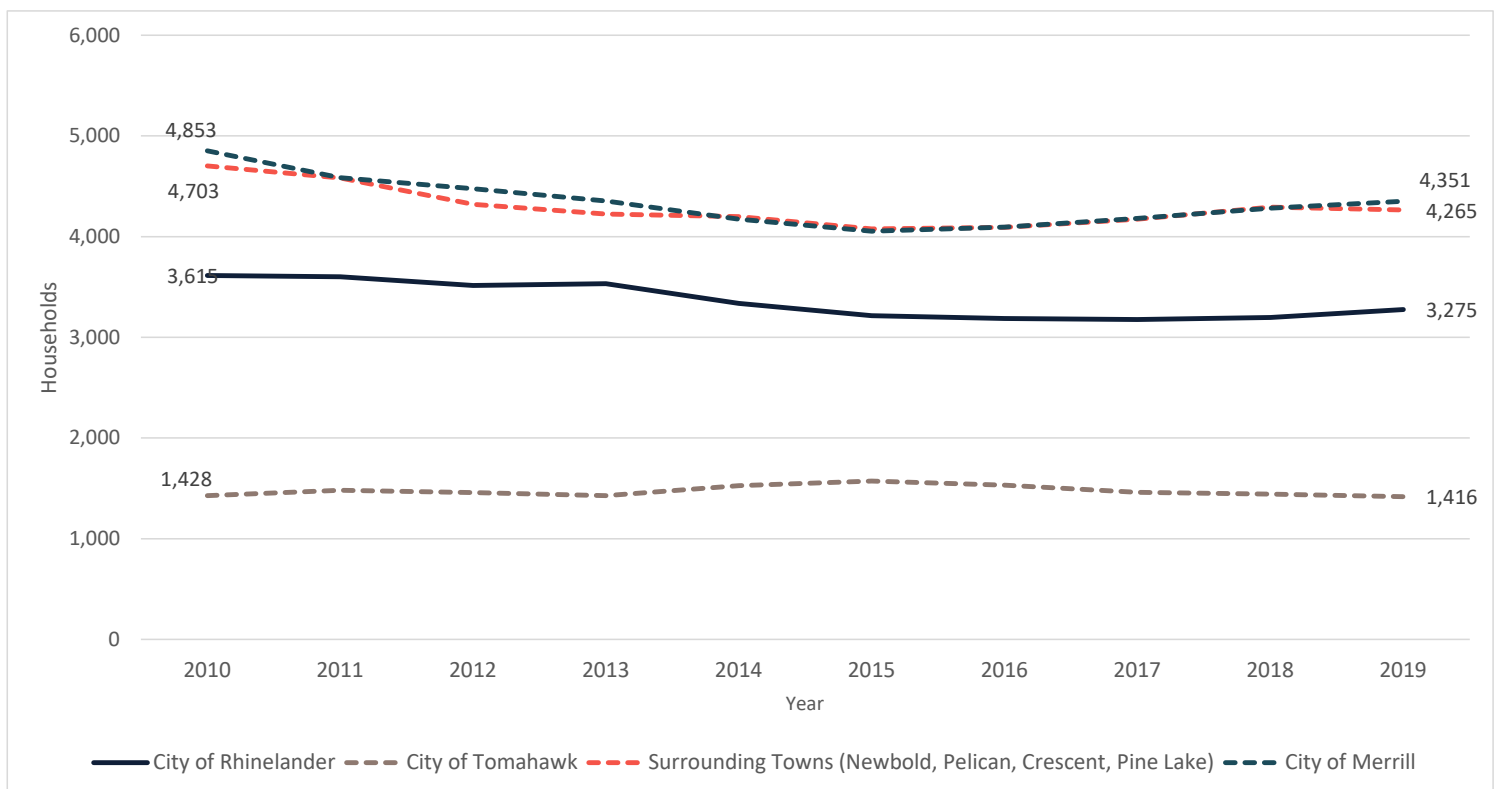
Between 2010 and 2019 Rhinelander's average household size increased from 1.97 to 2.2. All peer communities and surrounding towns have also seen an increase in household size. Nationwide, average household size has generally decreased since 1900, however since 2010 there have been signs that this trend is reversing and this seems to be the case recently in Rhinelander. With the aging population in Rhinelander, it is likely average household size will begin to decrease.

National trends show that most age groups are living in larger households now than they were a decade ago. This change is most prominent for adults age 35 and older. Between 2010 and 2017 there was a three percent increase in the number of adults age 35 and older living in households with at least three people. A common explanation for larger households is people living in multi-generational households or doubling up—this could be a parent of the householder or a roommate.



**Figure 5. Household Growth Trend in Rhinelander and Surrounding Communities**

Source: 2010-2019 ACS 5-Year Estimates



# HOUSEHOLD PROJECTIONS

Projecting Rhinelander’s future households is tied to both future population projections as well as future anticipated persons per household as demographics change and people age. Projection methods for the city show a decrease in households in Rhinelander, corresponding with the expected decline the WI DOA projects in overall population. With the exception of Tomahawk, household projections in surrounding communities are projected to increase between 2020 and 2040 with rates ranging from a 0.1% increase in Merrill and a 2% increase in surrounding towns. Between 2020 and 2030 Rhinelander is projected to have a 1.4% increase in the number of households, while surrounding towns are projected to see an increase of 4.5% on average and the county sees an increase of 8.0%.

**-7.8%**

*Rhinelander total household decrease, 2020-2040*

**+5.3%**

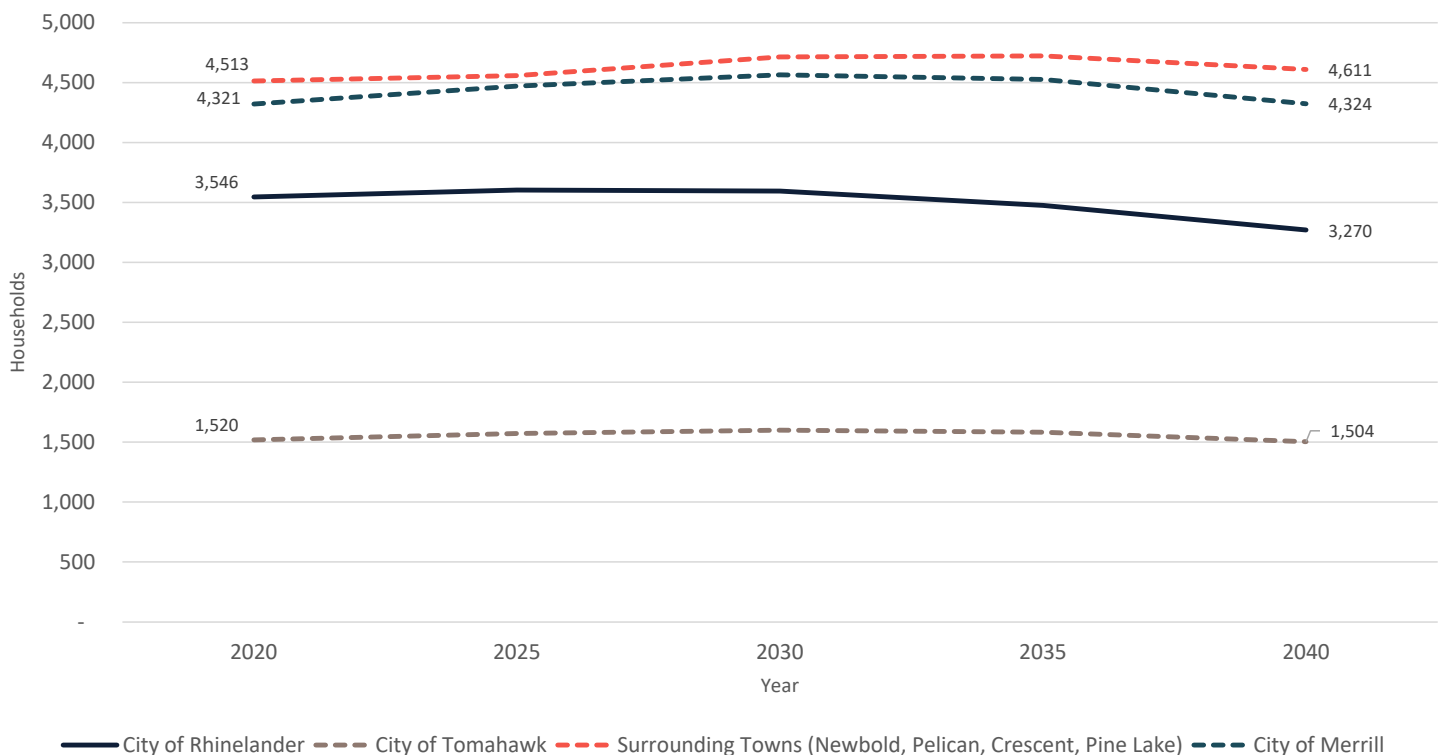
*County total household increase, 2020-2040*

**+2.2%**

*Surrounding towns’ total household increase, 2020-2020*

**Figure 6. Household Projections for Rhinelander and Surrounding Communities**

Source: 2019 ACS 5-Year Estimates, WI DOA Projections



# AGE COHORTS

Age trends are used to help predict current and future needs of the community. As people continue to age or add members to their households, their needs change as well. Since 2010, the City has seen an overall decrease in population. Despite the overall decrease in population, the number of young children (0-9), young adult (20-34), middle-aged (55-64) and older adults (85+) has increased. This indicates some growth or expansion in young families, Baby Boomers, and the Silent Generation aging over the decade. The increase in those age 65+ follow general trends of aging in the county, state, and nation as Baby Boomers reach retirement.

**+14.0%**

*Rhinelanders increase in those age 0-9, 2010-2019*

**+30.2%**

*Rhinelanders increase in those age 55-65, 2010-2019*

**+13.9%**

*Rhinelanders increase in those age 85+, 2010-2019*

**Figure 7. Change for Age Cohorts in Rhinelanders 2010-2019**

Source: 2010-2019 ACS 5-Year Estimates

	Total Change 2010 -2019	% Change
0-9 Years	106	14.0%
10-19 Years	-367	-26.7%
20-34 Years	133	8.9%
35-54 Years	-313	-15.3%
55-64 Years	204	30.2%
65-84 Years	-139	-11.7%
85 Years and Over	52	13.9%
<b>Total Change</b>	<b>-324</b>	<b>-4.1%</b>

# AGE COHORT PROJECTIONS

As populations age, their housing preferences often change. Older households may choose to continue to live in their current homes, however many will opt to move and downsize or seek housing that is better set up to meet new housing needs and preferences. Younger households may rent for longer periods of time than they used to, however recent studies have shown that young householders move into homeownership eventually and seek smaller, more affordable homes.

The WI DOA does not project age cohorts by municipality, but does at the county level. If we assume similar trends occurring within the City, the age cohort with the greatest rate of growth is those age 85 and greater (98%) and 65-84 years old (17%). The only other age cohorts projected to have an increase in population are age 10-19 (8%) and age 35-54 (3%). All other cohorts are projected to have negative growth.

These projections highlight the need for appropriate housing for seniors (either aging at home or moving).

**+27.2%**

County increase in those age 65+,  
2020-2040

**+7.8%**

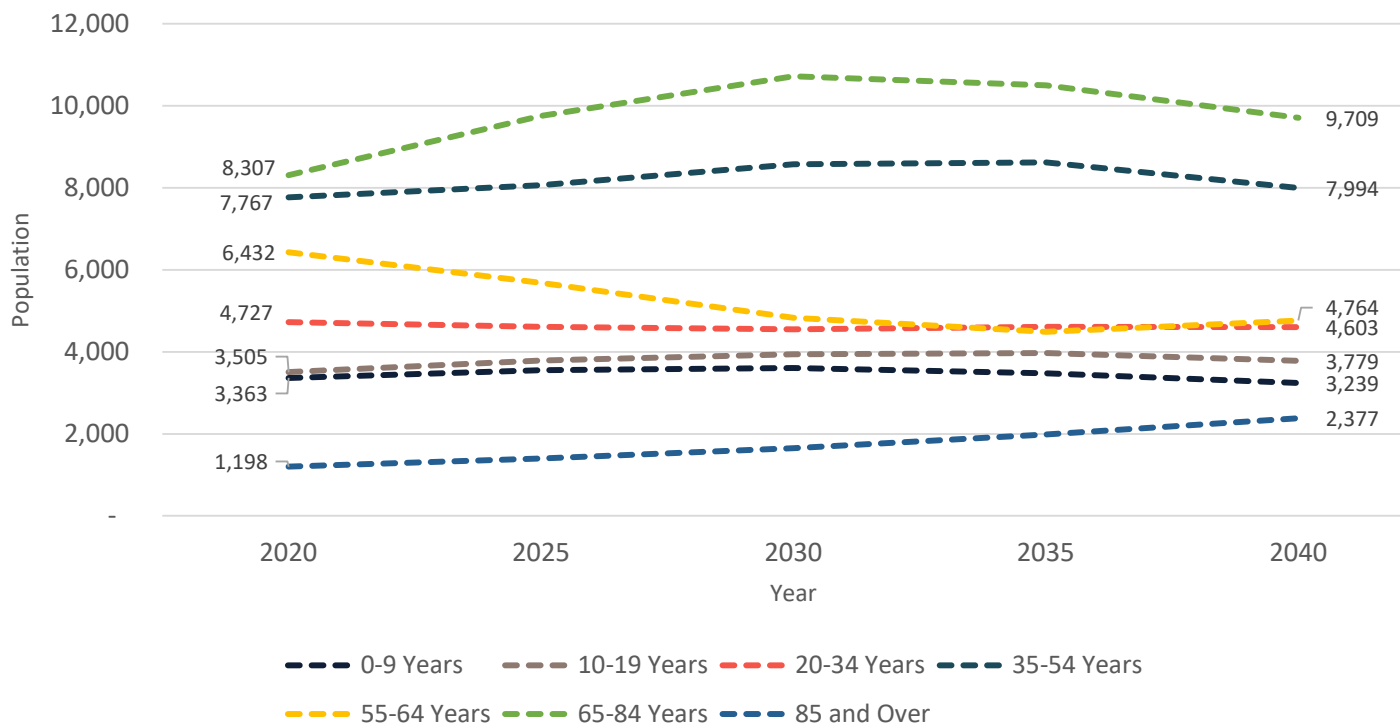
County increase in those age 10-19,  
2020-2040

**+2.9%**

County increase in those age 35-54,  
2020-2040

**Figure 8. Age Cohort Projections Oneida County**

Source: WI DOA Projections



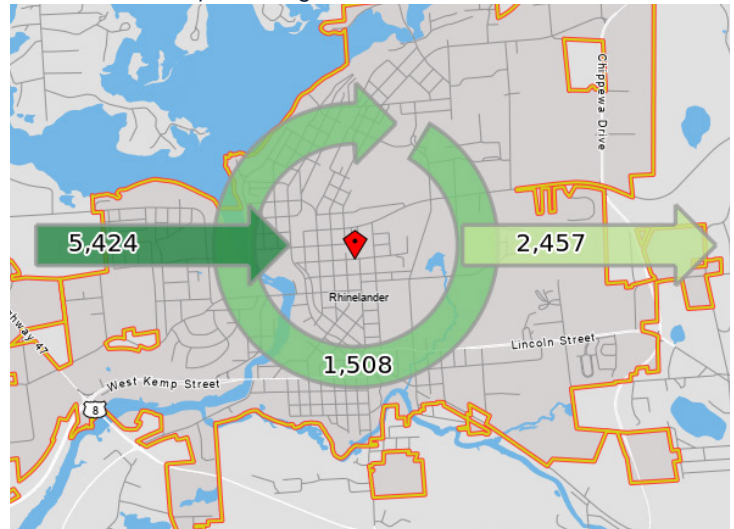
# EMPLOYMENT INDICATORS

## Where Workers Live

Place of residence often coincides with location of a person's job, though we also expect to see a high degree of mobility within a region. The figure on the right represents inflow and outflow of the city's workforce. The number of people that work in Rhinelander is about 7,000. Of this, 5,424 live outside of Rhinelander and 1,508 live in Rhinelander. The second highest place of residence for Rhinelander workers is Tomahawk, which is a thirty minute drive to the west. There are 2,457 people who live in Rhinelander but work in another community.

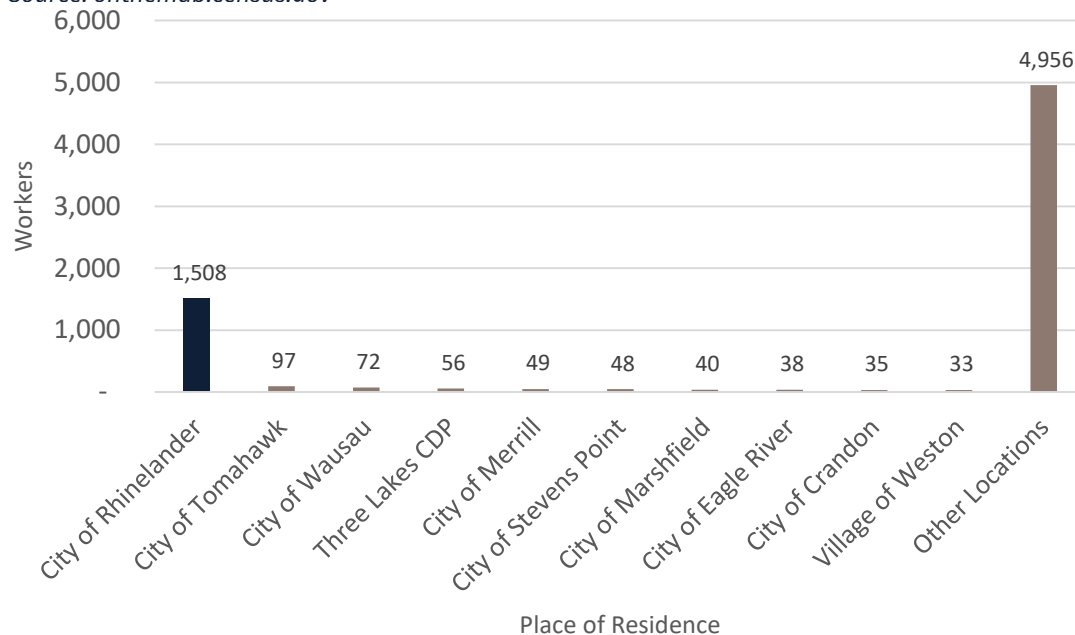
Most workers in Rhinelander are coming from other communities, including a number from further away locations such as Wausau (1 hour commute), Stevens Point (1 hour and 30 minute commute) and Marshfield (1 hour and 40 minute commute). According to the US Census, most workers in Rhinelander are from "Other Locations" which includes communities even further away such as Antigo, Eau Claire, Green Bay, Milwaukee, Plover Appleton, Woodruff, and Superior.

**Figure 15. Inflow/Outflow Analysis in Rhinelander**  
Source: [onthemap.census.gov](http://onthemap.census.gov)



**Figure 9. Place of Residence for all Workers in Rhinelander**

Source: [onthemap.census.gov](http://onthemap.census.gov)





# EMPLOYMENT INDICATORS

## Top Employers

In Oneida County the largest industries are retail trade, health care and social assistance, government, and accommodation and food services. These industries are also the ones who posted the most job openings over past year, see table below. According to the U.S. Bureau of Labor Statistics, the median salary for positions in healthcare in the northeastern Wisconsin nonmetropolitan area is \$80,000 while healthcare support occupations pay an annual salary of \$31,000. The median salary for retail positions and cashiers ranges between \$23,000 and \$31,000. For many of these positions posted over the past year, modest monthly housing costs are most appropriate. It should be noted that these positions were not all due to additional jobs being created, many of these positions were the result of turnover and retirements. Between 2011-2015 there were 523 new jobs added in Oneida County. An estimated 398 jobs have been added since 2016.

The industry expected to experience top growth in the future within the county is manufacturing. When looking at top growing occupations in the county, the list includes production; installation, maintenance and repair; and

architecture and engineering. The median wage for production; and installation, maintenance and repair occupations is between \$40,000-\$50,000.

Of the 2,500 companies that employ just under 18,000 workers in Oneida County, 97% employ fewer than 50 employees which highlights the importance of small businesses, in addition to major employers, to the local economy.

In addition to job growth due to company expansions in the future, there will also be jobs that become available as Baby Boomers age and retire. Just in the past five years, labor force participation rates in the county have dropped from 61.5% to 56.2% indicating this trend is already beginning.

Understanding employment opportunities and earnings in a community are essential to housing as these indicate what a household can afford. Having the appropriate type, price point, quality, and location of the housing workers are looking for is essential to the vitality of Rhinelander's economy.

**Figure 10. Top Companies Posting Jobs in Oneida County (2020)**

Company	Unique Postings
Ascension	472
Marshfield Clinic	402
Walmart Supercenter	157
The Home Depot	132
Marshfield, LLC	87
Roehl Transport, Inc.	76
U.S. Xpress	76
Walgreens	66
C.R. England	63
Wheaton Franciscan Services	61

**Figure 11. Top Employers in Oneida County (>250 employees)**

Source: JobCenterofWisconsin.com

Company	Description	# of Employees
Howard Young Health Care	Ambulatory Health Care Services	1,000-4,999
Ahlstrom-Munksjo Rhinelander	Paper Mills	500-999
Howard Young Medical Center	General Medical and Surgical Hospitals	250-499
Walmart Supercenter	Department Store	250-499
Nicolet Area Technical College	Junior Colleges	250-499

# EMPLOYMENT INDICATORS

## Occupational Affordability

In June 2021 the Wisconsin Department of Workforce Development (DWD) released a report with the jobs anticipated to grow faster than average and with the most projected openings in north central Wisconsin (Vilas, Forest, Oneida, Lincoln, Langlade, Marathon, Wood, Portage, and Adams Counties). The jobs with the greatest number of anticipated openings (due to turnover, retirement, and new positions) through 2028 in the region are shown in the table below along with what an affordable monthly housing payment would be at each salary level.

Based on these positions, salaries range from \$36,000 to \$92,000, with a weighted average of \$48,000. Monthly housing payments considered affordable for these positions range from \$914 to \$2,288, though most positions fall within a \$900-\$1,400 range.

Using the Bureau of Labor Statistics assumption that the average household has 1.3 income earners, and the second earner earns \$15,000 per year (30% of \$50,000), family household incomes for two people working in most of the positions below falls between \$50,000 and \$70,000. This translates into monthly housing payments between \$1,200 and \$1,800. As income is a key factor in housing choice, it is important to understand salary levels for future job openings in the region to ensure potential residents can afford housing in the community.

During the public meeting, a couple of major employers in Rhinelander noted many of the positions they are currently hiring are hourly full-time positions, generally paying \$18-\$22/hour (\$37,400-\$45,800 annually). These income levels align with the lower end of what is anticipated in the region.

**Figure 12. Fastest Growing Jobs in North Central Wisconsin**

Source: Wisconsin Department of Workforce Development

Occupation	Education Required	Annual Regional Openings	Median Annual Salary	Affordable Monthly Payment
Heavy & Tractor-Trailer Truck Drivers	Postsecondary	740	\$36,553	\$914
Maintenance & Repair Workers	High School	283	\$38,563	\$964
Sales Reps, Wholesale & Manufacturing	High School	265	\$52,472	\$1,312
Registered Nurses	Associate's/ Bachelor's	232	\$64,919	\$1,623
First-Line Supervisors of Production & Operating Workers	High School	201	\$52,190	\$1,305
Medical Assistants	Postsecondary	193	\$36,209	\$905
General & Operations Managers	Bachelor's	188	\$91,528	\$2,288
Welders, Cutters, Solderers, & Brazers	High School	174	\$41,119	\$1,028
Carpenters	High School	171	\$39,791	\$995
Construction Laborers	High School	153	\$35,771	\$894
Accountants & Auditors	Bachelor's	150	\$58,643	\$1,466
Elementary School Teachers	Bachelor's	133	\$56,271	\$1,406
Insurance Sales Agents	High School	118	\$39,868	\$997
Marketing Specialists	Bachelor's	105	\$46,873	\$1,172
Secondary School Teachers	Bachelor's	104	\$51,976	\$1,299
Electricians	High School	102	\$59,542	\$1,489

# INCOME TRENDS

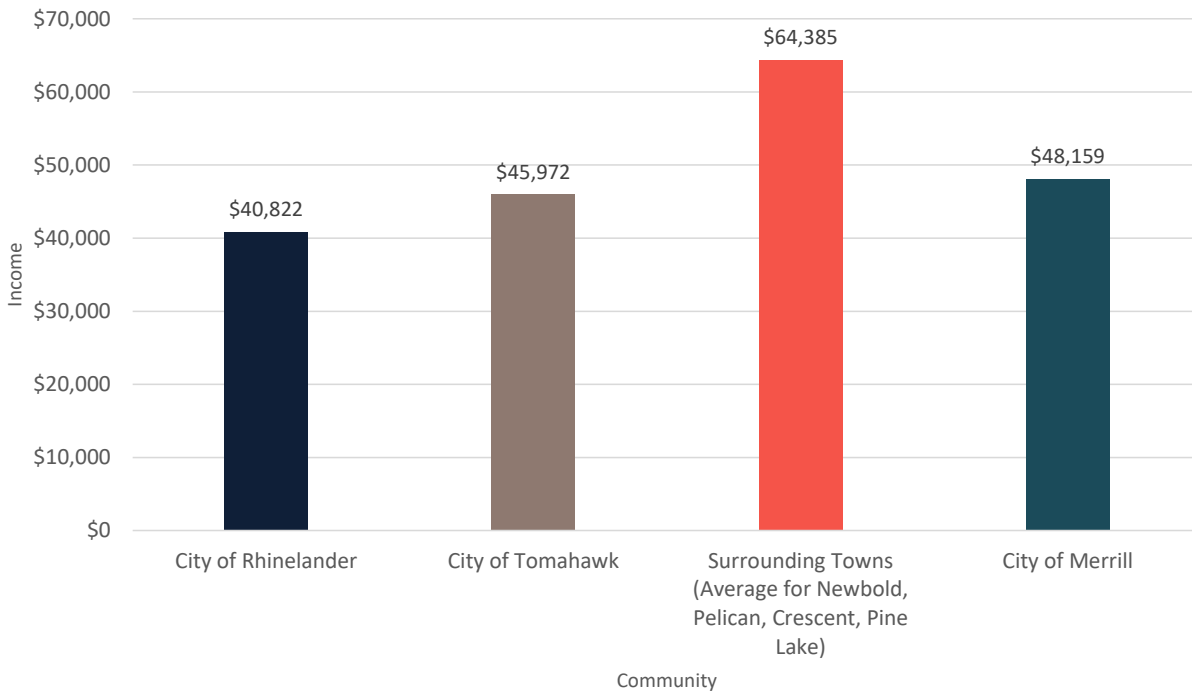
Income and Earnings are key factors in housing affordability. The more income that a household earns, the more housing options that fall within their affordability threshold. A household that spends more than 30% of its income on housing is considered housing burdened. While incomes are mobile, meaning households can move from place to place, the physical structure of a housing unit is stationary. In practice this typically means that households often commute, choosing to live wherever they find the acceptable balance among convenience, quality, local amenities, and affordability.

As compared to communities in surrounding communities, Rhinelander has the lowest median household income. When comparing the county and the city, a larger percentage of households in the city have incomes under \$75,000 (76% vs. 64%).

**Figure 13. Income Trends for Rhinelander and Oneida County**  
Source: 2019 ACS 5-Year Estimates

Income Level	Percentage of Rhinelander Households	Percentage of Oneida County Households
Less than \$10,000	3.9%	3.9%
\$10,000-\$14,999	9.2%	5.0%
\$15,000-\$24,999	15.8%	10.3%
\$25,000-\$34,999	14.4%	10.4%
\$35,000-\$49,999	15.1%	14.4%
\$50,000-\$74,999	17.2%	20.2%
\$75,000-\$99,999	11.5%	13.0%
\$100,000-\$149,999	8.1%	13.2%
\$150,000 or More	4.8%	9.5%

**Figure 14. Median Household Income for Rhinelander and Surrounding Communities**  
Source: 2019 ACS 5-Year Estimates





A photograph of a two-story house with a porch, partially obscured by a large tree. The entire image is overlaid with a semi-transparent red filter. The house has a gabled roof, a front porch with columns, and several windows with shutters. A large tree stands to the right of the house.

3

GENERAL  
HOUSING  
CHARACTERISTICS



# OVERVIEW

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This section of the plan begins to explore characteristics of the housing market—housing type, age, permits, and occupancy. These are important categories to set a baseline for current and future growth potential to provide the best quality of life for current and future residents.

In brief, the majority of housing in Rhinelander and surrounding communities is single-family detached homes. Rhinelander’s housing stock tends to be older, with the majority of single-family homes built before 1980 and over half built before 1940. Surrounding communities display similar unit age rates, with fewer units constructed over the past ten years. However, in more recent years new multi-family unit starts in Rhinelander have increased, offering both affordable and market rate rent levels.

## KEY DATA

- 67% of dwelling units in Rhinelander are single-family homes.
- 86% of Rhinelander’s housing stock was built prior to 1980.
- Development of new single-family homes has remained very low in Rhinelander while the development of new multi-family units has seen a slight increase.



Source: MSA

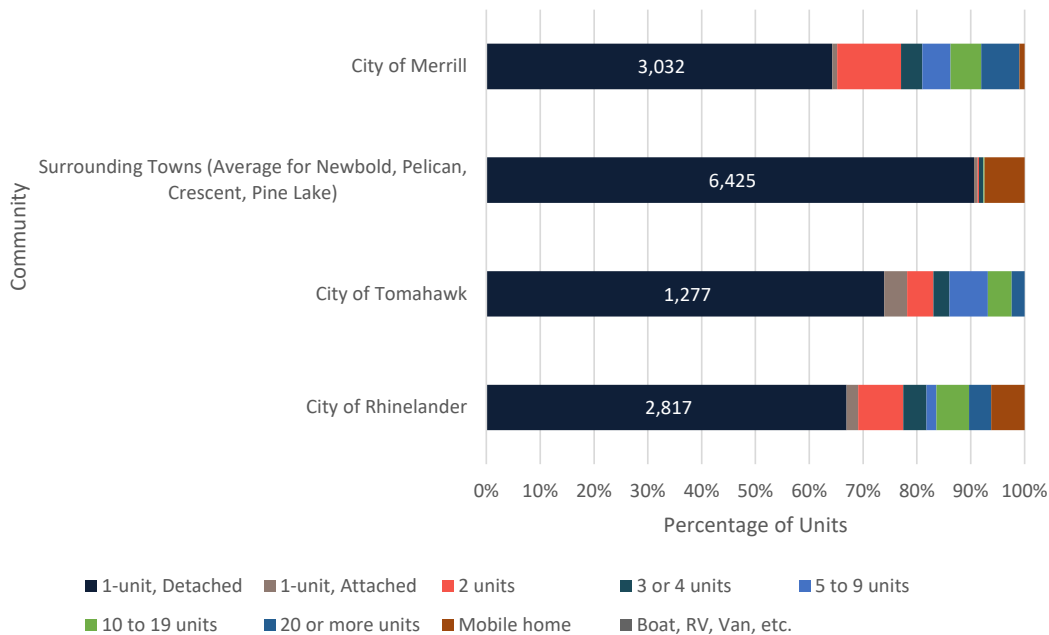
# HOUSING TYPE BY UNIT

A housing “unit” is a single living space—either standalone or as part of a larger structure. The most common structure type in Rhinelander and surrounding communities is detached single-unit homes.

The second most common structure type in the city is 2-unit structures (duplex), followed by 10-19 unit structure (mid-sized apartment complexes). These types of units serve an important purpose in providing choices within a market, allowing residents options as to how and where they would like to live.

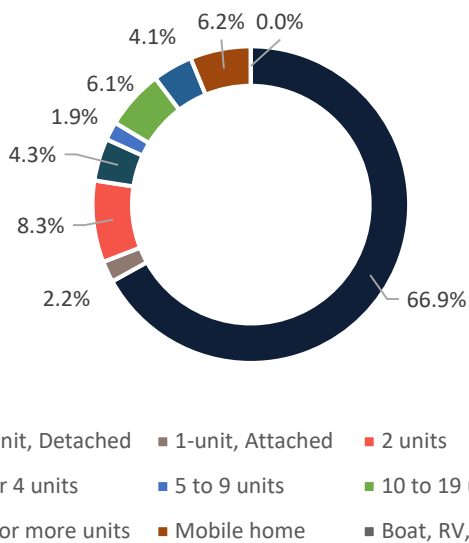
**Figure 15. Housing Type by Unit in Rhinelander and Surrounding Communities**

Source: 2019 ACS 5-Year Estimates



**Figure 16. Housing Type by Unit in Rhinelander**

Source: 2019 ACS 5-Year Estimates



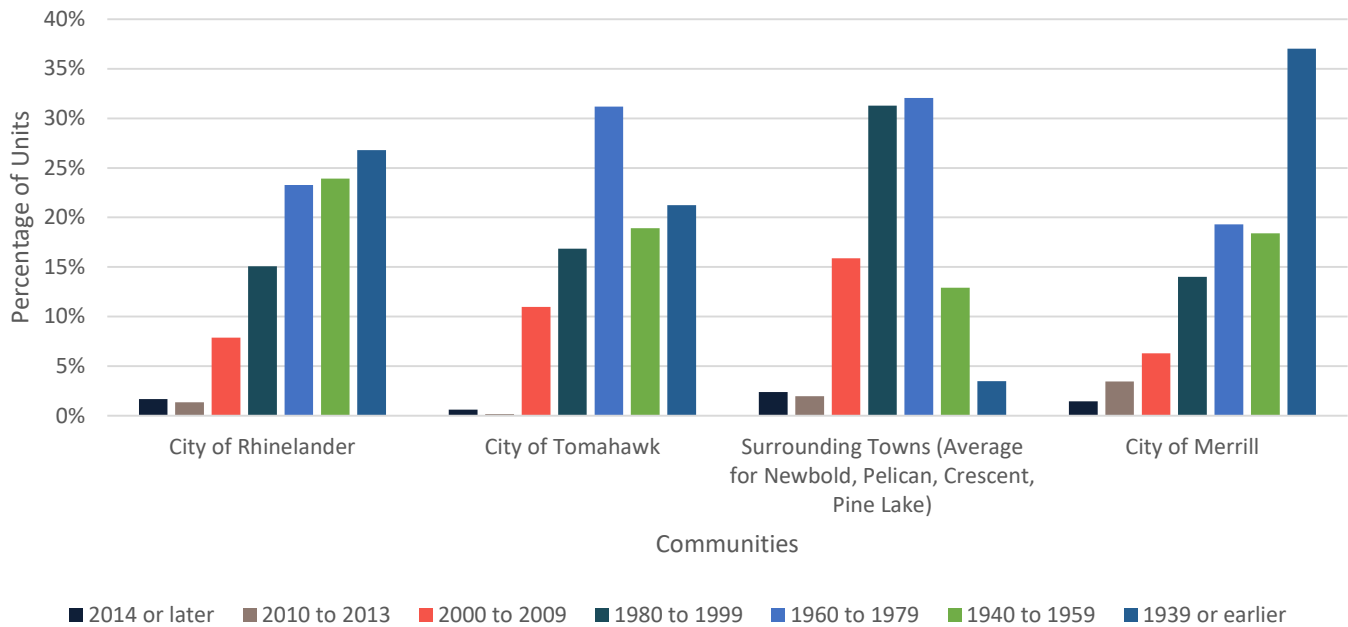
# YEAR STRUCTURES BUILT

Year of construction as shown in the figure below indicates the age of homes as estimated by the US Census Bureau. Just over half of units in Rhinelander (51%) were built before 1940, which is most similar to Merrill (55%) and Tomahawk (40%). In surrounding Towns the most common date of construction is 1960 to 1999, indicating a relatively newer housing stock. Since 2000, residential construction has slowed in Rhinelander, a finding that is consistent across surrounding communities.

The age of a home or apartment building is not, by itself, an adequate measure of quality or condition but can be used as an indicator. Older homes tend to have poor energy performance, higher maintenance costs, and sometimes lack things homebuyers desire such as attached garages. If not maintained, these older homes may not be desirable to potential buyers. Even if maintained, some buyers may not be interested in/able to do the maintenance and upkeep required of an older home. The public meetings and interviews confirmed that housing is generally older in Rhinelander and in need of rehabilitation.

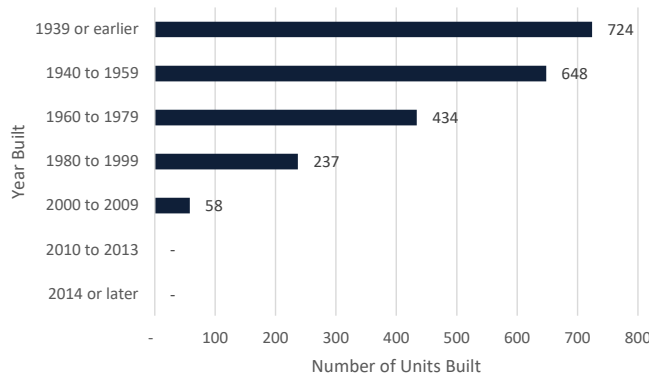
**Figure 17. Year Structure Built for Rhinelander and Surrounding Communities**

Source: 2019 ACS 5-Year Estimates



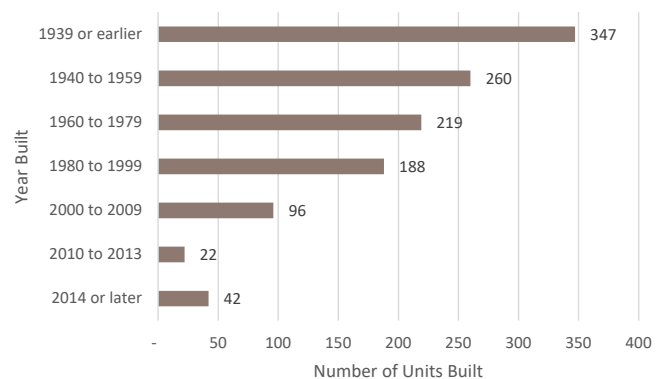
**Figure 18. Rhinelander Owner Occupied Year Structure Built**

Source: 2019 ACS 5-Year Estimates



**Figure 19. Rhinelander Renter Occupied Year Structure Built**

Source: 2019 ACS 5-Year Estimates

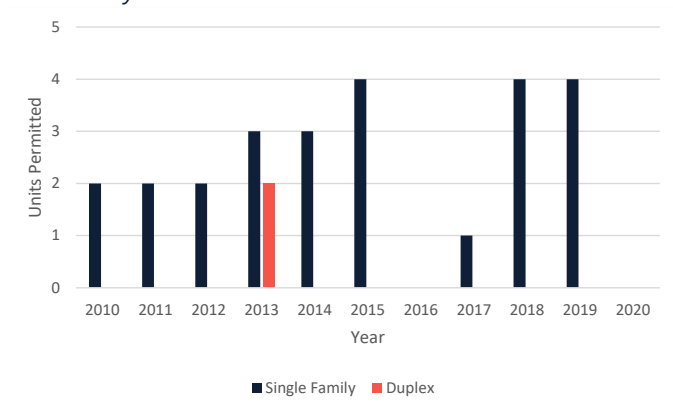


# BUILDING PERMITS

Building Permit data allows a real-time trend of new construction starts in Rhinelander. Since 2010 construction of new single-family homes has remained low—no more than four each year. This data is reflective of the lack of available space for new subdivisions within city limits and a difficulty in getting developers to work in the city. According to those knowledgeable about housing in the community, developers are currently choosing to develop in other communities in Wisconsin because the cost of building does not change across the state, but home prices are higher in other areas and yield a higher return on investment. However, other developers mentioned that they know there is demand for new units in Rhinelander, which makes them interested in exploring development in the city.

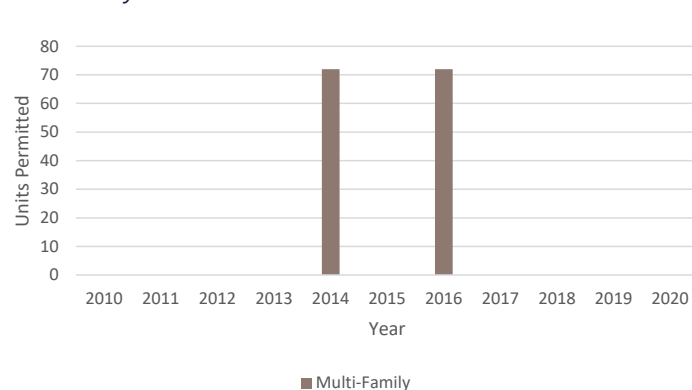
**Figure 20. Single Family and Duplex Units Permitted**

Source: City of Rhinelander



**Figure 21. Multi-Family Units Permitted**

Source: City of Rhinelander



There has been no new duplex creation since 2013 when two new units were added. New apartment units were added in 2014 and 2016. Six buildings containing 72 units were added each year. Similarly with single-family homes, the City has found it challenging to attract developers for multi-family units.

Since 2011, residential building permits for renovations (roofing, siding, windows, doors, accessory buildings, additions, remodels, etc.) has fluctuated, hitting a high of 264 permits in 2014, but levels have generally stayed around 220 over the past five years. Investment in the existing housing stock is a positive sign, indicating upkeep of the City's older housing stock. However, feedback from the public meetings and interviews indicate that there is still a substantial effort needed to update and maintain the older owner- and renter-occupied units in the city. There was also concern that due to a lack of contractors available in the city, people are not filing permits and are doing renovations themselves, sometimes in substandard ways.

**Figure 22. Permits Issued for Residential Renovations\***

Source: City of Rhinelander



\*includes roofing, siding, windows, doors, accessory buildings, additions, remodels, etc.



# CROWDING

Crowding data is used to display the relationship between housing unit size (number of rooms) and household size (number of people). Households that average more than 1 person per room or 1.5 persons per room are considered to be “overcrowded” or “extremely overcrowded”, respectively.

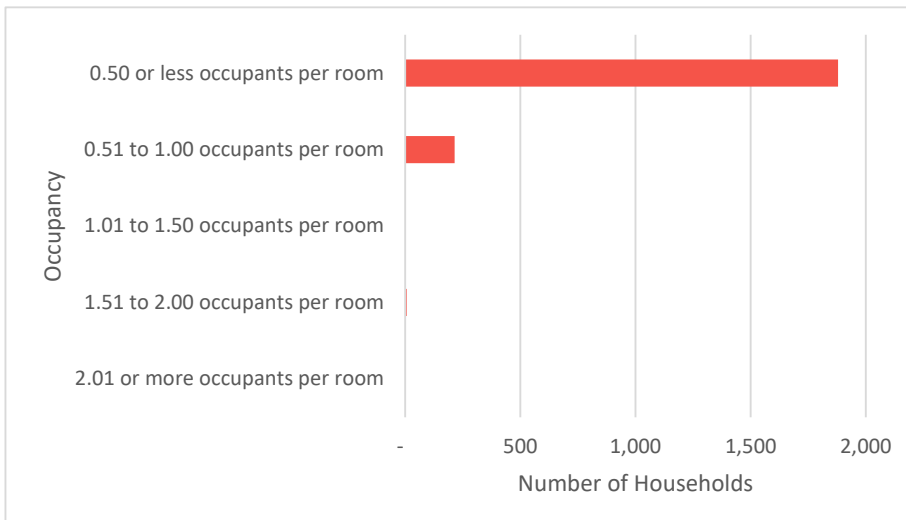
Just over 71% of renter-occupied and 89% of owner-occupied units have 0.5 or fewer occupants per room—they occupy homes that have excess space for their needs. Currently 15% of renter-occupied and 50% of owner-occupied units contain three or more bedrooms. This is consistent regionally within surrounding communities as

well, and indicates that the city’s housing stock is in good position to accommodate growing family households.

As the population ages and household size likely decreases, many age 65+ will be living in homes that have excess space for their needs. For those age 65+ who are interested in downsizing, it will be important to have smaller, accessible units available so they can move out of their current homes if desired.

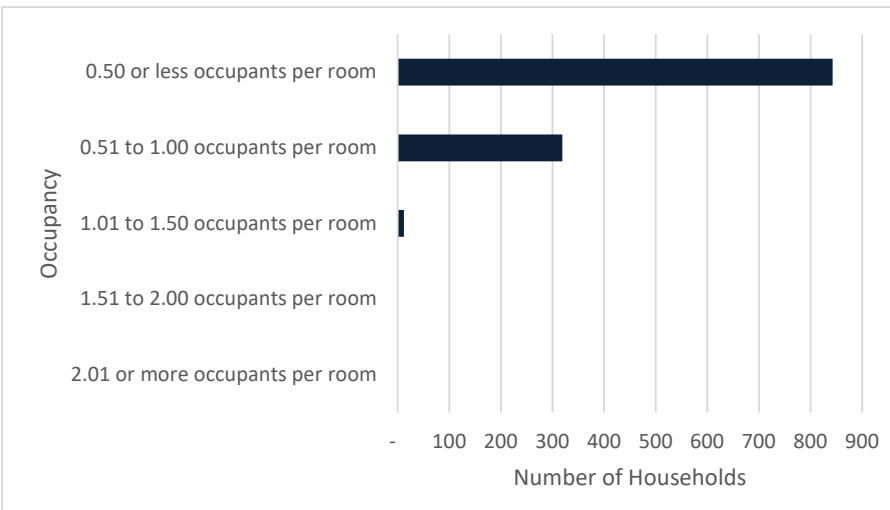
**Figure 23. Owner Occupied, Occupancy Per Room**

Source: 2019 ACS 5-Year Estimates



**Figure 24. Renter Occupied, Occupancy Per Room**

Source: 2019 ACS 5-Year Estimates



# SEASONAL HOMES

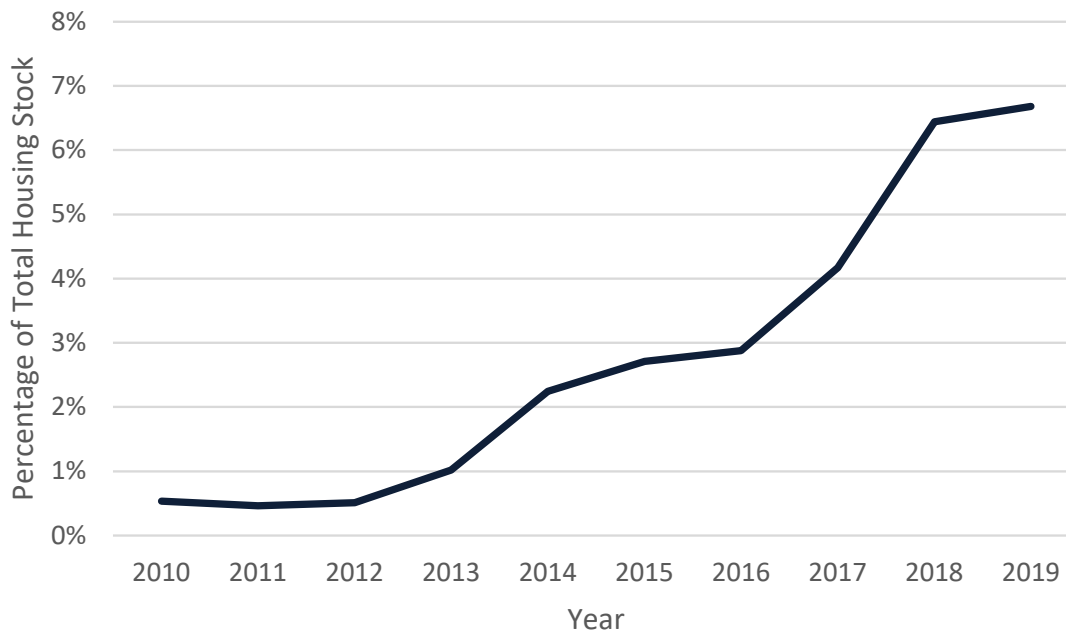
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Northern Wisconsin is a vacation destination for many in southern Wisconsin and northern Illinois. Many come to rent cabins or other vacation rentals, and some have purchased second homes/seasonal homes in the area. The American Community Survey defines seasonal homes as those intended for use only in certain seasons, or for weekends or other occasional use throughout the year. In Rhinelander, the number of homes considered seasonal increased from 22 in 2010 to 281 in 2019. This increase in seasonal homes is likely related to the drop in total households in the city. Currently seasonal homes make up roughly 7% of the city's housing stock.

While seasonal homes are beneficial in bringing tourism dollars to the city and region, they can somewhat constrain supply of single family homes. It is anticipated seasonal homes will always be a small part of the Rhinelander housing market, but they likely play a larger role in surrounding towns.

**Figure 25. Seasonal Homes as a Percentage of Total Housing Stock in Rhinelander**

Source: 2019 ACS 5-Year Estimates





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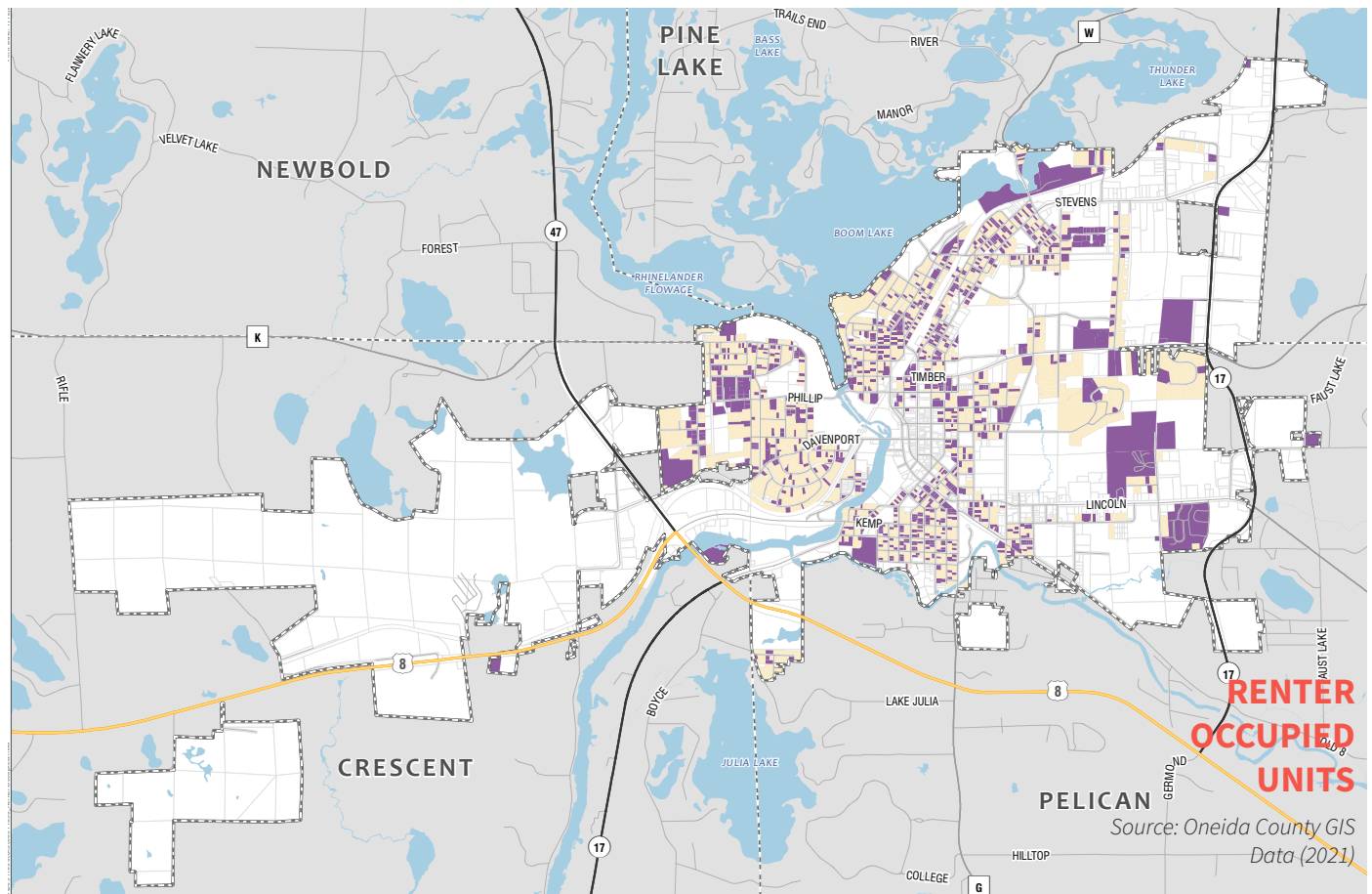
# RENTAL MARKET

# OVERVIEW

This section of the Assessment analyzes data for the rental market in the city and surrounding area in terms of affordability, characteristics of current renter households, and physical characteristics of the rental housing stock. Rental market demand will be explored by affordability of the existing stock, with feedback incorporated from the general public and housing experts in the community.

## KEY DATA

- Median rent in Rhinelander higher compared to surrounding communities at \$799/month.
- 39% of renter households in Rhinelander are cost burdened. The majority of cost burdened renter households are at or below 50% of the Area Median Income (AMI).
- 60% of rental units are single-family homes or duplexes.
- Feedback from the public meetings and interviews indicate a shortage of rental units.



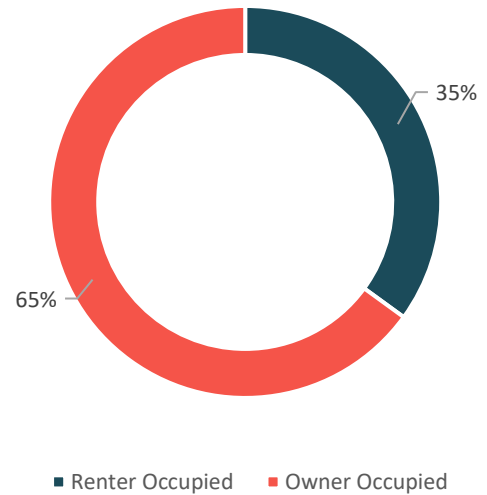
# AFFORDABILITY

Household income is key to discussions about housing affordability, as income determines purchasing power for households. Using HUD’s income limits, the figure below shows the general monthly rent a household could afford without becoming housing cost burdened (more than 30% of gross income paid toward rent). The rents vary based on household income and household size. For a household of four earning 100% of the median income, a monthly rent of \$1,810 is considered affordable (this includes utilities and rental insurance).

A cost burdened household is a household which pays more than 30% of its income to housing costs. Generally when a housing market is “tight”, or competitive, this drives costs up for consumers and also increases cost burden. In Rhinelander 39% of renters are cost burdened which is between Tomahawk (45%) and Merrill (31%), and higher than the average of surrounding Towns (Newbold, Pelican, Crescent, and Pine Lake). Of the 39% of renters in Rhinelander who are cost burdened, 11% are severely cost burdened (paying more than 50% of their income towards rent). Similar to most other communities, cost burden is greater for renters in Rhinelander than it is for homeowners, which is a reflection of lower renter incomes, barriers to securing financing, and other market forces.

**Figure 26. Housing Occupancy in Rhinelander**

Source: 2019 ACS 5-Year Estimates



**Figure 27. Affordability Thresholds for Renters in Oneida County**

Source: HUD 2021 Income Limits

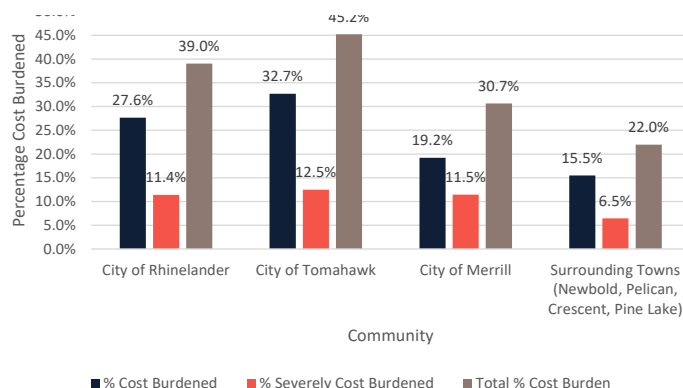
FY 2021 Income Limit Area	Maximum Monthly Cost for Family of 4 (100% Median Income)	FY 2021 Income Limit Category	Persons in Family					
			1	2	3	4	5	6
Oneida County, Wisconsin	\$1,810	Extremely Low Income 30% AMI	\$380	\$436	\$549	\$663	\$776	\$890
		Very Low Income 50% AMI	\$634	\$725	\$815	\$905	\$905	\$1,050
		Low Income 80%AMI	\$1,014	\$1,159	\$1,304	\$1,448	\$1,546	\$1,680

# HOUSING STRESS

Cost burden in the city exists primarily with households at or below 50% median income, those considered very low or extremely low income. This signifies that the supply of rental units in the city has gaps in unit availability at the appropriate price points to serve this income group, despite the city appearing to have a surplus of units considered affordable to those earning 50% or less AMI. This reflects the generally older rental units available in the community, though rents are still not low enough to make these units affordable to the lowest income households and these units may be rented out by households who can technically afford to pay higher rents.

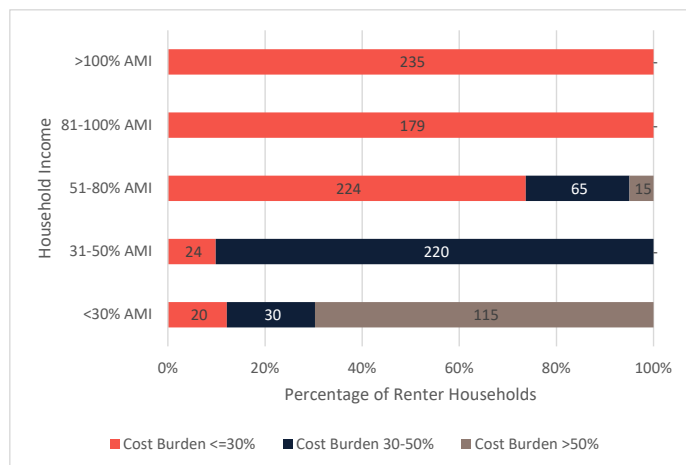
**Figure 28. Cost Burdened Renters in Rhinelander and Surrounding Communities**

Source: 2013-2017 CHAS



**Figure 29. Renter Cost Burden by Household Income in Rhinelander**

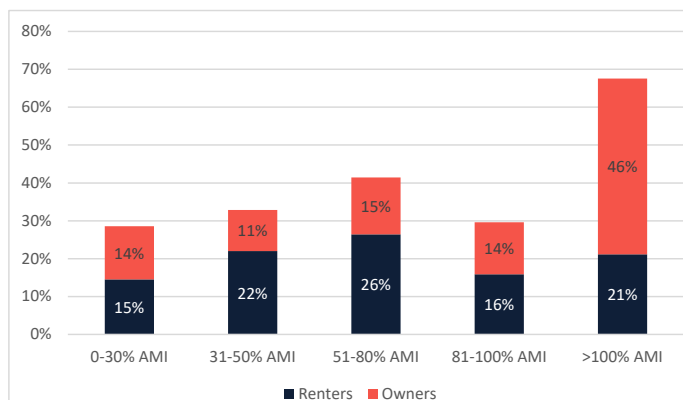
Source: 2013-2017 CHAS



There is a slight housing gap at the top of the rental market, again due to the prevalence of older, more affordable units and few new units built. There is an estimated oversupply of 1,020 units for those at 51-80% AMI and an undersupply of 370 units for those above 80% AMI. This indicates an opportunity to add some higher-rent, higher-quality rental units to the market (new or renovated existing units). Though it is important to remember that households in higher income brackets often choose to spend beneath their financial means for housing, and may see this as a reason to stay in Rhinelander. While Figure 30 shows a gap in generally more expensive units, this is an overestimate of demand. There is demand for more expensive units, just not that many.

**Figure 30. Households by Income & Tenure in Rhinelander**

Source: 2013-2017 CHAS



**Figure 31. Rental Unit Mismatch in Rhinelander**

Source: 2013-2017 CHAS

Income Level	Rental Units Available	Renter Households	Over-/ (Under-) Supply
0-30% AMI	242	165	80
31-50% AMI	1,080	250	830
51-80% AMI	1,320	300	1,020
>80% AMI	150	420	(370)

# RENTAL UNIT CONSUMPTION

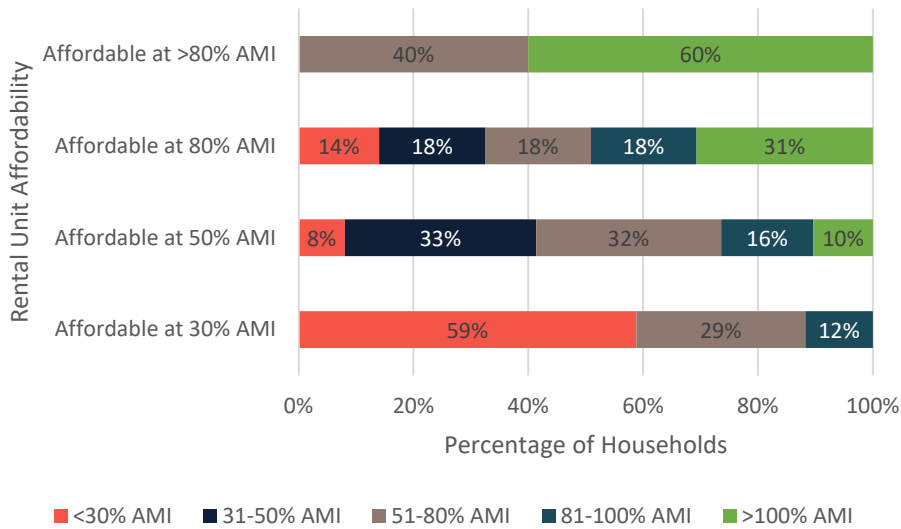
The US Census and HUD assess, based solely on incomes and rent levels, how many households are over- and under-consuming housing. The previous figures in this chapter have suggested that higher-income households have been renting below their income level market when securing housing. The figure below shows that 59% of units affordable to those at 50% of the area median income (AMI) are being rented by households above 50% AMI. Forty-one percent (41%) of the rental units affordable at 30% AMI are rented by households between 31-100% AMI.

Rhineland also has some of the reverse happening, households at lower incomes are renting beyond what is considered affordable to them. For rental units affordable at 80% AMI, 32% of these units are rented by households below 50% AMI. When households rent units that are more expensive than what they can afford, cost burden increases. Generally more renter households are renting down than renting up.

Adding more choices at appropriate price points will help guide consumers to desirable housing that can decrease cost burden among renters within the community.

**Figure 32. Rental Unit Consumption by Income in Rhineland**

Source: 2013-2017 CHAS



# UNIT TYPES

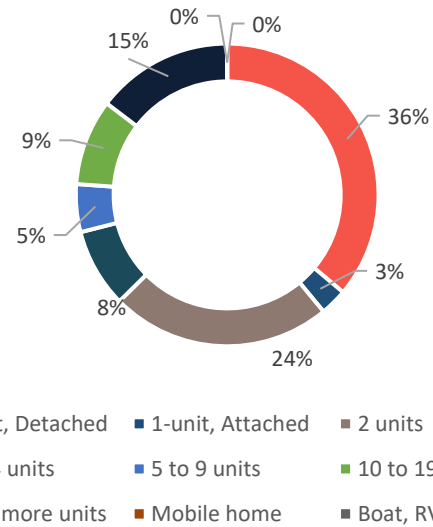
There are different types of rental units available to provide choices in the housing market to meet the needs of current and potential residents in Rhinelander. Sixty-three percent (63%) of rental units within the city are found in single-family homes (attached and detached) and duplexes. A smaller percentage of the city's rental units are found in buildings with more than 10 units (24%). Single-family and duplex home rentals are becoming increasingly popular due to the difficulty many people have in providing a downpayment or securing loan funding to purchase a home. The public meetings and stakeholder interviews confirmed a relatively high conversion rate of single-family, generally older, owner-occupied units into rental units. Stakeholders were concerned about these conversions because of a lack of upkeep along with increasing rents due to an overall shortage of rental units in the city.

Figure 33 indicates the number of bedrooms available in Rhinelander's renter-occupied housing units. Rhinelander has the second highest number of 2+ bedroom units (971 total) compared to surrounding communities and these types of units make up 83% of its rental stock. Merrill was the only community with a higher total number of 2+ bedroom rental units, though this size of units only makes up 63% of its rental stock. At the public meetings it was brought up that there is a need for additional rental units for families with 3 or more bedrooms. Based on a survey conducted by the Salvation Army, approximately 1/3 of households on the wait list for apartments in Rhinelander are looking for 2+ bedroom units.

With the exception of surrounding towns, Rhinelander's rental stock has the lowest percentage of efficiency and one-bedroom units at 17% (203 units). Oneida County has the next highest percentage of rental stock as efficiency and one-bedroom units at 24% (586 units). These smaller units are often the most affordable rentals available to the community and it was brought up during the public meeting that there is additional need for this unit type. Based on the Salvation Army's survey, approximately 2/3 of households on wait lists are looking for 1 bedroom or efficiency units.

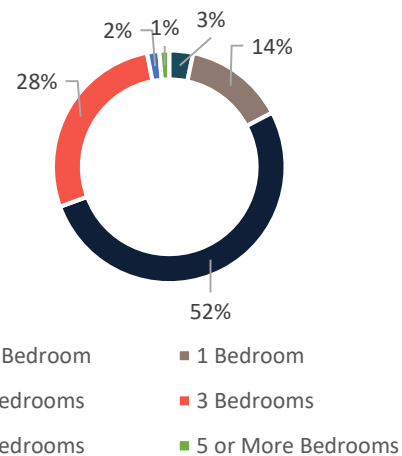
**Figure 33. Rental Units by Type in Rhinelander**

Source: 2019 5-Year ACS Estimates



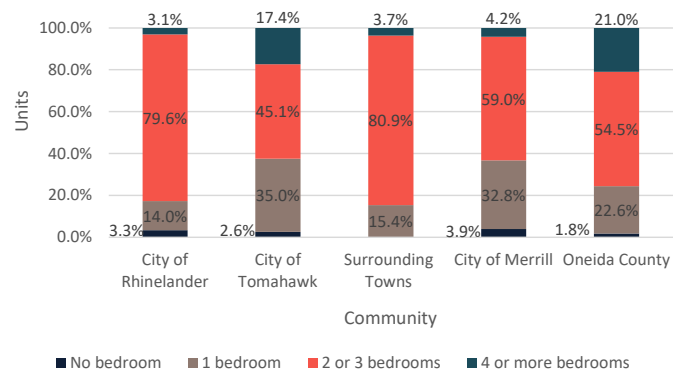
**Figure 34. Rental Units by Bedroom in Rhinelander**

Source: 2019 5-Year ACS Estimates



**Figure 35. Rental Units by Bedroom in Surrounding Communities**

Source: 2019 5-Year ACS Estimates





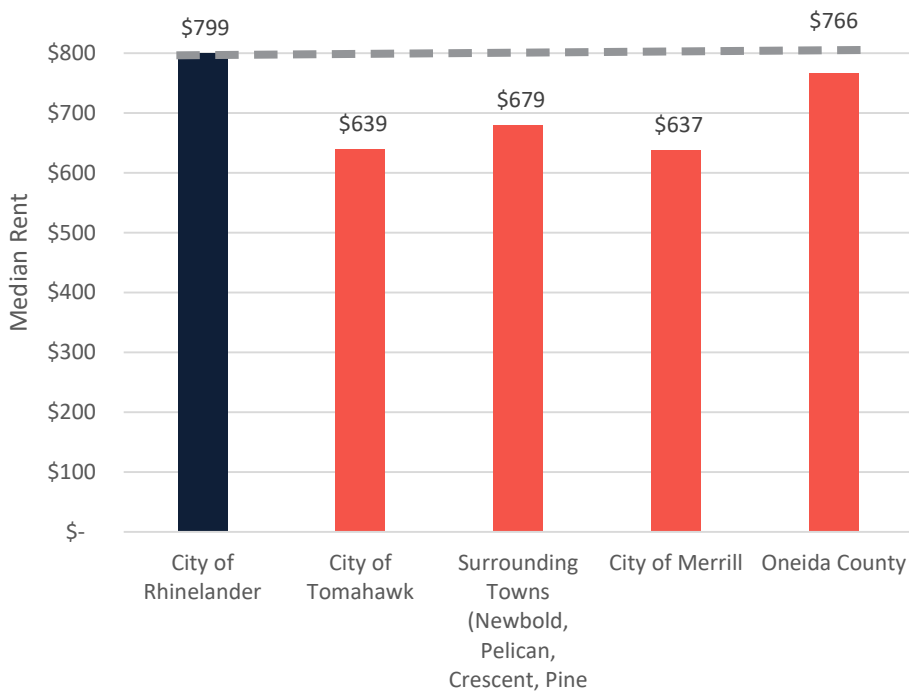
# COST

Concern about the cost of renting was a common theme discussed by residents and housing experts in the community. Data shows that median rent in Rhinelander is higher than surrounding communities and Oneida County. Rhinelander’s current median rent of \$799 would be considered affordable to a household earning \$32,000. For comparison, current median household income for renters in Rhinelander is \$33,023. Thus, a hypothetical household earning median income could afford around 50% of the rental units available in Rhinelander. The other topic discussed in conjunction with cost was quality of units in the city—costs are relatively high while units are old and many in need of maintenance/upkeep. The relatively high rents, despite an aging housing stock in the city are due to a shortage of rental units in the city.

Median rents by bedroom also indicate that Rhinelander is relatively more expensive than surrounding communities. Ranges of rental unit price show that most units in Rhinelander rent for between \$500 and \$999. Few units rent for \$1,500 or higher, a reflection of the aging housing stock.

**Figure 36. Median Rent in Rhinelander and Surrounding Communities**

Source: 2019 5-Year ACS Estimates



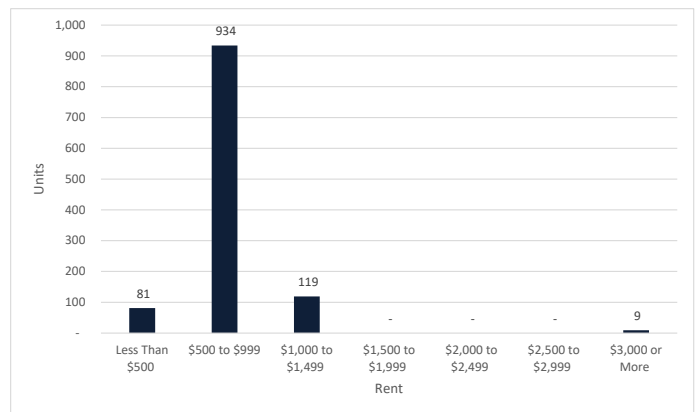
**Figure 37. Median Rent by Bedroom in Rhinelander**

Source: 2019 5-Year ACS Estimates



**Figure 38. Current Unit Rents in Rhinelander**

Source: 2019 5-Year ACS Estimates



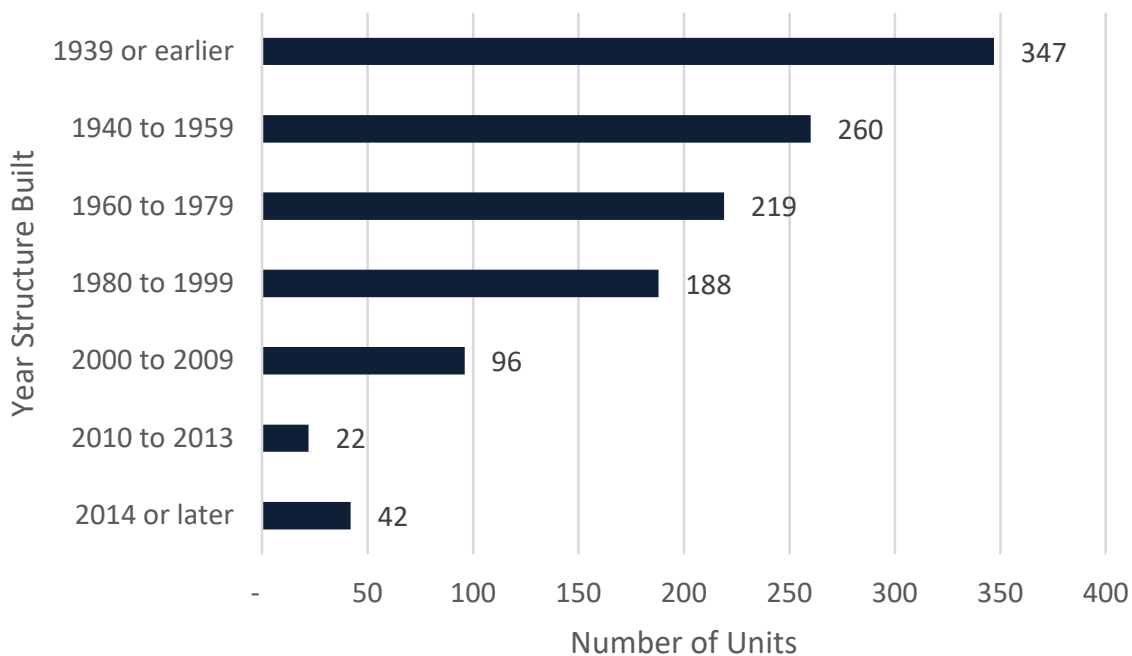
# AGE OF RENTAL STOCK

Rhinelanders' rental market consists of a variety of housing types with different time periods of construction. Approximately seventy percent (70%) of the city's rental housing stock was built before 1980. Older units are typically more affordable to renters, while newer units offer opportunities to rent at a higher price point. Since 2010 there have been approximately 144 new rental units constructed in the city. While we were unable to map rental units in the city by age due to lack of available data, typically the majority of the oldest units are located near downtown, while the newer units are located further out. These 144 new units are located near the edge of the city, off Lincoln St. and adjacent to Walmart.

Older units in the city that are rental units have a risk of contaminants such as lead-based paint; however other health concerns come with age and compounded disrepair. Anecdotal evidence from the public meetings and interviews supported the idea that there is a concern about unit quality due to the general age of housing in the city, especially for single-family homes that have been converted to rentals, and in particular, concerns about quality and livability of units for households who are low income and have few rental options available/landlords who are willing to rent to them.

**Figure 39. Year Built for Rental Units in Rhinelanders**

Source: 2019 5-Year ACS Estimates



# VACANCY

Vacancy rates are an important measure of the balance between housing demand and supply in a community. A typical healthy vacancy rate for renters is between 5% and 7%. This number is typically higher than the homeowner vacancy rate because rental units are more likely to sit vacant between renters. A rental vacancy rate around 5-7% is an appropriate balance between supply and demand, with enough available units to offer renters choice and the ability to move in somewhere right away. If the rental vacancy rate falls, it is harder for renters to find units and easier for landlords to raise rents.

The 5-Year ACS estimates for vacancy rates contain a significant margin of error, so numbers should be reviewed cautiously. Rhinelander’s rental vacancy rate according to ACS estimates is 20%. Based on feedback from staff and stakeholders, this estimate is higher than reality. A number of interviewees and public meeting participants noted that supply for rental units is very low, in particular for units priced below \$800/month and those priced over \$1,000/month. We also heard that searching for open rentals (if they do exist) is challenging and confirmed this by conducting our own search.

The rental market online and phone survey conducted by Salvation Army in Rhinelander also confirms a tight supply of rental units. For the four rental management companies

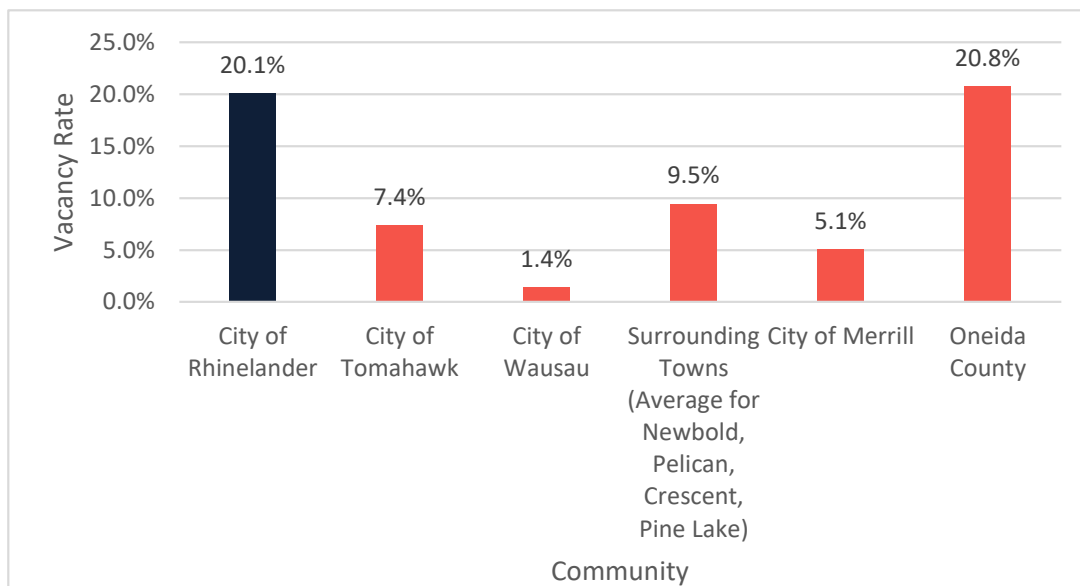
the Salvation Army spoke to, there were a total of 265 households on wait lists.

We believe that after the Great Recession in 2008, a portion of the detached single-family market transferred to the rental market, as evidenced by the high percentage of the city’s rental stock is found in detached single-family homes and duplex units (60%). We assume that many of these units are not owned by property management companies and instead by individuals who may or may not live in the city. If there are vacancies that do exist, it is likely within this part of the rental market. It seems landlords are struggling to market single-family detached and duplex rentals. And some rental units may be behind on maintenance and upkeep—the Rhinelander Housing Authority has noted that they have had several people contact them regarding potential rentals for Section 8 vouchers, but the buildings do not pass inspection.

Despite the high ACS estimate, increasing the quantity and quality of the existing supply would be healthy for the housing market—this would give more choices for potential residents who are looking to move to the city, and provide more options for current and future residents to self-select into housing that is appropriate in size and price point.

**Figure 40. Rental Vacancy Rates for Rhinelander and Surrounding Communities**

Source: 2019 5-Year ACS Estimates



Note: The 5-Year ACS estimates for vacancy rates contain a significant margin of error (greater than 45% for Rhinelander and surrounding communities), so numbers should be reviewed cautiously.

# DEVELOPMENT EXAMPLE

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There is a need for new rental construction in the city that serves low- and high-income earners alike. Moderate income households (>80% AMI) are more likely to be able to afford the rents associated with higher cost of new, unsubsidized construction.

Construction cost and the requisite rents to cover debt service, reserves, and operating expenses even under a conservative example necessitate rents that would be unaffordable for low-income households (see figures on next page). Households marked by red in Figure 41 would not be able to afford the 1-bedroom new construction rental unit in Figure 40.

Market rate, unsubsidized units are needed in the city to free up some of the more modest priced rental housing currently occupied by higher income households in the city for households at lower income levels. However, to ensure quality, affordable housing is available to all residents of the city, subsidies will be needed to offset construction costs for additional units affordable to low income households (<80% AMI).



# DEVELOPMENT EXAMPLE

**Figure 41. 1-Bedroom Rental (New Construction)**

Source: MSA Calculations

Typical 1-Bedroom Rental Construction & Land Cost = \$130,000			
Equity to Cost Ratio	20%	Loan to Cost Ratio	80%
Required Equity	\$26,000	Mortgage Loan	\$104,000
Annual Pre-tax Distribution Rate	10%	Mortgage Interest Rate	4%
Cash Payments for Equity	\$2,600	Debt Service	\$6,000
Net Operating Income	\$8,600		
Operating Expenses (2%)	\$2,600		
Real Estate Taxes (2019 Effective Tax Rate of .02181)	\$2,800		
Replacement Reserve	\$300		
Effective Gross Value	\$14,300		
Vacancy (5% required assumption)	\$715		
Gross Potential Income	\$15,015		
<b>Breakeven Annual Rent</b>	<b>\$15,015</b>		
<b>Breakeven Monthly Rent</b>	<b>\$1,250</b>		

**Figure 42. Affordability for 1-Bedroom Rental New Construction**

Source: HUD 2021 Income Limits

FY 2021 Income Limit Area	Maximum Monthly Cost for Family of 4 (100% Median Income)	FY 2021 Income Limit Category	Persons in Family					
			1	2	3	4	5	6
Oneida County	\$1,810	Extremely Low Income 30% AMI	\$380	\$436	\$549	\$663	\$776	\$890
		Very Low Income 50% AMI	\$634	\$725	\$815	\$905	\$978	\$1,050
		Low Income 80%AMI	\$1,014	\$1,159	\$1,304	\$1,448	\$1,564	\$1,680



5

OWNERSHIP  
MARKET

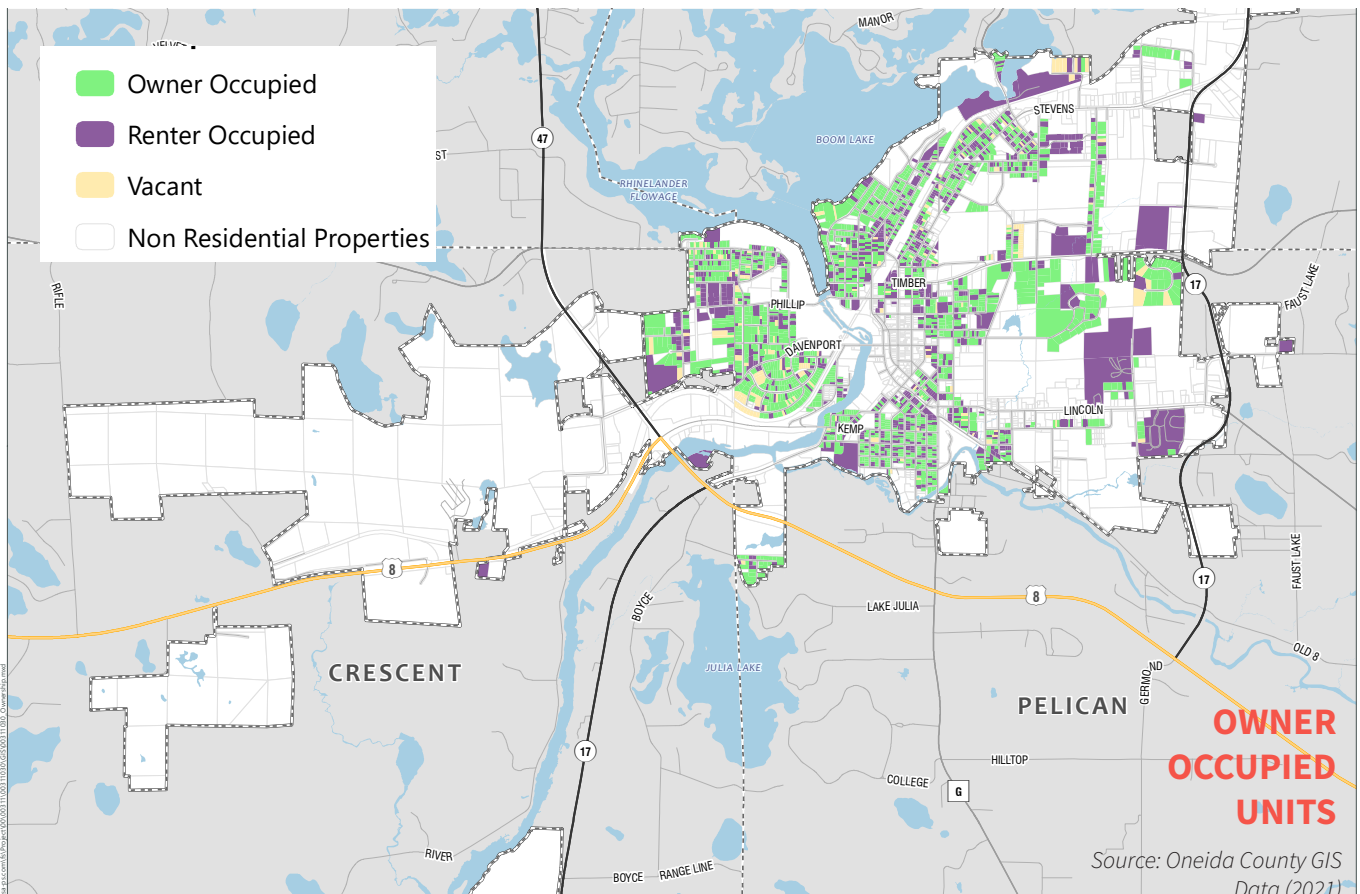


# OVERVIEW

This section of the assessment explores the ownership market in greater depths, looking at the supply side and examining affordability, physical characteristics or units, and characteristics of existing homeowners. The ownership market is also analyzed in terms of demand, focusing on real-time market data and feedback obtained during the planning process from residents and local housing experts in the community.

## KEY DATA

- Median home value in Rhinelander is low compared to surrounding communities at \$90,600.
- 23% of owner households in Rhinelander are cost burdened. The majority of cost burdened owner households are low income households.
- The real estate market shows the supply of single-family detached homes is tight.



# AFFORDABILITY

Household income is key to discussions about housing affordability, as income determines purchasing power. Using HUD's income limits, the table below shows the general purchase price a household could afford without becoming housing cost burdened (more than 30% of gross income paid toward housing). These amounts vary based on household income and household size. For a household of four earning 100% median income, \$72,400, a purchase limit of \$235,100 is considered affordable. Assumptions under this scenario are for a 30-year fixed mortgage and assume a 5% downpayment, a 4.0% interest rate, home insurance, PMI (private mortgage insurance) and a 2.2% mill rate.

While approximately two-thirds (60%) of homeowners earn more than 80% median income, 40% of home owners are considered low-, very low- or extremely low-income. Often these lower-income households are aging homeowners who have entered retirement and have seen significant loss in income, which brings new challenges. Although these owners may own their homes free and clear, they often struggle with property tax payments, upkeep and other factors of homeownership that require continual maintenance funds and/or physical requirements.

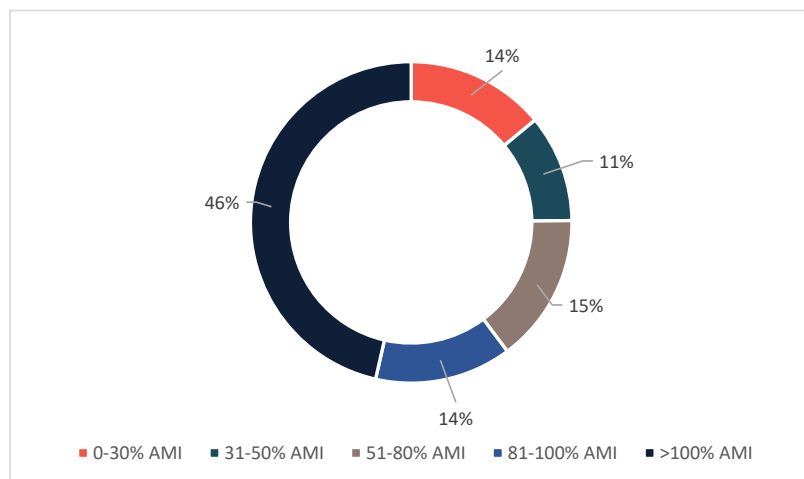
**Figure 43. Affordability Limits in the Ownership Market in Oneida County**

Source: HUD 2021 Income Limits

FY 2021 Income Limit Area	Median Income for Family of 4 in Oneida County	FY 2021 Income Limit Category	Persons in Family					
			1	2	3	4	5	6
Oneida County	\$235,100	Extremely Low Income (30% AMI)	\$10,000	\$22,100	\$39,600	\$55,700	\$74,600	\$87,500
		Very Low Income (50% AMI)	\$50,800	\$66,100	\$75,800	\$89,900	\$101,300	\$112,500
		Low Income (80% AMI)	\$118,400	\$142,700	\$156,000	\$178,500	\$196,652	\$214,800
		Median Income (100% AMI)	\$150,200	\$178,700	\$207,000	\$235,100	\$257,800	\$280,500
		120% AMI	\$189,900	\$223,900	\$258,000	\$291,700	\$318,900	\$346,100

**Figure 44. Income Levels for Homeowners in Rhinelander**

Source: 2013-2017 CHAS



# HOUSING STRESS

Generally when a housing market is “tight”, or competitive, this drives costs up for consumers and makes it harder for households without downpayment savings. As compared to renter households, owner-households typically experience cost burden less frequently. This can be explained by a couple of factors—including homeowners earning higher incomes and 36% of homes being owned free and clear (no mortgage) in Rhinelander. Homeownership also has barriers to entry, so people must qualify to buy by meeting underwriting standards. These standards serve to minimize risk by ensuring adequate income, increased access to credit, etc.

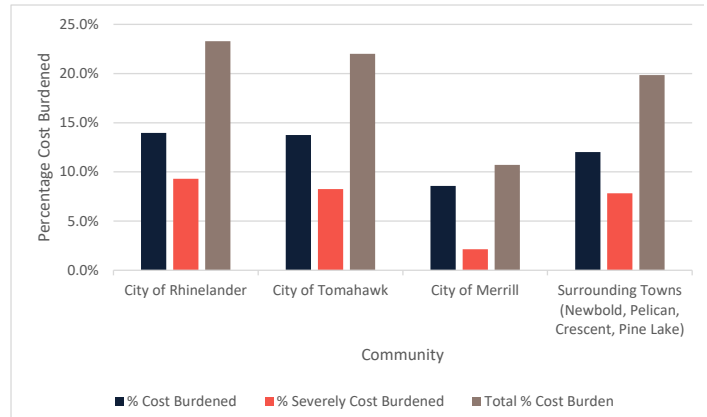
When compared to surrounding communities, Rhinelander experiences higher cost burden among homeowners (23%). The city with the second highest rate of homeowner cost burden is Tomahawk at 22%. Of those experiencing cost burden in the city, 9% are severely cost burdened (greater than 50% of income toward housing costs).

Cost burden in the city exists primarily with owner households at or below 80% AMI, those considered, low, very low, or extremely low-income. Although cost burden is more prevalent for lower-income households, there is an oversupply of 1,105 homes available at the 0-80% AMI threshold, due to the age of the housing stock.

There is a significant shortage at the upper end of the owner market, an undersupply of 1,020 units for those at greater than 80% AMI. This indicates an opportunity to provide more moderately- and higher-priced housing that is affordable and desirable to these income groups. Those homebuyers with higher incomes are currently competing with lower-income households for homes that those with lower incomes could otherwise afford. When higher-income households compete with lower-income households, they have the financial flexibility to offer more money or better terms to sellers, forcing lower-income households to look elsewhere or to rent housing instead.

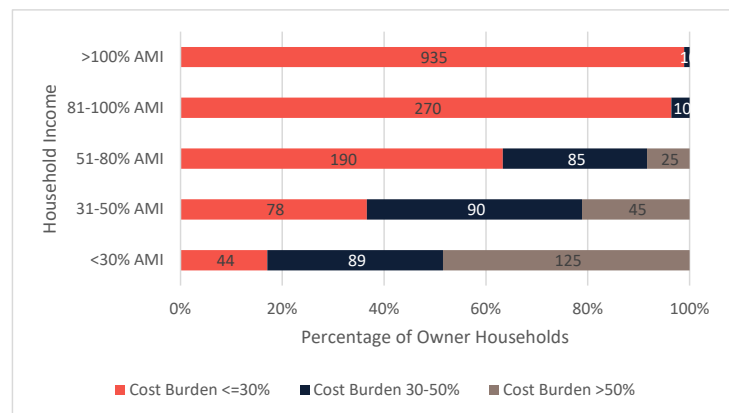
**Figure 45. Cost Burdened Homeowners in Rhinelander and Surrounding Communities**

Source: 2013-2017 CHAS



**Figure 46. Owner Cost Burden by Household Income in Rhinelander**

Source: 2013-2017 CHAS



**Figure 47. Ownership Unit Mismatch in Rhinelander**

Source: 2013-2017 CHAS

Income Level	Ownership Units Available	Owner Households	Over/(Under) Supply
0-50% AMI	1,400	505	895
51-80% AMI	515	305	210
81-100% AMI	90	280	(190)
>100% AMI	115	945	(830)

# HOMEOWNERSHIP UNIT CONSUMPTION

The US Census and HUD assess how many households are over- and under-consuming housing. The previous graphs and tables in this chapter have suggested that higher-income households have been purchasing down in the market or looking outside of Rhinelander when securing housing, but what units are they actually occupying?

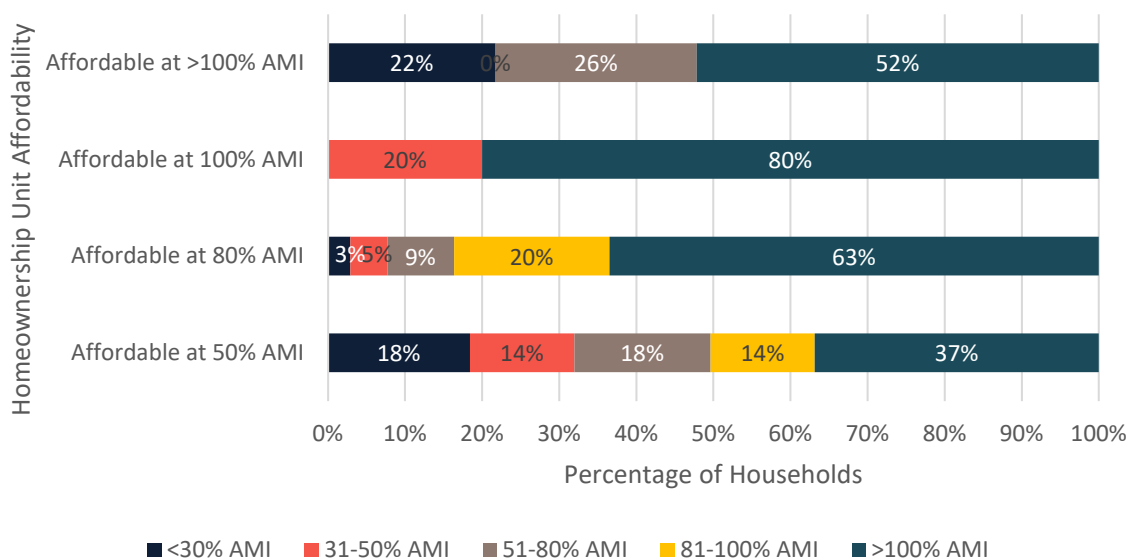
Figure 47 shows that 57% of units affordable at 50% median income are being purchased by households earning greater than 80% median income. Homes that are affordable to low income households provide desirable ownership options for high-income earners. However, it does provide increased competition that precludes lower-income earners from entering the ownership market.

Rhinelander also has the reverse happening, households at lower incomes are owning beyond what is considered affordable to them. Twenty-two percent (22%) of units affordable at greater than 100% median income are being owned by households at or below 50% median income. However, the ownership market is primarily dominated by households earning over 100% median income. These households are generally under consuming in the housing market—the percentage of their income spent on housing

costs is relatively low. While this is beneficial to individual households, it strains the market and removes more affordable housing options for lower-income households. Affordable, quality owner and renter opportunities were confirmed as one of the top unmet housing needs in Rhinelander right now in the public meetings and interviews.

Overall, 36% of ownership units in Rhinelander are units without a mortgage (assumed to have been purchased 15 or more years ago). Of the 36%, 64% of these units are owned by households considered low-income. This reflects the prevalence of low-/fixed-income retirees among those who own a home without a mortgage. A number of these aging homeowners are staying in place, at least for the time being, which puts a strain on the available housing stock as new residential construction has lagged behind demand. This is confirmed by ACS estimates which show 55% of owners without a mortgage are 65 years and over. Nineteen percent (19%) are those age 55 to 64, some of whom will choose to age in place and others will search for other housing options in the community (such as apartments or smaller homes) as they get older.

**Figure 48. Homeownership Unit Consumption by Household Income in Rhinelander**  
Source: 2013-2017 CHAS



# HOUSING COST

An important aspect of the housing market study is the cost of supply. The figure below indicates the median value for owner-occupied units, as estimated by the ACS. While cost and value are not strictly synonymous, in the housing market they are typically aligned. This figure shows that compared to surrounding communities, housing in the city is relatively affordable at the low end of the regional market.

Rhinelanders' housing values decreased by approximately 12% between 2010 and 2019. This can be explained by a lack of new construction and an aging housing stock. The cities of Tomahawk and Merrill also saw decreases in housing value during this timeframe, both seven percent (7%). In contrast, towns surrounding Rhinelanders saw an average increase in home value of 5% during this timeframe, from \$167,750 to \$176,350. When talking to stakeholders, many noted they lived in surrounding towns

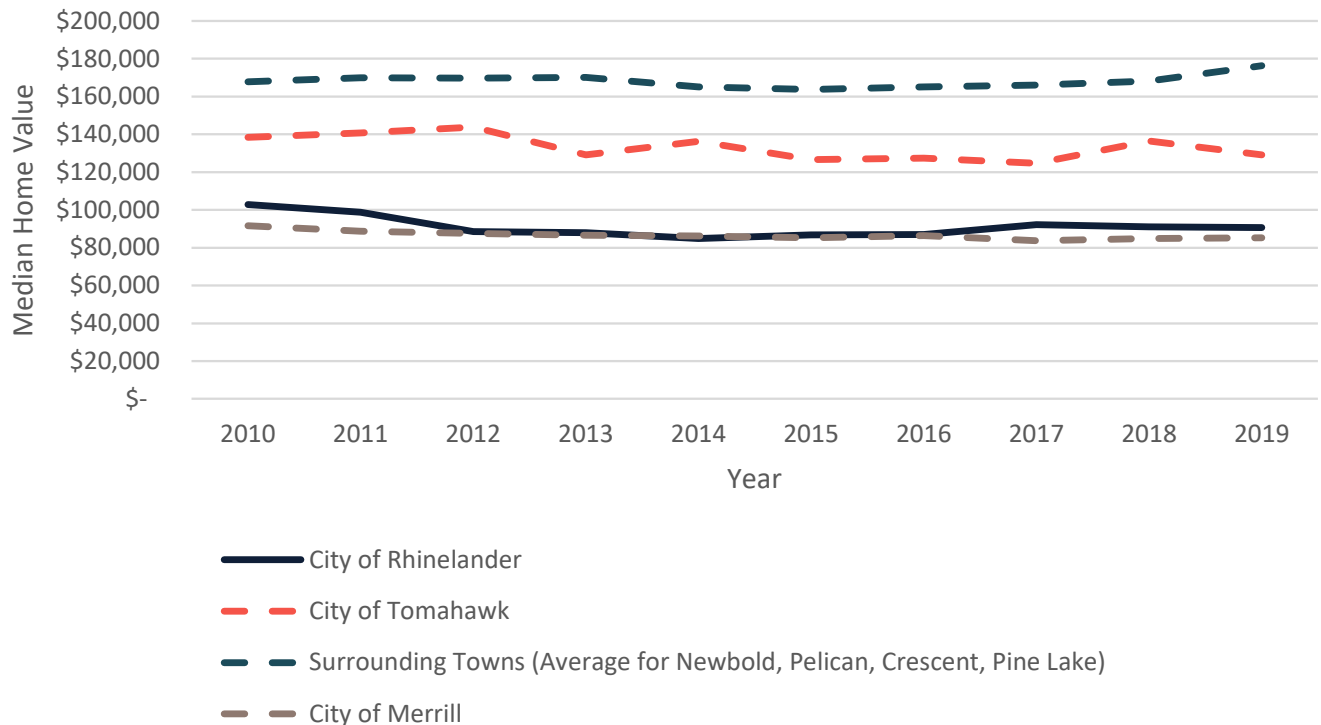
due to lower taxes, land availability, and more desirable housing. The demand for housing in surrounding towns, coupled with the relatively newer age of housing helps explain the higher housing costs in these areas.

On the flip side, there were a number of stakeholders who noted that one of the positive attributes of housing in Rhinelanders is its affordability, due to the age of housing in the city. Although many feel housing is generally affordable, quality was brought up as an issue due to lack of maintenance and upkeep.

*Note: ACS estimates are based on a sample polling of homeowners, so these estimates do include error. Housing price data from the Multiple Listing Service (MLS) is based on actual sales data and will be presented as well.*

**Figure 49. Median Value of Owner Occupied Housing Units in Rhinelanders and Surrounding Communities**

Source: 2019 5-Year ACS Estimates





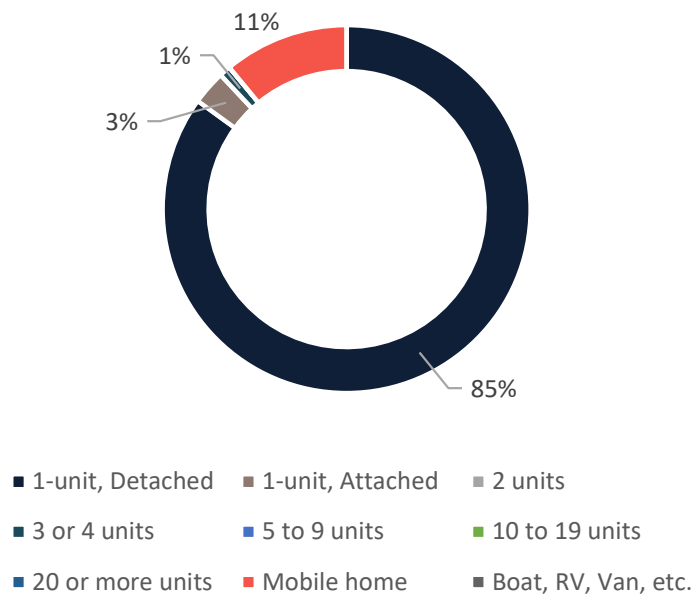
# UNIT TYPES

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Ownership unit type distribution shows that the majority of owner households live in single-unit, detached homes (85%). The remainder of owner households are living primarily in mobile homes and town homes (often condo ownership).

While the condo market is currently small in the city, the lack of condos offers an opportunity for more affordable housing ownership. Especially as the cost to build new homes increases and the desire for homeownership remains strong, alternatives to the single-family detached dwelling are an important part of the solution to affordable ownership. The desire for condos for seniors and young professionals is something that multiple interviewees and public meeting participants noted.

**Figure 50. Owner-Occupied Housing Units by type for Rhinelander**  
Source: 2019 5-Year ACS Estimates



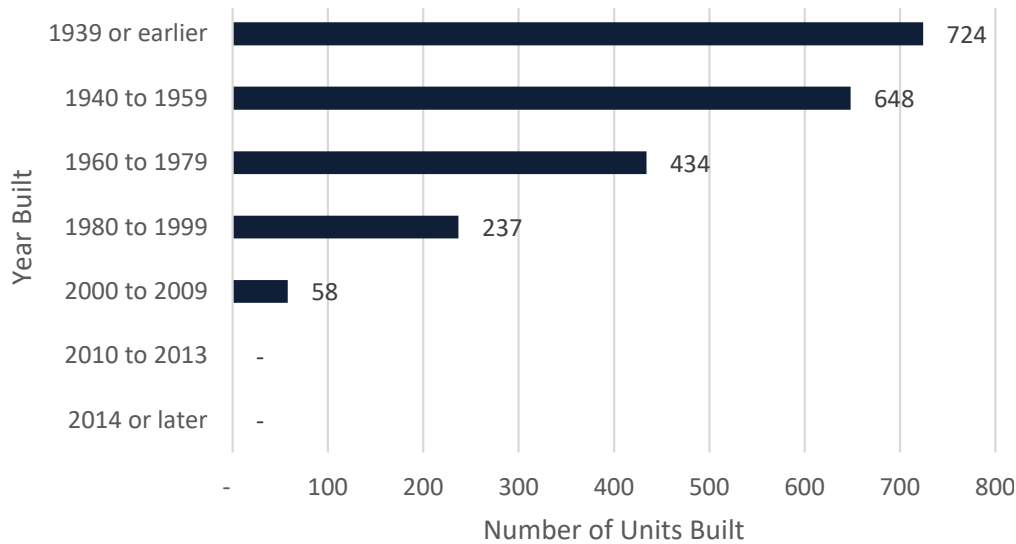
# AGE OF OWNER-OCCUPIED HOUSING

Approximately 86% of the city’s owner-occupied housing stock was built before 1980, and 35% was built 1939 or earlier. Older units are typically more affordable, while newer units offer opportunities at a higher price point. Generally, the majority of the oldest units in established communities are located near downtown, while the newer units are located further out.

Older units in the city are often more affordable up front, but require more costly repairs/upkeep after purchase. Anecdotal evidence from the public meetings and interviews reinforced the finding that much of the city’s owner-occupied housing is older, and consequently more affordable. There were concerns about the desirability of these units for some potential buyers—not everyone has the means and/or desire to make repairs. There was also concern about existing owners who are unable to make repairs to due to financial circumstances or lack of available contractors to perform the work.

**Figure 51. Year Built for Owner Units in Rhinelander**

Source: 2019 5-Year ACS Estimates



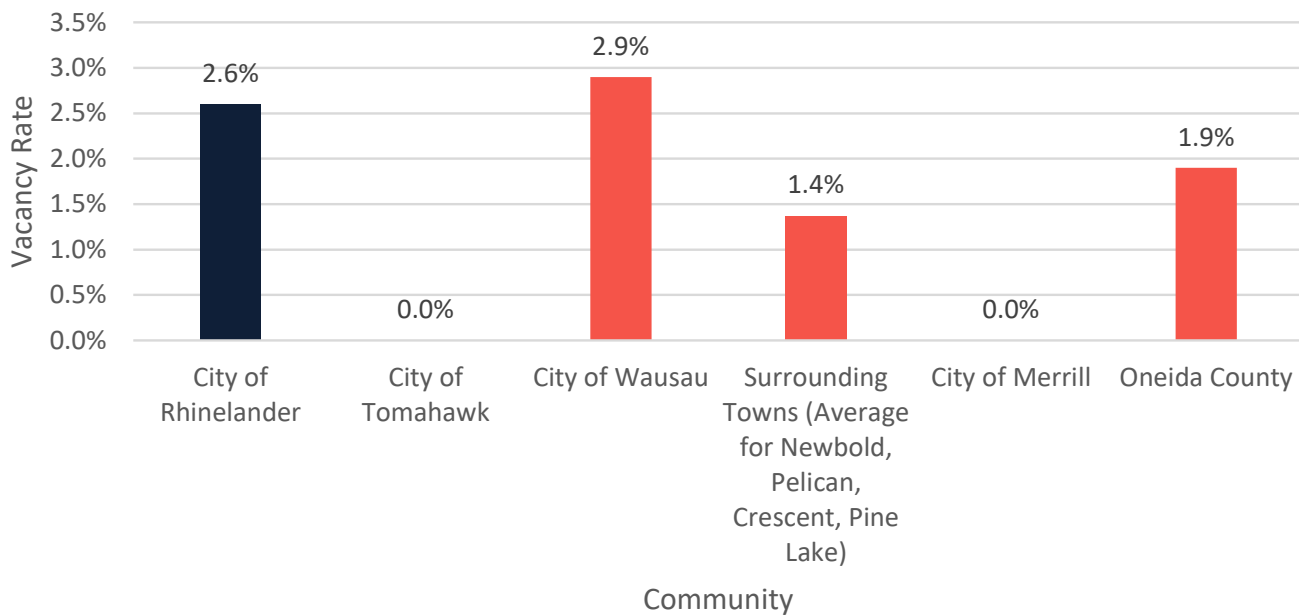
# VACANCY

A typical healthy vacancy rate for homeowners is around 2%. This number is typically lower than the renter vacancy rate because homeowners tend to continue living in homes that are on the market, and vacancy between owners is typically brief. Extended home vacancy that shows up in the vacancy statistic is typically due to circumstances such as job relocation or foreclosure.

The 5-Year ACS estimates for vacancy rates contain a significant margin of error so numbers should be reviewed cautiously. The data estimates that Rhinelander's homeowner vacancy rate is 2.6%, which is a comfortable spot for the city to be in. This estimate might not be too far off; data from the MLS shown on the following two pages also indicate supply is tight.

**Figure 52. Homeowner Vacancy Rates in Rhinelander and Surrounding Communities**

Source: 2019 5-Year ACS Estimates



# MARKET TRENDS

## Detached Single-Family Homes

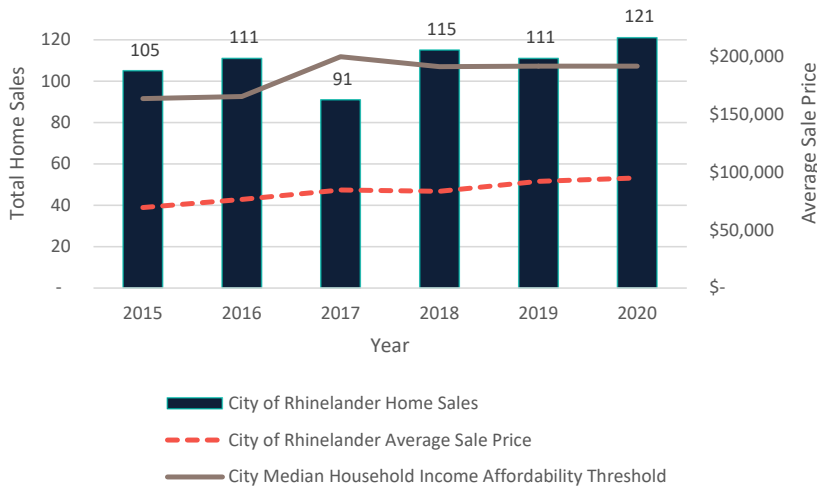
When comparing average sale price of detached single-family homes on the Multiple Listing Service (MLS), over the last six years, these trends also show that the median sale price for homes in Rhinelander has increased 37% during this time period. This is due to a tight supply of housing stock, and based on this data, vacancy rates may be lower than suggested by 2019 5-Year ACS estimates. Along with an increase in average sale price, the total number of single-family sales increased by 15% in the City and 29% in the county since 2015.

Anecdotal data from the public meetings and interviews revealed that there is unmet demand for single-family homes. Local Realtors often get calls from young professionals looking for rentals because there are no single-family homes available. The average price point people are looking at is around \$130,000 according to local Realtors. Realtors are also seeing high demand for higher end, larger single-family homes located on the River.

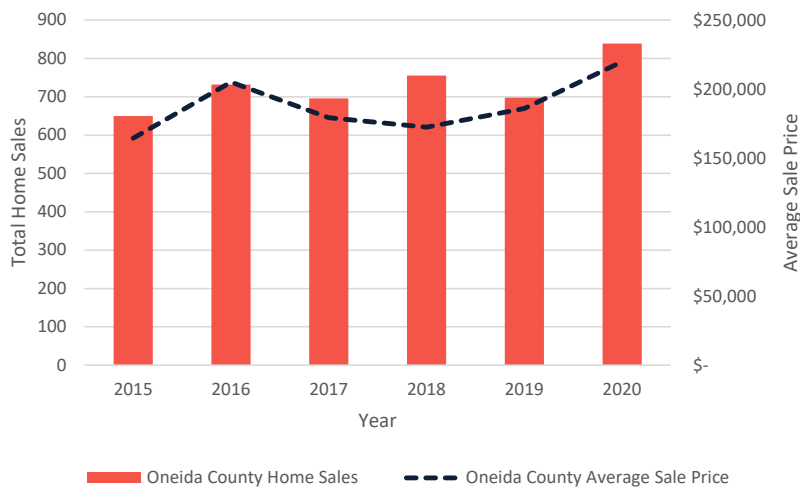
## Duplex Homes

Duplex homes comprise about 8% of Rhinelander’s housing stock. Accordingly, they also make up a smaller number of home sales in the city, though the total sales

**Figure 53. Detached Single-Family Home Sales in Rhinelander**  
Source: Multiple Listing Service



**Figure 54. Detached Single-Family Home Sales in Oneida County**  
Source: Multiple Listing Service



# MARKET TRENDS

has increased in recent years. Between 2015 and 2019 the number of duplex sales increased overall from 5 to 12 (an increase of 140%). During the same time period, median sale price increased by 52% (from \$50,000 to \$76,000).

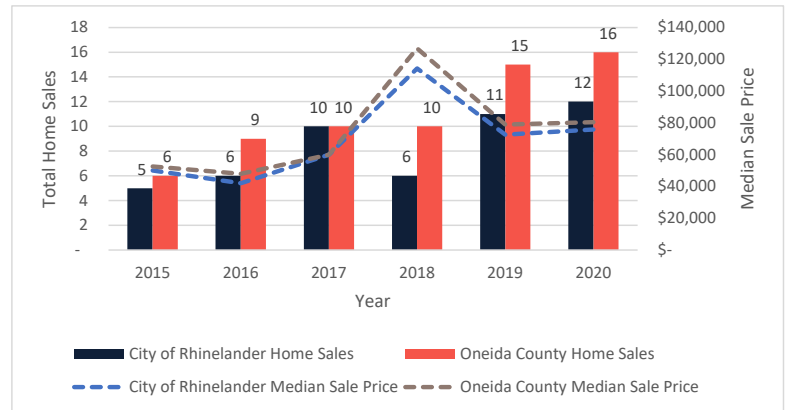
Although this is a relatively small percentage of the housing stock, real estate data indicate that there is increasing demand for these types of units. Duplexes offer the opportunity for homeownership at a lower price point when compared to detached single-family homes.

## Condos

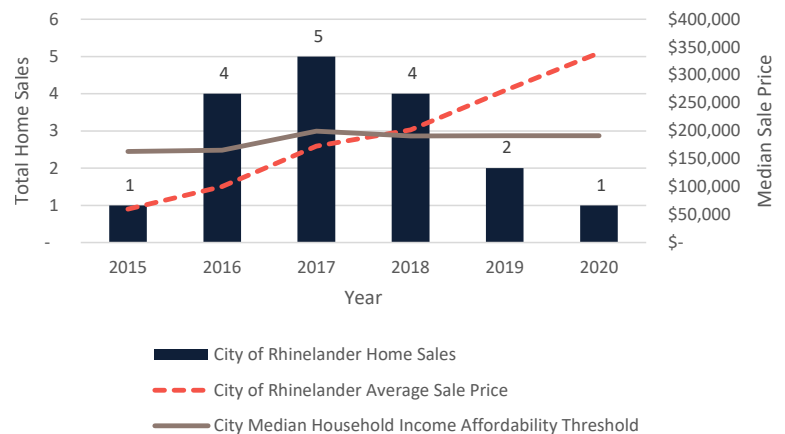
Condominium is a type of ownership. It is similar to a traditional single-family home in that the owner owns the individual unit, however there is joint ownership with other condo owners for common grounds, hallways in multi-family buildings, etc. The physical type of structure where condominium ownership is found include single-family homes, duplexes, townhomes, and multi-family, multi-story buildings. There are few condos in the city of Rhinelander, and accordingly few sales have occurred recently. For the condos that have sold, sale prices have increased by 467% between 2015 and 2020.

These indicators in the condo home sales market indicate that there has been increased interest in condos in recent years. Feedback from the public meetings echoed the need for more condos in the city, especially for seniors and young professionals.

**Figure 55. Duplex Home Sales in Rhinelander and Oneida County**  
Source: Multiple Listing Service



**Figure 56. Condo Home Sales in Rhinelander and Oneida County**  
Source: Multiple Listing Service





# OWNERSHIP UNIT SIZE

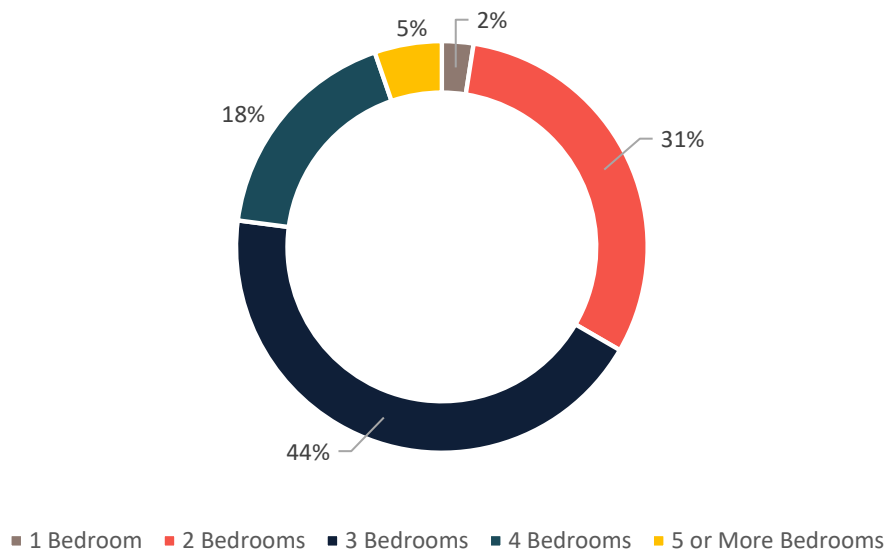
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The most common bedroom size for owner-occupied units within the city are 2 and 3 bedrooms (75%), followed by four bedroom (23%) units. Ownership units are typically larger in size than rental units, which is a large part of their appeal to families. Approximately 22% of owner-occupied housing units in the city have children under the age of 18, which is actually less than the percentage of rental units

with children (31%). Despite the majority (76%) of owner occupied units in the city being 1- or 2-person households, 67% of owner-occupied units in the city are 3 or more bedroom units.

**Figure 57. Owner-Occupied Units by Bedrooms**

Source: 2019 5-Year ACS Estimates





6

HOUSING  
FOR SPECIAL  
POPULATIONS

# OVERVIEW

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This section further investigates the special populations of Rhinelander and surrounding communities—the homeless, ALICE (Asset Limited, Income Constrained, Employed) households, seniors, and disabled populations. Ensuring adequate housing for all of these groups is important to the overall health of the housing market in Rhinelander. The unique housing needs of these populations are often overlooked, yet these needs grow in proportion to overall population growth.

## KEY DATA

- An estimated 480 city residents will age into the 85+ age cohort over the next 20 years, and may look to sell their housing.
- There are about 30 homeless individuals in Rhinelander right now.
- 24% of households in Rhinelander are ALICE—they earn more than the Federal Poverty Level but less than the basic cost of living for the county.
- 500 households in Rhinelander are low income and have ambulatory or self-care difficulty.

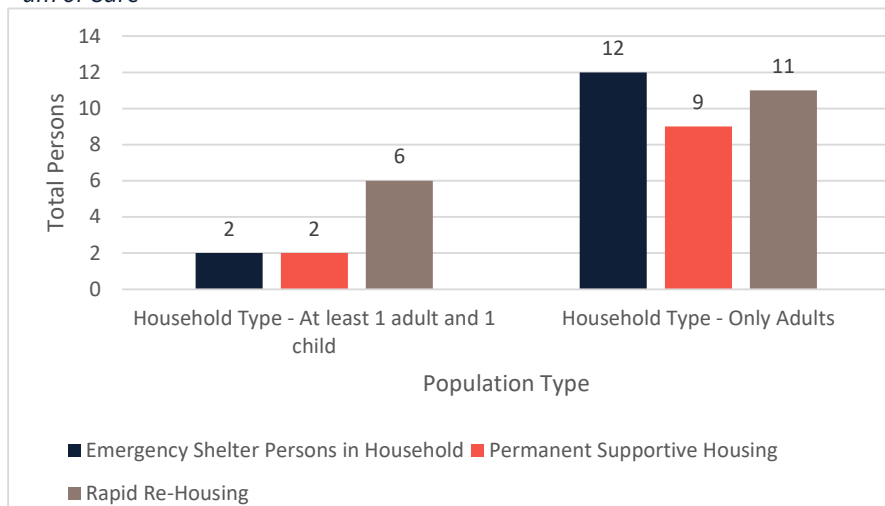


Source: caring.com

# HOMELESSNESS

**Figure 58. Rhinelander Homeless Point in Time (PIT) Count**

Source: Northern Wisconsin Initiative to Stop Homelessness (NWISH) Continuum of Care



*A chronically homeless person costs the taxpayer an average of \$35,578 per year. Costs on average are reduced by 50% when homeless are placed in supportive housing. Supportive housing costs on average \$12,800 per year.*

**-National Alliance to End Homelessness**

The Point in Time (PIT) count is perhaps the best currently available estimate on homelessness. The PIT count includes sheltered and unsheltered homeless persons on a single night in January. This is likely an under count, though, as it does not include persons staying in hotels on a temporary or permanent basis or “doubling up” with other families temporarily.

and abuse. However lack of affordable housing and lack of landlords willing to rent to those with less than perfect records can contribute to homelessness.

The Northern Wisconsin Initiative to Stop Homelessness’s (NWISH’s) January 2021 PIT count found there were 42 homeless individuals in Rhinelander, approximately 2/3 of them were single adults and 1/3 households with at least one adult and one child. All of these individuals were sheltered either in an emergency shelter, permanent supportive housing, or rapid re-housing. Over the last decade NWISH has run into three unsheltered individuals.

A group this data does not capture is those “at risk of homelessness”. Based on HUD’s definition, to be considered “at risk” you must have a household income below 30% AMI and be severely cost burdened. In most recent data (2017 HUD CHAS), there are 240 households in Rhinelander that meet this definition of being at risk of homelessness.

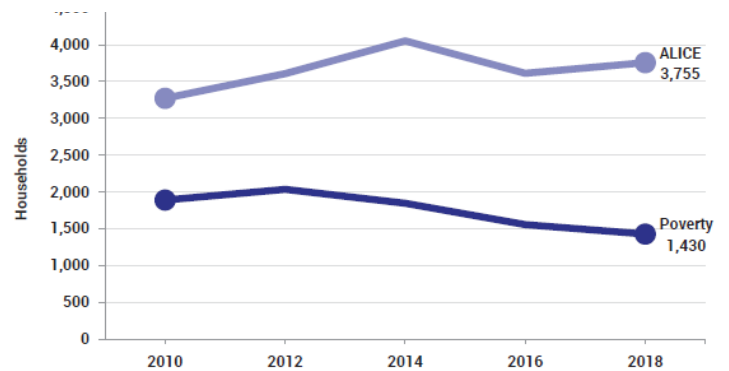
There are a variety of reasons a person may be homeless, many of which are not directly tied to housing availability, such as poverty, unemployment, physical or mental health issues, drug or alcohol abuse, domestic violence

# ALICE HOUSEHOLDS

The United Way provides a measure of affordability for people who are not always captured as low-income, but are not financially secure. United Way calls this group “ALICE” - “Asset Limited, Income Constrained, Employed.” These households are working but struggle to afford housing, child care, food, transportation and health care. The United Way has calculated an ALICE threshold for each county in Wisconsin. The threshold takes into account the current basic necessities and geographic variation. The ALICE threshold is an annual income of \$20,352 for a single adult and \$67,596 for a family of four. For reference, the ALICE threshold for a family of four in Oneida County is higher than the median income for households in Rhinelander (\$40,822).

According to the report, the percentage of households below the ALICE threshold in Rhinelander is 33% (above the state average of 23%). The percentage below the poverty level (\$12,140 for a single adult and \$25,100 for a family of four) in the city is 13% (above the state average of 11%). The number of ALICE households in Oneida County increased from 2010 to 2018 (approximately 3,250 to 3,755, we assume this type of increase is also true for Rhinelander. Most (92%) of the ALICE households in Oneida County are single and cohabitating or 65+. The other 8% are families with children.

**Figure 59. ALICE and Poverty by Household in Oneida County**  
 Source: United Way 2018 ALICE One-Pager for Oneida County



Total Households	2010	2012	2014	2016	2018
	16,934	15,884	15,519	14,965	15,403

## WHO IS ALICE?

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ASSET LIMITED
INCOME CONSTRAINED
EMPLOYED



**ALICE has no safety net in times of crisis**



**ALICE's income falls short of essentials**



**ALICE is working, yet not earning enough**





# AGING POPULATIONS

Elderly households are important players in the housing market, as many are current homeowners, and some will require different accommodations, specialized housing, or programming to assist aging-in-place. Senior housing generally refers to the combination of services and housing that allow them to continue to live comfortably. This ranges from continuing to live in their own home with virtually no services, to townhomes and apartments that offer the ability to “downsize” their residence, specialized housing units with limited services, and different types of assisted living facilities.

There are three primary types of senior-specific housing:

- 1) **Nursing Homes**—primarily for adults with serious medical needs.
- 2) **Assisted Living facilities**—offer residents the ability to live a free and independent lifestyle, but they also receive regular support for a range of daily activities, from cleaning to meal preparation to medication management. Residents are also offered a calendar of special events, activities, trips, and many opportunities for social engagement.
- 3) **Independent Living facilities**—ideal for individuals who can still live independently but enjoy having access to assistance when needed/desired such as dining, medical care and entertainment.

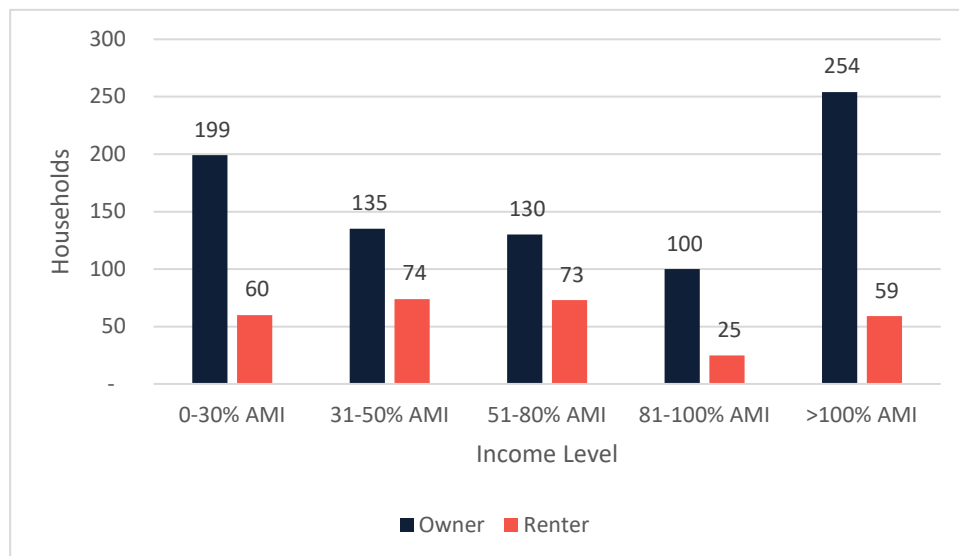
Within Rhinelander there are two nursing homes and seven assisted living facilities. There are also five federally

subsidized apartments targeted to seniors.

As varying levels of services are included with different types of housing for aging populations, typical affordability standards do not apply. Often senior households will pay up to 50% of their income for market rate senior housing, up to 90% of their income for specialized and assisted living, often funded in part through sales of an owned home. Many households age 62+ in the city are still homeowners (74%) who have not yet sold homes to fund other housing or services. This is a major factor that continues to constrain supply, particularly of supply that is an attractive size and price point for first time homebuyers.

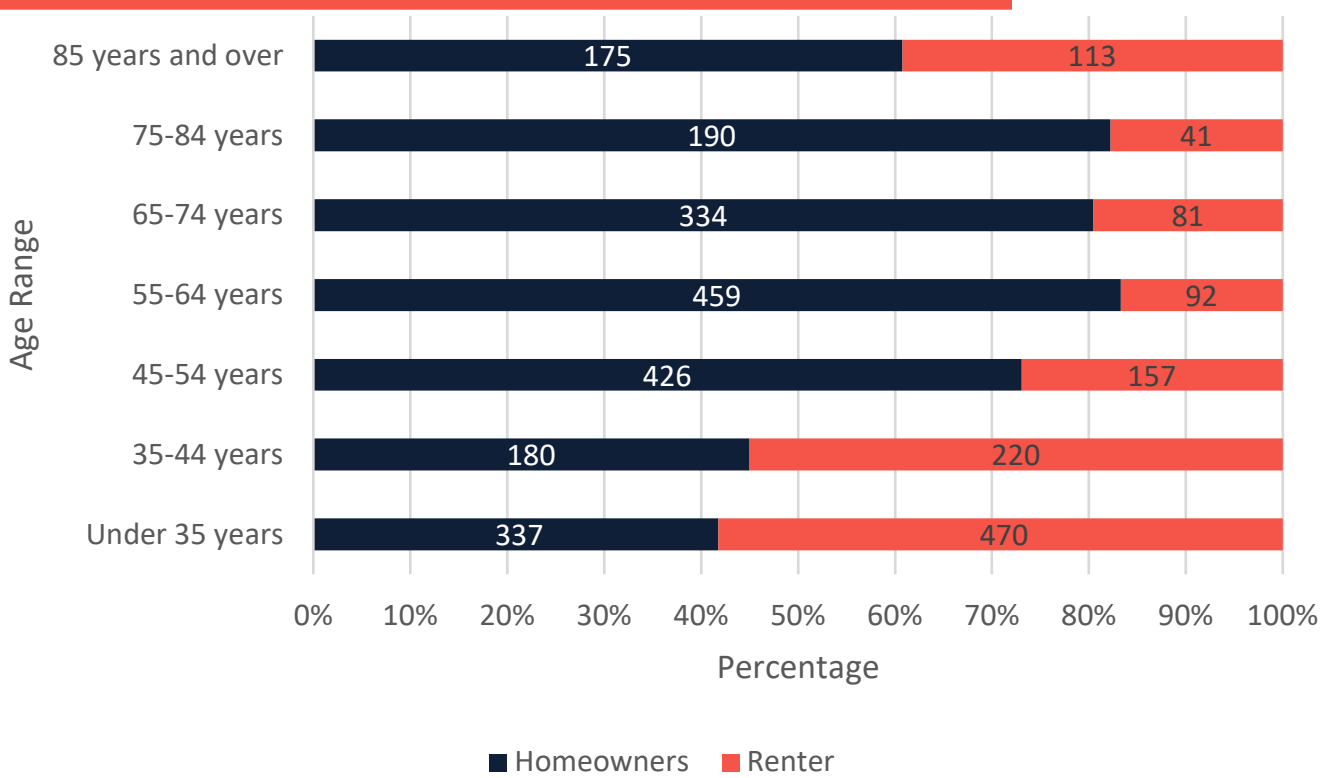
Over the next 20 years, around 480 Rhinelander residents will age into the 85+ age category, and may look to sell their housing for other living options if they find something that fits their needs. This would add supply to the housing market and provide more options for first time homebuyers. However this is not a guaranteed occurrence. As the housing tenure data on the next page shows, home ownership peaks between age 55 and 84, as many homeowners desire to stay in their current home as long as possible. In addition to alternative housing options for seniors, this suggests a need for services to enable seniors to live independently in their existing homes along with maintaining and adapting existing housing.

**Figure 60. 62+ Household Income and Tenure in Rhinelander**  
 Source: HUD CHAS 2013-2017 62+ Household Income and Tenure



**Figure 61. Housing Tenure by Age in Rhineland**

Source: 2019 5-Year ACS Estimates



*77% of respondents to the 2018 AARP Home and Community Preferences Survey (age 50+) state they would like to remain in their community for as long as possible.*

**76% would like to remain in their current residence for as long as possible.**

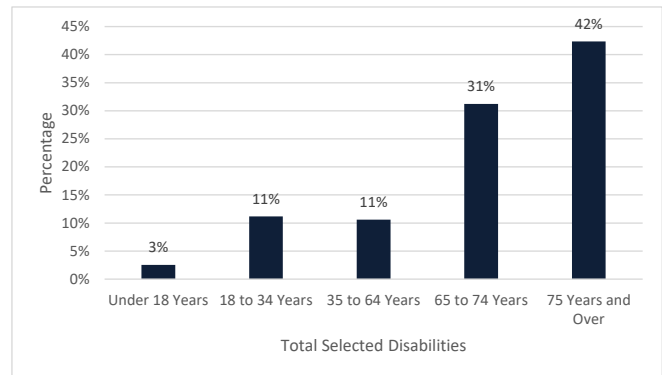
# DISABLED POPULATIONS

Persons with a disability do not inherently require access to specific housing types or accommodations. It is dependent on the type and severity of the disability. In this section we look at the disability types that are most likely to require specialized forms of housing: ambulatory disability, self-care difficulty, and independent living difficulty. More commonly persons with a disability receive services and specialized housing accommodations as they age. This is due to the percentage of population by age, that experience a disability being disproportionately higher in aging and senior housing holds.

Wisconsin DOA projections show that there will be a 27% increase in those age 65+ by 2040 in Oneida County. If we apply a similar increase to the city, it is likely there will be an additional 750 residents in the 65+ age cohort between now and 2040. A 2007 study by Smith et. al. published in the Journal of the American Planning Association projects that due to the aging population, 21% of all households will have at least one disabled resident in 2050. They also estimate there is a 60% likelihood that a newly built single-family detached unit will house at least one disabled resident during its expected lifetime. Because many seniors desire to live independently for as long as possible, this suggests a growing need for housing that is accessible.

When housing units are constructed specifically for persons with disabilities, they are not traditionally built using methods that easily accommodate aging populations and often require renovation such as wider doorways, lower counter tops, zero entry shower/baths. However, many municipalities have requirements that mandate a percent of new construction be built using universal design standards. These standards often not only provide access to persons with and without disability, but are cheaper to construct on a per unit basis.

**Figure 62. Percentage of Population with Ambulatory, Self-Care or Independent Living Difficulty in Oneida**  
Source: 2019 ACS 5- Year Estimates



**Figure 63. Age Projections for Rhinelander**  
Source: 2019 ACS 5-Year Estimates and Wisconsin Department of Administration Projections

	2019	Projected 2040	Projected Percent Increase
0-9	864	946	9.5%
10-19	1,005	1,074	7%
20-34	1,622	1,547	-4%
35-54	1,728	1,745	1%
55-64	880	657	-25%
65-84	1,044	1,317	26%
85+	427	911	113%

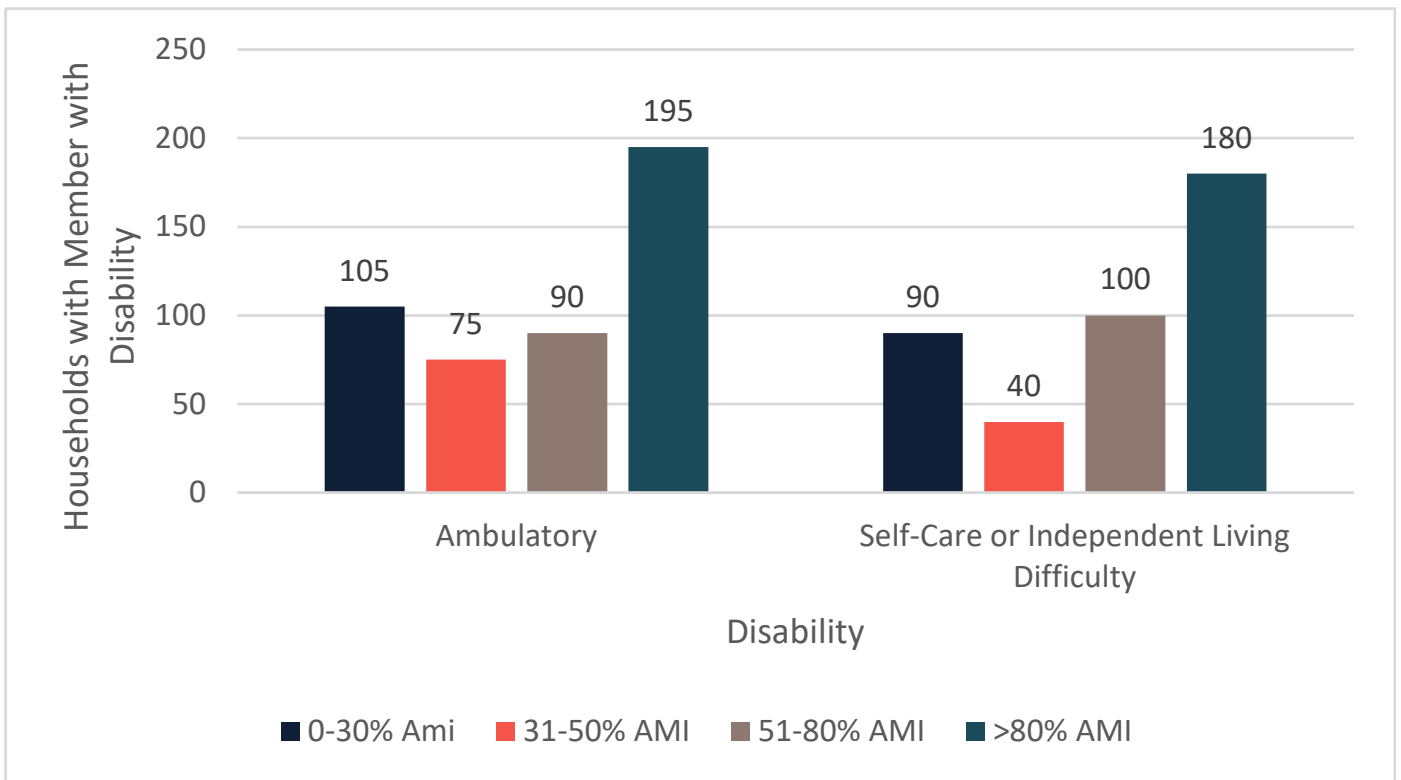
# ACCESSIBILITY

Current income and disability trends in the city show that households including someone living with an ambulatory, self-care or independent living disability are found across all income levels, including levels that would find market rate housing affordable. Lower-income households tend to have disabilities go unreported or undiagnosed due to limited access to affordable healthcare. There is no reliable data on local units that are accessible, though estimates nationally place accessible single family homes at just 1% of the total housing stock in the country. The 310

households under 50% median income with ambulatory disabilities or self-care or independent living difficulties are most concerning because they are at the highest risk for homelessness because of their incomes and also have the greatest need for accessibility features, which many likely do not have.

**Figure 64. Disability and Income for Rhinelander**


Source: HUD CHAS 2013-2017





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# 7



BEACH RULES  
VISITORS TO THIS BEACH SHOULD BE ACCQUAINTED BY AN ADULT  
WITH CURRENTLY POSTED OR DULAYING RULES  
BE BUILT CONDUCTED:  
NO SWIMMING  
NO SKIING  
NO BOATING  
NO MOTOR BOATS ON BEACH  
NO POLYMER FLOTATION DEVICES ALLOWED  
NO PET BATHS PERMITTED AT ANYTIME  
NO PETS ALLOWED  
NO FISHING OR BAITING ALLOWED  
PLEASE DO NOT FEED WILD BIRDS  
RESPECT ALL PROHIBITED AREAS OF THE BEACHES

# OTHER FORCES IMPACTING THE MARKET



# OVERVIEW

The housing market is impacted by a variety of local and national forces, including taxes, public policy and regulation, availability of lots, and other livability factors. This section describes some of those forces.

## KEY DATA

- There are few shovel-ready sites available for new development.
- There are characteristics of the surrounding towns that are attracting people—lower taxes, larger properties, newer homes, and more lakefront.
- The city does have unique amenities that attract and retain residents — recreational amenities, hospital, retail, and entertainment.
- Nationwide trends are impacting the local housing market.



# TAXES

A topic that came up in the public meetings is the impact taxes have on a household's decision to live in Rhinelander or in another community with lower tax rates.

Based on 2019 data from the Wisconsin Department of Revenue, Rhinelander's mill rate is higher than surrounding towns, though it is lower than nearby cities. It is generally expected that cities will have higher tax rates than towns because they maintain more infrastructure and offer more services per capita. The town of Newbold has the lowest mill rate at .001248. Rhinelander's mill rate is significantly higher than Newbold's. Many stakeholders and participants in the public meetings noted that taxes were an important factor in deciding to live at their current residence, many choosing to live in surrounding towns. Along with lower taxes, stakeholders noted that towns offer larger lots, newer and bigger homes, and more opportunities to live on the water. They also noted they were still close enough to Rhinelander to benefit from the amenities it offers.

**Figure 65. 2019 Mill Rate Comparison**

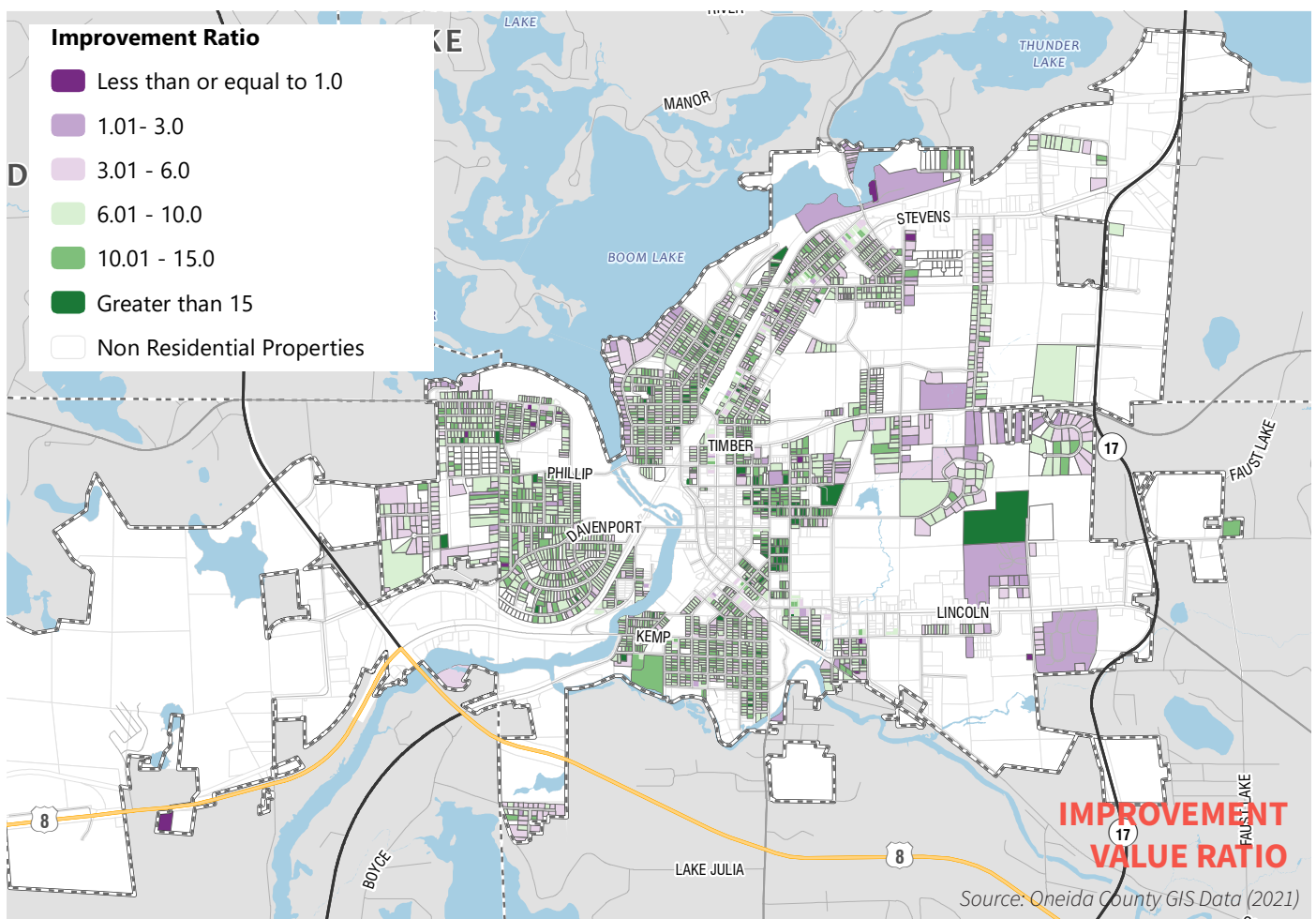
Source: Wisconsin Department of Revenue

Municipality	2019 Mill Rate	Tax on \$90,600* Home	Difference vs. Rhinelander	2019 Population
City of Merrill	0.030890	\$2,437	\$461	9,724
City of Tomahawk	0.023310	\$2,117	\$141	3,322
City of Rhinelander	0.021810	\$1,976	-	7,805
Town of Pine Lake	0.014590	\$1,322	(\$654)	2,756
Town of Crescent	0.013250	\$1,200	(\$776)	2,042
Town of Pelican	0.013100	\$1,187	(\$789)	2,802
Town of Newbold	0.012480	\$1,131	(\$845)	2,753

\*The median home value in Rhinelander, based on 2019 5-Year ACS estimates

# IMPROVEMENT VALUE RATIO

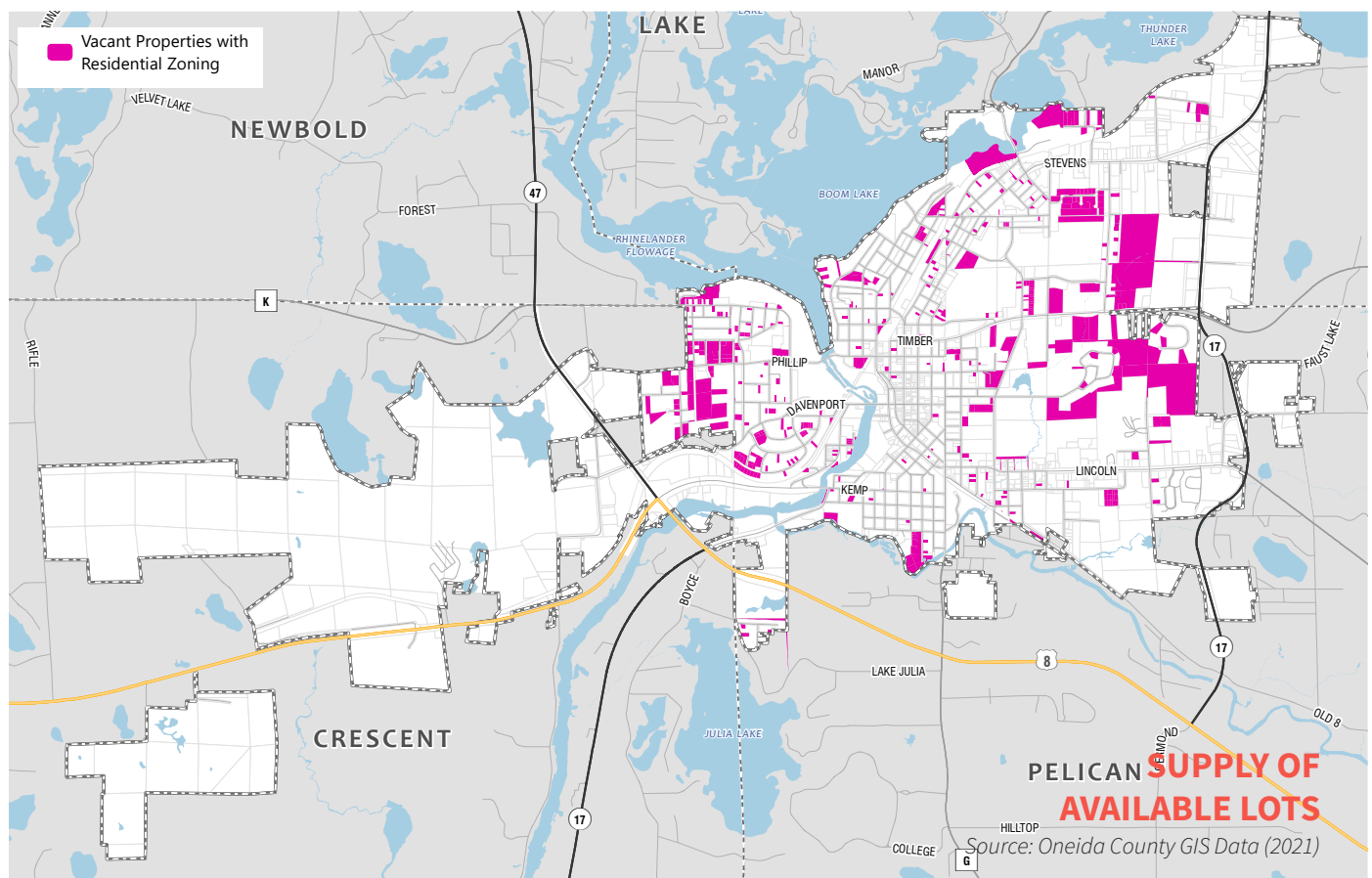
Improvement value ratio shows improvement value divided by land value. This ratio can help identify areas that are more likely to benefit from redevelopment—areas with high land value and low improvement value. The map below shows the improvement ratio for residential lots in Rhinelander. Lower improvement ratios throughout the city are not surprising due to the age of the city's housing stock. Areas with the lowest improvement ratios, which may be most prepared for redevelopment, are scattered throughout the city.



# SUPPLY OF AVAILABLE LOTS

In addition to redevelopment opportunities, there are parcels in the city that are zoned for residential use, but remain vacant. The figure below shows where these parcels are located.

Currently, there are around 203 undeveloped residential properties. Some of these are sliver parcels that are too small to be visible on the map. The residential properties range in size from 0.1 to 3.3 acres. Of these properties, 50% are zoned R-2 (Two-Family Residence), 42% are R-1 (Single-Family Residence), 3% are zoned R-3 (General Residence), and the remainder are in business districts. Despite this seemingly high number of lots, there are few shovel-ready sites and/or willing sellers to support subdivisions or new standalone residences. Many of these parcels are owned by adjacent homeowners to create larger lots.



# REGULATIONS

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## Zoning

The City's Zoning Ordinance was just updated in 2021 for the first time since 1966. Rhinelander's updated Zoning Ordinance has three traditional residential zoning districts:

- Single-Family Residential (R-1)
- Single- and Two-Family Residential (R-2)
- Mixed Residential (R-3)

Of these three residential zoning districts, the R-3 district allows multiple-family and townhome dwellings by right. The R-1 district only allows single-family dwellings by right and the R-2 district allows single-family and two-family dwellings. Residential development by right within the zoning code reduces unpredictability and helps to ease the procedural costs of housing development.

One part of Rhinelander's ordinance that offers increased flexibility to accommodate a variety of needs and uses is the planned development (PD) overlay district. This type of overlay zoning allows for a mixture of residential, commercial and public facilities along corridors. The purpose of the PD is to encourage alternative designs that allow a mix of uses in one area and better use and integrate the site's natural characteristics as well as the existing built environment's characteristics. PDs are permitted in all residential districts.

Minimum lot sizes are 10,000 square feet for single-family homes in the R-1 district and 7,000 square feet for the first unit plus 2,400 for each additional unit in the R-2 and R-3 districts. Minimum lot widths for single-family detached housing ranges from 80 ft. in the R-1 district to 60 ft. in the R-2 and R-3 districts. In the R-2 and R-3 districts minimum lot width is 80 feet for two-family units. Minimum front yard setbacks range from 25 ft. in the R-1 district to 20 ft. in all others. The minimum side yard setback is 8 ft. in the R-1 district and 6 ft. in all others.

## Development Fees & Process

Most costs of development are passed on to consumers in both ownership and rental markets. Development review fees are assessed by the City in order to ensure the quality of development.

Figure 66 shows recent examples of City building and planning permit fees for recent multi-family and single-family developments. The average fee for single-family development has been \$1,366 and \$691 per multi-family dwelling unit. The only recent multi-family project in the city was one development with multiple buildings in 2016.

Impact fees are assessed to cover the incremental cost of public facilities needed to accommodate new housing. Typical impact fees charged by communities include sewer, water, parks, waste, police, fire, among others. Currently, the City does not charge any impact fees, which is a positive aspect of developing in Rhinelander from a developer's perspective.

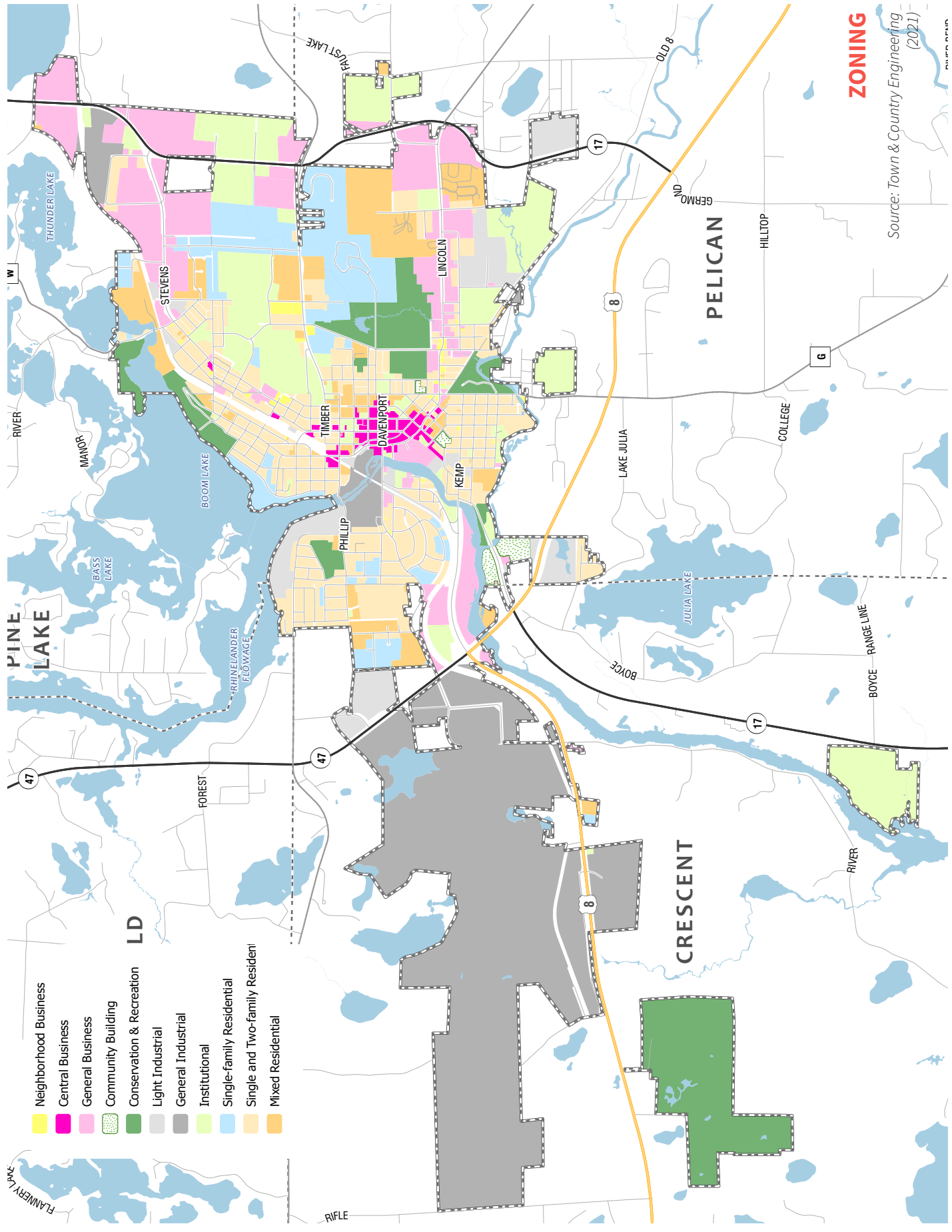
Interviews with housing experts in the community indicated that the process of getting the necessary approvals and meeting requirements for new development have taken more time than anticipated. A common challenge in many communities is that review and approval process can get drawn out due to the effort of having multiple people reviewing complex developments. A strategy to improve the process would be to find ways to coordinate so everyone is looking at the application at the same time and add a review to confirm all issues are identified as early in the process as possible.



**Figure 66. Rhinelander Zoning Ordinance Use Matrix**

Source: City of Rhinelander Ordinances (Title 5, Chapter 5.07)

	Single-family Residential	Single- and Two-family Residential	Mixed Residential	Neighborhood Business	Central Business	General Business	Community Building
Dwelling Type	R-1	R-2	R-3	B-1	B-2	B-3	CB
Single-family	P	P	P	C			P
Two-family		P	P	C			P
Townhouse		C	P	C	C		P
Multi-Family Residence			P	P	C		C
Manufactured/Mobile Home Community			C				
Mixed Use Dwelling			P	P	P	C	C
Rooming House			C				C
Tourist House	C	C	C	C	C		C
Accessory Dwelling Unit	C	C	C	C			C
<b>Bulk Restrictions &amp; Setbacks</b>							
Min Lot Size (in SF)	10,000	7,000 for 1st unit plus 2,400 for each additional unit	7,000 for 1st unit plus 2,400 for each additional unit	8,000	3,500	20,000	8,000
Min Lot Width (in FT)	80	60 for single-family, 80 for two-family and other development	60 for single-family, 80 for two-family and other development	60	30	80	60
Min Front Yard Setback (in FT)	25	20	20	20	-	25	20
Min Side Yard Setback (in FT)	8 (15 for street)	6 (15 for street)	6 (15 for street)	6	-	8	6
Min Rear Yard Setback (in FT)	25	20	20	10	10	15	10



- LD**
- Neighborhood Business
  - Central Business
  - General Business
  - Community Building
  - Conservation & Recreation
  - Light Industrial
  - General Industrial
  - Institutional
  - Single-family Residential
  - Single and Two-family Residential
  - Mixed Residential

**ZONING**  
 Source: Town & Country Engineering (2021)

**Figure 67. Permit & Planning Fees for Recent Residential Development in Rhinelander**

Source: City of Rhinelander Inspection Department

	Project Value	Permit & Planning Fees	Sq. Ft.	Fees/Dwelling Unit	Fees/Sq. Ft.
<b>NEW SINGLE FAMILY DWELLINGS</b>					
<b>Example 1 (2021)</b>	\$350,000	\$1,691	3,194	\$1,691	\$0.53
<b>Example 2 (2021)</b>	\$134,000	\$1,244	2,027	\$1,244	\$0.61
<b>Example 3 (2019)</b>	\$375,000	\$1,963	5,376	\$1,963	\$0.37
<b>Example 4 (2019)</b>	\$100,000	\$1,165	1,823	\$1,165	\$0.64
<b>Example 5 (2019)</b>	\$120,000	\$766	2,623	\$766	\$0.29
<b>NEW MULTI-FAMILY DWELLING</b>					
<b>Example 1 (2016) - 12 units</b>	\$600,000	\$8,296	19,584	\$691	\$0.42



# LIVABILITY

## Amenities

Rhineland is known as the capital of Wisconsin's North. It is located on the shores of the Wisconsin River and unique in that it is the only "up north" community that offers ample opportunities for water and land based recreation, and an innovative urban-like infrastructure with a small-town feel. The city has access to over 1,100 lakes, miles of trails and offers a historic downtown. The city also has numerous commercial, industrial, retail and medical facilities and many in northern Wisconsin travel to Rhineland for these things. In addition to these amenities, several other factors were brought up during the public meetings as things that attract and retain residents in the area include Rhineland's walkable downtown, reliable internet, and friendly neighborhoods.

## Neighborhoods

Great neighborhoods are important to any community. Several of the public meeting participants thought existing neighborhoods in Rhineland were friendly and great places to live, while some pointed out that this is not true for all neighborhoods in the city. Creation of neighborhood associations is something the City could encourage for residents. Neighborhood associations help reduce crime and improve quality of life. There are currently no neighborhood associations in the Rhineland.

## School District

The Rhineland School District had a total enrollment of 2,259 for the 2020/2021 school year. This is a decrease of 1.7% from the 2016/2017 school year. When looking at the District Report Cards published by the Wisconsin Department of Instruction, which take into account student achievement, district growth, closing achievement gaps, and on-track and postsecondary readiness, the Rhineland Area School District receives a score of 68.0 (Meets Expectations) on a scale of 0 (Fails to Meet Expectations) to 100 (Significantly Exceeds Expectations). Surrounding School Districts received the following scores:

- Tomahawk: 78.0 - Exceeds Expectations
- Northland Pines: 75.7 - Exceeds Expectations
- Three Lakes: 77.2 - Exceeds Expectations
- Elcho: 64.2 - Meets Expectations
- Lakeland UHS (Secondary): 65.0 - Meets Expectations
- Minocqua J1 (Elementary): 76.0 - Exceeds Expectations





# NATIONWIDE TRENDS

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Rhineland is connected to and affected by trends affecting housing across the country, including changes in financial regulation, demographics, development practices and cultural norms. These are some of the most relevant changes affecting housing demand in the Rhineland area:

## 1. Household size and house size

Household size – the number of people living together – has been in decline for more than 100 years due to multiple related trends. In 1960 the average U.S. household size was 3.35 people, and by 2010 it was 2.59. Causes include declining birthrates, declining marriage rates and increasing age of first marriage, and increased longevity. In other words, people are spending more of their lives single, and those that choose to be parents are having fewer kids. Nationwide this trend does appear to be reversing, as the national household size has grown since 2010. A common explanation for the increase in household size is that people are increasingly living in multi-generational households. Household size in Rhineland has increased from 1.97 persons per household in 2010 to 2.2 in 2019. It remains to be seen if this trend continues, especially as households age.

The effects of these changes on housing are varied, and not always predictable. The size of new houses has increased more or less steadily over the past 40 years, from an average of 1,400 SF in 1970 to an average of 2,600 SF in 2013. While households have been shrinking, families have been giving children their own rooms and designating separate spaces for things like home offices. There has been a modest trend back toward smaller units, even “tiny house” living, but these are not visible in the continuing overall growth of the average home size. A more predictable trend is the growth of retirement housing to accommodate the needs and interests of older people, many of whom live for years as one-person households. National data on apartment size suggest they too have grown, though not as dramatically, to an average of about 1,000 SF.

## 2. Aging Population

Trends in US Census data show that the segment of the population age 65 or older is increasing across the nation. The Population Reference Bureau (PRB) estimates that the number of Americans age 65 and older is projected to more than double between 2014 and 2060. As Baby Boomers age, we expect the number of seniors in Rhineland to continue to rise. Based on DOA projections, Rhineland could see an increase of just over 750 residents aged 65+ by the year 2040.

PRB notes that, especially in the Midwest, those age 65 and older are choosing to age in place, or stay in their homes, as long as possible. Due to the high number of seniors aging in place, accessibility improvements are critical as is offering senior apartments for those who choose to move and downsize.

## 3. Housing Affordability

Large-scale economic trends are bringing housing affordability into focus as a prominent issue across the country. While the household income of the top 5% of US households has more than doubled in the past 50 years, middle income households have seen only about a 10% increase in that period. Meanwhile, inflation-adjusted housing costs have risen roughly 50% for rental housing and 70% for home ownership in that period. In 2021, the national price-to-income ratio is 4.4—the highest level since 2006. Thirty percent of income has long been viewed as the standard threshold for “affordable”, as defined by the federal government. Fourteen percent of owners and 28% of renters in the City currently pay more than 30% of their income for housing.

COVID-19 added fuel to increasing home prices due to a home-buying binge that began mid-2020. This increase in sales occurred despite a historically tight supply of housing which tightened even more during the pandemic as some potential sellers were discouraged from putting their homes on the market. National months of supply for existing homes dipped below 2.0 months for the first time ever in late 2020 (a desirable target is 6.0 months). Some worry these increases are signaling a bubble, however conditions are different now than they were leading up to 2009—particularly in terms of availability in credit. The current rise in prices is a direct reflection of high demand and low supply.

Local governments are now stepping in to address the challenges around affordability. Spurred by businesses concerned about hiring needs, complaints from residents who cannot find desirable housing within their budgets, and community concerns about declining conditions due to lack of reinvestment in housing, communities are coming forward with policies and initiatives to address this challenge. The federal government has also stepped in to keep interest rates low which has given a great boost to new residential construction. On the flip side, if interest rates were to rise, this could help reduce housing demand which would have a positive impact on price appreciation.



# NATIONWIDE TRENDS

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## 4. Planning and Development Practices

The dominant trend in community planning and development after World War II was the segregation and concentration of uses and housing types – stores here, single family homes there, apartments somewhere else. This pattern has been shown to weaken neighborhoods and communities by isolating people and building in a dependence on car use. It is now generally recognized that healthy neighborhoods are those that people can stay in over time as their needs and interests change. Healthy neighborhoods include a mix of housing types, sizes, and price points, and they often include or are near to stores and restaurants. Healthy neighborhoods are also walkable, enabling more access to daily needs for people unable to drive.

## 5. COVID-19

One of the impacts that has become clear as the nation emerges from the COVID-19 pandemic is a growing demand for suburban and small community living, driven by the flexibility given by many companies for employees

to work remotely. It is anticipated that companies will be more flexible with work arrangements and this may lead more households to seek lower-cost housing further away from their employers.

A federal eviction moratorium has been in place since March 2020 (and could end any day now) which prevents landlords from evicting renters and prevents foreclosures on owner-occupied homes. These moratoriums have kept people in homes, though mortgage payments/rents will come due when the moratorium is lifted. There is concern that this could create a very real crisis among low-income renters in particular who are still on the hook for missed rent payments. The American Rescue Plan Act will provide up to \$9.961 billion for states to provide relief to prevent foreclosures for the country's most vulnerable homeowners and over \$46 billion has been allocated between the American Rescue Plan Act (2021) and the Consolidated Appropriations Act (2021) for emergency rental assistance for households unable to pay rent or utilities.





8

HOUSING  
GAPS AND  
OPPORTUNITIES

# UNITS NEEDED

## Overall

This chapter includes unit recommendations under two scenarios: conservative and high growth. Both scenarios use the Wisconsin Department of Administration (DOA) projections. The conservative scenario uses DOA's growth projection for the city, which relies on a continuation of past growth trends in the city. The second projection scenario uses the DOA growth projection for Oneida County which has been projected to grow at a faster pace than the city. It is useful to have multiple growth scenarios to allow for some flexibility as to what the future might hold for Rhinelander. The city is not limited to a continuation of what past growth has been, and has an opportunity to pull in new residents who are coming to live in the region.

The Wisconsin Department of Administration estimates that the total number of households will increase in Rhinelander from 3,546 in 2020 to 3,596 in 2030. Overall, this is a 1.4% increase. The growth in housing units should exceed the growth in households, to accommodate 2% vacancy of owner-occupied units and 5% vacancy of renter-occupied units.

Market conditions support the continued growth of all types of housing, including both renter- and owner-occupied units. The recommendations in this chapter are meant to serve as a guide and are not meant to be prescriptive or limiting. Demand is regional, and Rhinelander could experience growth beyond these projections due to job openings/growth in the greater area. Under the conservative projection of accommodating an additional 50 households over the next 10 years, and continuing to support a healthy balance of owner-occupied and renter-occupied units, the city will require a net addition (accounting for the loss of units in redevelopment) of about **30 rental units (3/year) and 26 owner-occupied units (3/year)**. This takes into account demand from new residents and existing residents. These projected needs are based on the assumption that the current balance of 36% rental units and 64% ownership units is maintained.

Under the high growth scenario assuming there will be 283 new households by the year 2030, the city will require a net addition of about **101 rental units (10/year) and 129 owner-occupied units (13/year)**.

Each of the next four pages breaks down the demand analysis for ownership and rental units using both conservative and high growth estimates.

## KEY FINDINGS

● 30-101 additional rental units are needed in the city by 2030.

● 26-129 additional owner-occupied units are needed in the city by 2030.

● 261 total (excluding existing units) independent living senior units are needed in the city by 2030.

● 91 additional assisted living senior units are needed in the city by 2030.

## Ownership Units

In total, there is demand for 21-103 single family-detached and 5-26 single-family attached (duplex, townhouse) units over the next ten years.

Single-family attached and detached unit price points should be within the following, based on current **ownership** price points and HUD FY2020 income categories:

- 5-18 units priced up to \$56,000
- 3-14 units priced between \$50,000-\$90,000
- 4-19 units priced between \$118,000-\$178,000
- 4-18 units priced between \$150,000-\$235,000
- 12-60 units priced greater than \$190,000

These findings are consistent with what we heard from housing expert interviews within the community—the market is extremely competitive for single-family homes priced around \$130,000 and for higher priced homes. Based on the median income in the city, the estimated median household income affordability threshold is a home priced at around \$191,000.

Currently, approximately 15% of Rhinelander's housing stock is single-family-attached housing. Instead of applying a 15% preference for single-family attached housing, the projections assume a 20% preference for attached housing. This is based on the idea of using attached units as an affordability strategy for those who seek homeownership but for whom conventional detached housing may be out of reach due to cost.

# UNITS NEEDED

Given the small number of owner-occupied attached units projected, what actually gets built could vary greatly dependent on what a specific developer comes forward with. There could be no projects proposed or there could be one project with any number of units proposed over the next ten years..

**Figure 68. Ownership Unit Need Projection for Rhinelander-Conservative Growth**  
 Source: HUD CHAS, MSA Professional Services

<b>New Construction Ownership Housing Demand to 2030 - Conservative</b>			
<b><i>Demand from New Households Within the City</i></b>			
Owner Household Growth	32 additional households		
Percent Owner Households under 65	67%		
Plus Additional 2% Vacancy	1 ownership unit		
Demand Generated for New Construction	<b>22 ownership units</b>		
<b><i>Demand from Existing Resident Households</i></b>			
Current Owner Households (those under 65)	1,402 households		
Annual Turnover	2.4%		
Households Anticipated to Move	34		
Desire New Construction	13%		
New Construction Demand	<b>4 ownership units</b>		
<b>Total Demand for New Construction Ownership Units = 26 units</b>			
<b><i>Demand for Detached vs. Attached Units</i></b>			
Demand for SF-Detached	80%	Demand for SF-Attached	20%
<b>Total SF-Detached Need</b>	<b>21 units (2/year)</b>	<b>Total SF-Attached Need</b>	<b>5 units (1/year)</b>
<b>Total Unit Need = 26 units (3/year)</b>			

# UNITS NEEDED

**Figure 69. Ownership Unit Need Projection for Rhinelander-High Growth**

Source: HUD CHAS, MSA Professional Services

<b>New Construction Ownership Housing Demand to 2030 - High</b>			
<b><i>Demand from New Households Within the City</i></b>			
Owner Household Growth	181 additional households		
Percent Owner Households under 65	67%		
Plus Additional 2% Vacancy	2 ownership units		
Demand Generated for New Construction	<b>124 ownership units</b>		
<b><i>Demand from Existing Resident Households</i></b>			
Current Owner Households (those under 65)	1,402 households		
Annual Turnover	2.4%		
Households Anticipated to Move	34		
Desire New Construction	13%		
New Construction Demand	<b>4 ownership units</b>		
<b>Total Demand for New Construction Ownership Units = 129 units</b>			
<b><i>Demand for Detached vs. Attached Units</i></b>			
Preference for SF-Detached	80%	Preference for SF-Attached	20%
<b>Total SF-Detached Need</b>	<b>103 units (10/year)</b>	<b>Total SF-Attached Need</b>	<b>26 units (3/year)</b>
<b>Total Unit Need = 129 units (13/year)</b>			



# UNITS NEEDED

## Rental Units

Rental unit projections are based on projected household growth, current housing tenure rates and affordability rates for current renter households. Because rental units are built multiple units at a time, there may be few or no units built in a year, or there could be 25 or more.

Based on current **rental** price points and HUD FY2020 income categories, new rental units should be within the following price points:

- 11-38 units with monthly rent up to \$900 (Affordable Units)
- 8-26 units with monthly rent between \$1,000-\$1,400
- 11-37 units with monthly rent greater than \$1,200

Two of the major employers we spoke to during the public meetings stated many of the positions they are hiring for are hourly, full-time positions. Interviewees said people in these positions are often renters. The pay range for these

**Figure 70. Rental Unit Need Projection for Rhinelander-Conservative Growth**

Source: HUD CHAS, MSA Professional Services

New Construction Rental Housing Demand to 2030 - Conservative					
<b>Demand from New Households Within the City</b>					
Renter Household Growth	18 additional households				
Percent Renter Households under 65	80%				
Plus Additional 5% Vacancy	1 rental unit				
Demand Generated for New Construction	<b>15 rental units</b>				
<b>Demand from Existing Renter Households</b>					
Current Renter Households (those under 65)	939 households				
Annual Turnover	12%				
Households Anticipated to Move	113				
Desire New Construction	13%				
New Construction Demand	<b>15 rental units</b>				
<b>Total Demand for New Construction Rental Units = 30 units</b>					
<b>Demand for Rental Units at Various Price Points</b>					
Affordable Units	37%	Mid-Level Units	26%	High Market Units	37%
<b>Total Affordable Need</b>	<b>11 units (1/year)</b>	<b>Total Mid-Level Need</b>	<b>8 units (1/year)</b>	<b>Total High Market Need</b>	<b>11 units (1/year)</b>
<b>Total Unit Need = 30 units (3/year)</b>					

# UNITS NEEDED

positions is between \$18 and \$22 per hour. An affordable monthly housing cost for these positions is between \$925 and \$1,150 per month which is in line with our projections and further emphasizes a need for more affordable and mid-level units.

In addition to a focus on new rental units, there should also be a focus on existing rental units in Rhinelander. There are a number of aging units in need of repair and maintenance and with some work could meet demand for quality, more affordable (as compared to market rate new construction) rental units.

**Figure 71. Rental Unit Need Projection for Rhinelander-High Growth**  
 Source: HUD CHAS, MSA Professional Services

New Construction Rental Housing Demand to 2030 - High					
<b>Demand from New Households Within the City</b>					
Renter Household Growth	102 additional households				
Percent Renter Households under 65	80%				
Plus Additional 5% Vacancy	4 rental units				
Demand Generated for New Construction	<b>86 rental units</b>				
<b>Demand from Existing Renter Households</b>					
Current Renter Households (those under 65)	939 households				
Annual Turnover	12%				
Households Anticipated to Move	113				
Desire New Construction	13%				
New Construction Demand	<b>15 rental units</b>				
<b>Total Demand for New Construction Rental Units = 101 units</b>					
<b>Demand for Rental Units at Various Price Points</b>					
Affordable Units	37%	Mid-Level Units	26%	High Market Units	37%
<b>Total Affordable Need</b>	<b>38 units (4/year)</b>	<b>Total Mid-Level Need</b>	<b>26 units (3/year)</b>	<b>Total High Market Need</b>	<b>37 units (4/year)</b>
<b>Total Unit Need = 101 units (10/year)</b>					

# UNITS NEEDED

## Senior Units

Rhinelanders currently has about 994 households with one or more people age 65 and older. By 2025 this is projected to be 1,166, and by 2030 1,294 households. Some in this age cohort will continue to live in their current homes, but others will look for dedicated housing for seniors. The projections for senior units needed in Rhinelanders are into two categories: those requiring Assistance with Daily Living (ADL), and those not requiring ADL. Examples of ADL include meal preparation, assistance with taking medication or bathing, which are part of assisted living and nursing home facilities.

**For Independent living facilities (ADL not required), there is a current estimated demand for 101 subsidized units and 41 market rate units. This need increases to 118 subsidized and 48 market rate units in 2025 and 131 subsidized and 54 market rate units in 2030.** These numbers do not include the number of units

that currently exist in the city. If these same calculations are done for need within Oneida County, there is an overall need for 356 total subsidized units and 119 total market rate units by 2030. Again, this does not include existing units.

**For assisted living facilities/nursing homes/memory care units, there is a current surplus of 6 beds in Rhinelanders. By 2025 there is a need for 14 additional beds and 29 additional beds by 2030.** This does include the existing supply of assisted living/CBRF/nursing home facilities currently found in Rhinelanders. If the same calculations are done for need within the entire county, there is an overall need for 137 additional assisted living units by 2030. This does take into account existing assisted living units in the county.

**Figure 72. Independent Living Demand Projection for Rhinelanders**

Source: See below

Age Cohort of Household	Assumptions	2020 Households	2025 Households (projected)	2030 Households (projected)
65+	-	994	1,166	1,294
<b>Assistance with Daily Living (ADL) NOT Required*</b>				
65+	55%	547	641	712
<b>% Renter Households**</b>		<b>26%</b>		
Total Potential Market		142	167	185
<b>% Subsidized**</b>		<b>71%</b>		
<b>Projected Demand - Subsidized***</b>		<b>101</b>	<b>118</b>	<b>131</b>
<b>Projected Demand - Market Rate***</b>		<b>41</b>	<b>48</b>	<b>54</b>

\*Estimates from the Agency for Healthcare Policy and Research

\*\*2013-2017 HUD CHAS data for 62+ households

\*\*\*This does not include existing units

# UNITS NEEDED

**Figure 73. Assisted Living Demand Projection for Rhinelander**

Source: See Below

Age Cohort of Household	Assumptions	2020 Households	2025 Households (projected)	2030 Households (projected)
65+	-	994	1,166	1,294
<b>Assistance with Daily Living (ADL) Required*</b>				
65+	45%	447	525	582
<b>% Renter Households**</b>		<b>26%</b>		
Total Potential Market		116	136	151
Minus Existing Supply of Assisted Living/CBRF/Nursing Home Units		122	122	122
<b>Projected Demand</b>		<b>(6)</b>	<b>14</b>	<b>29</b>

\*Estimates from the Agency for Healthcare Policy and Research

\*\*2013-2017 HUD CHAS data for 62+ households

## WHERE UNITS ARE NEEDED

### Affordable Housing

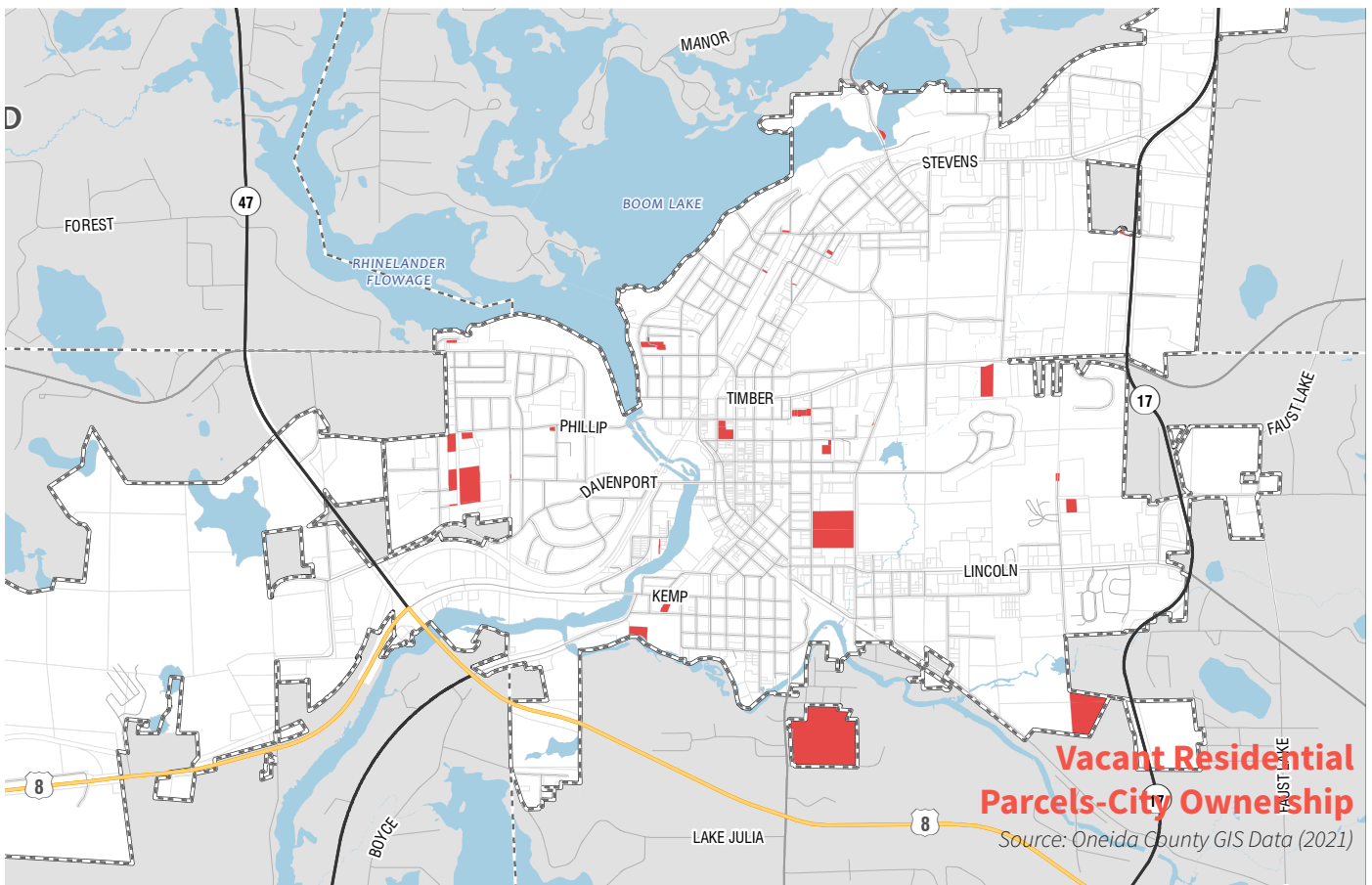
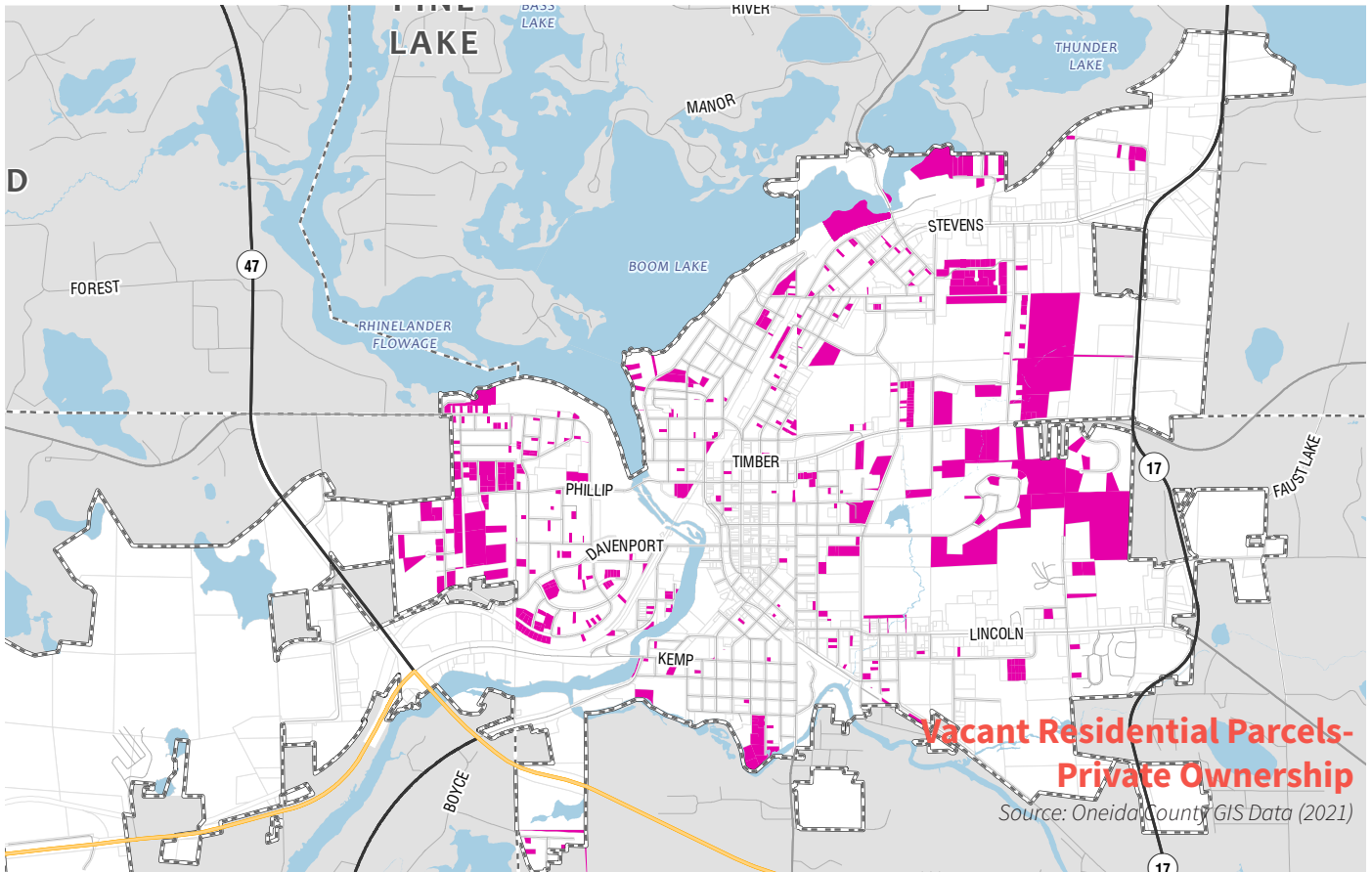
Affordable rental housing often faces two challenges: local opposition (“Not in my Backyard”) and financial feasibility. Affordable housing is almost always subsidized in some way. Common methods for subsidizing affordable housing include Low Income Housing Tax Credits (LIHTC) and local funding through active Tax Incremental Finance District or an affordable housing fund. Applications for 9% LIHTC are competitive and applications receive points based on a number of criteria they can meet in the following areas: in qualified census tracts (identified by WHEDA); financial assistance (e.g. TIF); and being near amenities such as schools, parks, grocery stores, libraries, etc.

The map on pages 78-79 shows priority areas for affordable housing based on funding criteria for LIHTC. Lighter areas are the highest priority areas for housing. In addition to the benefits of increasing a potential housing project’s LIHTC application scoring, building housing near parks, schools, transportation and other amenities is good planning practice.

A benefit to Rhinelander’s older housing stock is that it provides naturally occurring affordable housing. For this reason, ownership affordability is considered a lower priority. Of greater issue is the quality/desirability of homes and barriers to homeownership such as lack of downpayment, credit history, and low income levels.

### Available Lots

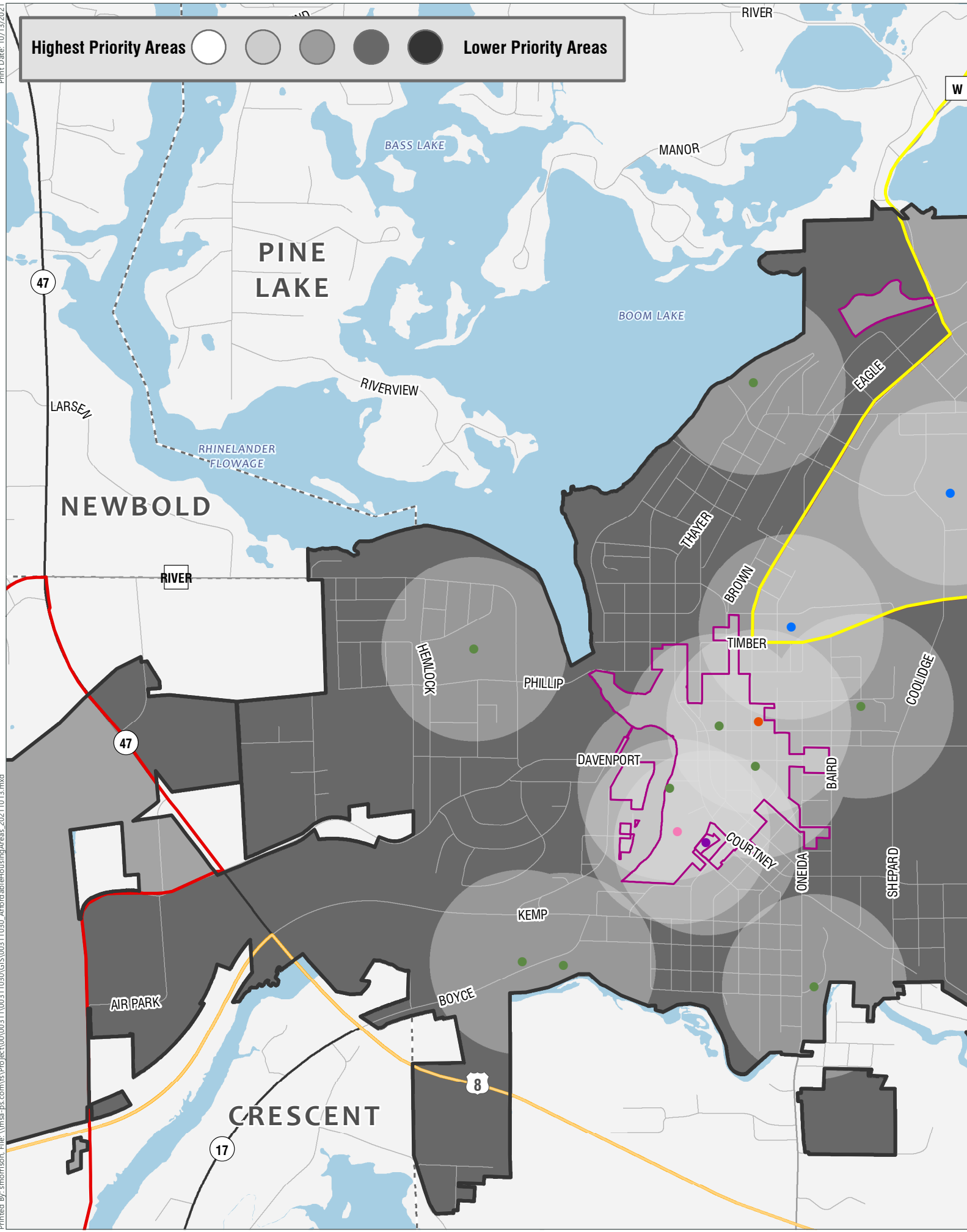
There are currently few vacant, privately-owned, and residentially-zoned properties that are available for development. There are 45 parcels currently owned by the City and residentially zoned. These areas should be reviewed by the City to determine whether or not they are available to be marketed and sold to developers. In particular, those parcels located in and around downtown would be prime candidates for new condo, apartments, and active senior living units. The appeal of downtown is being closer to services and amenities - public transit, health care, pedestrian-friendly streets, arts, culture, libraries, stores and human interaction - all things that are also attracting younger residents to live downtown.







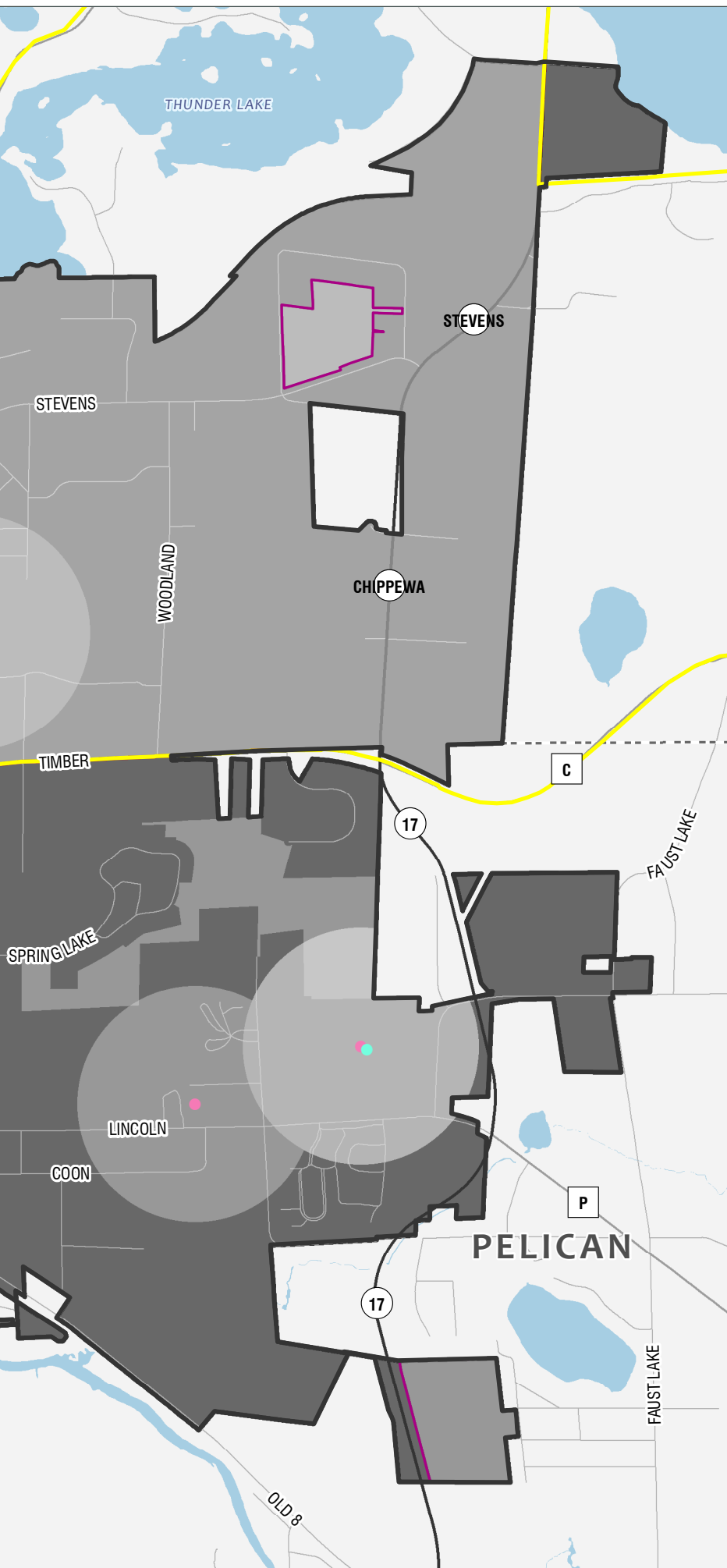
**Highest Priority Areas** ○ ○ ○ ○ ● **Lower Priority Areas**



# Target Areas for Affordable Housing

Housing Needs Study

City of Rhinelander  
Oneida County, Wisconsin



- Bus Stop
- Grocery Store
- Library
- Park
- School
- Senior Center
- + TIF District
- WHEDA - Area of Economic Opportunity
- Opportunity Zone
- City of Rhinelander
- Surrounding Municipality

Data Sources:  
Oneida County GIS (2021)  
County Boundaries: WDNR (2019)  
US Census Data/ESRI (2021/2012)

9

IMPLEMENTATION

# STRATEGIES FOR IMPLEMENTATION

Previous chapters have laid the groundwork for how the housing market in Rhinelander is functioning and where current and future gaps exist. This chapter focuses on strategies the City should use to fill these gaps identified in the housing market, with the overarching goal of improving housing access, affordability and quality/condition throughout the community.

## PRIORITY FOCUS

To focus on improving affordability, generating more of the most-needed units, and where the most opportunity lies for the city, it is recommended that the following unit types and locations be prioritized for new development:

### Unit Types

- **Senior Housing**—Independent and assisted living units for the growing senior population. These units should be targeted downtown, within walking distance of services and opportunities for socialization.
- **Missing Middle Housing**—Varied housing forms with 2-16 attached units, either rental or condo, addressing both affordability and neighborhood compatibility.
- **Quality Rental Units**—Both subsidized and market rate.

## STRATEGIES

### Capacity Building & Communication Housing Committee

A Housing Committee can be the driving force to implement this plan, including providing oversight on the development and administration of funding programs, supporting public outreach about the city’s housing needs and programs, and supporting updates to this Plan as the market shifts and outside funding programs change

year by year. This should be the first implementation step taken. Public outreach is going to be a critical function of this Committee to communicate the need for affordable housing in the community.

This Committee can draw from local experts knowledgeable about the housing market within the community including developers, realtors, landlords, non-profits, lenders, and major employers.

### Redevelopment Authority

State statutes authorize cities, towns and villages in Wisconsin to create a Redevelopment Authority. The RDA can issue bonds or borrow money to fund redevelopment projects without obligating the City or affecting its debt limits. Members are appointed based on their background and expertise in redevelopment-related activities.

### Staff & Developer Communications & Processes

Development projects require collaboration with multiple City departments. Getting feedback and sign-off from each department in an efficient manner is a challenge in many communities, including Rhinelander. A strategy to improve the process would be to find ways to coordinate so everyone is looking at the application at the same time and add a preliminary review to confirm all issues are identified as early in the process as possible.

### Initiatives

#### City-Owned Properties

The City should identify properties that would be prime for redevelopment, in particular downtown, as well as locations in existing neighborhoods where smaller development projects (three-, four-plex, or small-multi-family) serve as a means to increase affordability. The City should consider purchasing these properties and advertising them on the City’s website. To ease the burden of debt to the City, a Redevelopment Authority should





# STRATEGIES FOR IMPLEMENTATION

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first be established to carry out this function. A successful example of a Redevelopment Authority that is identifying, purchasing and selling lots is in the City of Green Bay. The Redevelopment Authority of Green Bay has a portfolio of sites available for single- and multi-family residences, as well as mixed uses. Contractors, developers and potential homeowners are invited to submit a proposal for the intended use of a property. For multi-family projects the City issues RFPs outlining what they are looking for on a property. For residential sites the City's "New Homes in Your Neighborhood" program offers grants up to \$25,000 for homeowners/developers and pre-approved house designs. Single-family units are required to be owner-occupied.

## **Require or Incentivize Universal Design**

To ensure homes continue to be accessible as people age, the City could consider requiring or incentivizing all new residential construction to conform to at least several key universal design standards. At a minimum, key features to ensure homes are accessible to seniors include a no-step entry, a main-floor accessible bathroom, and wide interior doors.

## **Continuing Care Retirement Community**

Seek out a developer for a Continuing Care Retirement Community (CCRC). A CCRC offers seniors the opportunity to stay in place as they age and their needs change. Residents can start out living independently in the community in an apartment and later transition to assisted living or a nursing home within the community to receive additional care. An ideal location for this type of community would be near a grocery store, retail, bank, churches, etc. which can keep seniors connected to the community.

## **Rental Conversion Program**

Create a program aimed at converting rental-occupied properties to owner-occupied properties. This program could be funded with TIF, TIF-Affordable Housing One-Year Extension, or general funds. Due to the age of the City's housing stock and the high likelihood that many of the units eligible for this program would require lead paint or asbestos mitigation.

It is recommended the City provide funds up to \$80,000 for a single-unit property, \$90,000 for a two-unit property, and \$100,00 for a three-unit property. It is recommended that the City allows these funds to be used for the cost of renovations, plus up to 20% of the purchase price of a home. Demolition is allowed, if a new home is constructed and is owner-occupied. The terms on the loan should be

0% interest, repayment in ten years or at the time of sale. Up to 30% of the loan could be forgivable if the property remains owner-occupied after seven years.

## **Actively Seek Cottage Court-style Development**

Cottage Court style development is an affordable ownership or renter option. This style of development includes small groupings of housing around a shared public space. Often the homes are smaller, and may be particularly attractive to seniors looking to downsize. Cottage Courts should be implemented through Planned Development (PD) zoning which offers flexibility to accommodate alternative designs that would integrate well with the site's natural characteristics as well as the existing built environment's characteristics. The City should explore areas where implementation could be possible and can use a redevelopment authority to assemble land and promote such a project to developers.

## **Growth Through Annexation**

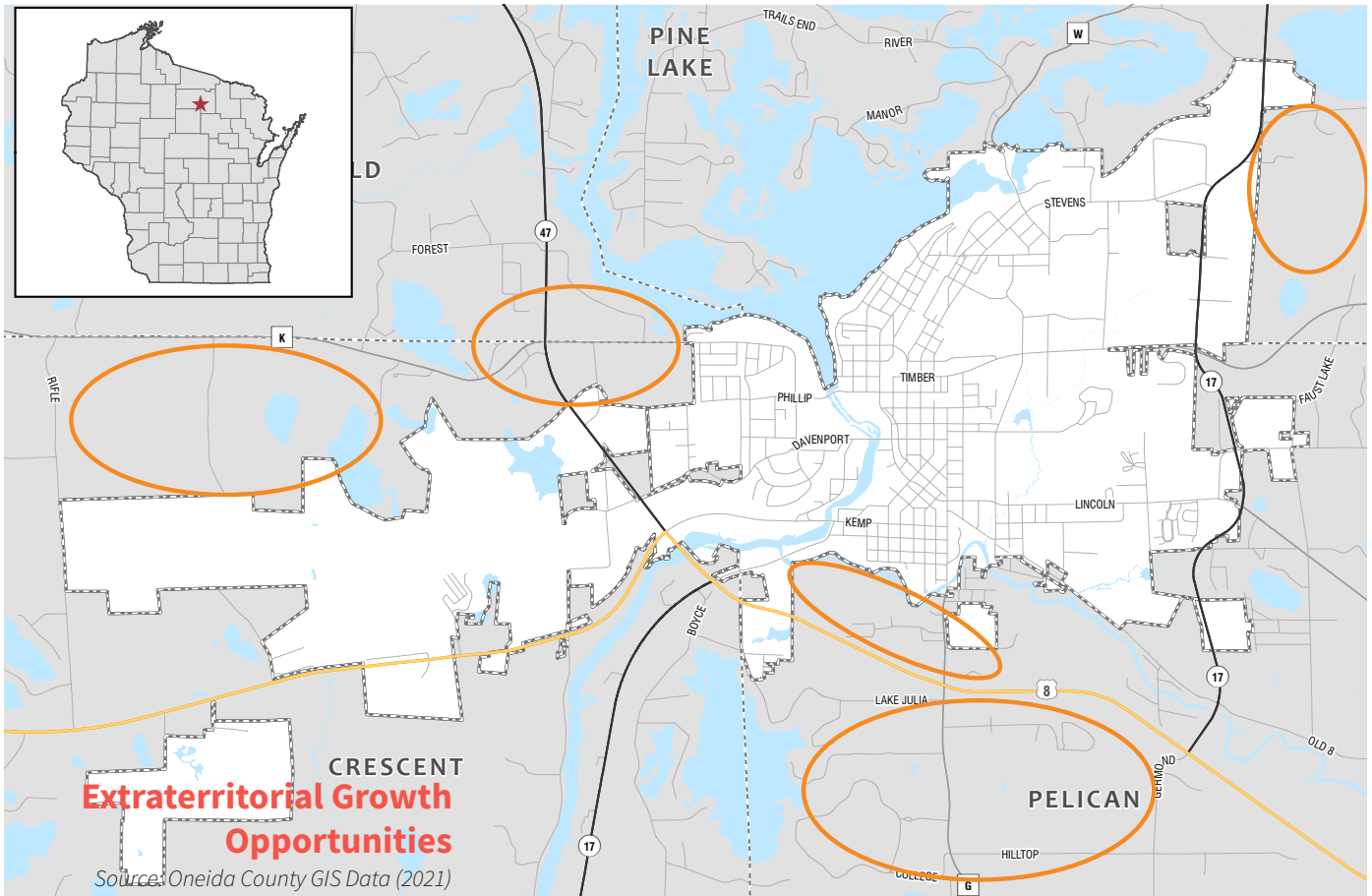
The Future Land Use map in the City's 2016 Comprehensive Plan identifies areas in the City's extraterritorial jurisdiction that are planned for residential growth. Because the City has few opportunities for new neighborhood development within current municipal limits, it should be the City's intention to seek orderly annexation in these areas. The map on the following page highlights areas where extraterritorial growth could be considered. The City should identify one or two areas to focus on annexation and develop master plans for these areas. The master plans should include a focus on making the neighborhood walkable, including a mix of uses as appropriate, a variety of housing at different price points, and quality parks and open spaces. Careful site design will be key to the success of the neighborhood and good design principles will also be more likely to attract residents and reinvestment in the future.

## **Regulation**

### **Zoning Code—Accessory Dwelling Units**

Consider allowing accessory dwelling units (ADUs) by right in the R-1, R-2, and R-3 districts. Accessory dwelling units can provide an additional stream of income for a homeowner or be a place for a caregiver of an aging homeowner to live. ADUs can be found over a garage, in a basement, or in their own detached structure. Attached ADUs are the most common because they are the least costly option for an ADU. Permitting ADUs by right would remove one hurdle/additional cost for development. The City could also require that the property-owner live on-site.

# STRATEGIES FOR IMPLEMENTATION



## **Zoning Code—Eliminate Single-Family Only District**

The City should eliminate the R-1 Single-Family Residential District. A majority of the properties currently in the R-1 district could be rezoned to the R-2 Single- and Two-Family Residential District. The only use that is permitted by right in the R-1 district is single family homes. Though most new housing would still be single-family homes even if duplex units are allowed by right because that's what most buyers are looking for, the option of a second unit will result in some new units and more housing options.

## **Funding Affordable Housing Fund**

The City could create an Affordable Housing Fund to be a general purpose funding vehicle that can serve various affordability initiatives anywhere in the city. This can be used for matching funds, land purchase, new construction, rehabilitation, renovations for seniors, and downpayment assistance. This could be the source of funding to support a low-cost loan program to help owners modify their homes to accommodate aging/disabilities. Funds could

come from TIF Affordable Housing One-Year Extensions, general obligation bonds, sale of surplus land, general fund budgeting and private contributions. This funding could be leveraged to make developers more competitive when applying for Low Income Housing Tax Credits (LIHTC). This fund could be sustained over time, at least in part, by offering loans rather than simply grants. A mix of 50% forgivable loan and 50% low-interest repayment within 5-15 years should be considered.

## **Workforce Housing Fund-HIGH PRIORITY**

The City could facilitate the creation of a Workforce Housing Fund for affordable units for workers in the region, similar to what was done in Dane County. A number of major employers and investors in Dane County have worked together to create this fund which has \$11.85 million committed so far. This fund offers investors a modest return on their investment as incentive. The employer partners benefit by helping ensure affordable, stable housing for the community which will attract and retain employees. A Technical Advisory Committee

# STRATEGIES FOR IMPLEMENTATION

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oversees the fund in Dane County and includes a variety of housing experts and investors. The fund is administered by Madison Development Corporation, a non-profit that owns and manages affordable housing and provides loans for hard-to-finance businesses. Applications are accepted for the fund and eligible projects are required to have a 15-year affordability minimum (40% to 80% AMI).

## **Tax Increment Financing—Affordable Housing Incentives**

Tax Increment Financing (TIF) districts can include residential property. Project plans for these districts should include incentives to support new housing development that is affordable, such as infrastructure improvements, land purchase and housing tax credit matching funds. Project plans could also grant for current homeowners for necessary maintenance and improvements to the City's aging housing stock. The intent is to ensure that investments in the attraction of businesses and jobs should be coupled with investment in housing affordable to who will work those jobs. The City has the capacity to create additional TIF districts or expand existing TIDs 9 and 10.

## **Tax Increment Financing - Affordable Housing One-Year Extension**

A TIF district can be held open for one additional year beyond its planned or maximum duration to generate funds that will be used for affordable housing. All of the increment collected in that extra year can be used for housing anywhere in the City, with the stipulation that 75% must be used for affordable housing. More information can be found in section 66.1105(6)(g) of the State statutes. TIDs 5 and 6 will be closing within the next six years and should be considered important opportunities to build and sustain an Affordable Housing Fund.

## **Federal Low Income Housing Tax Credit (LIHTC) - Section 42 Housing**

LIHTC (or Section 42) is a federal program which gives the Wisconsin Housing and Economic Development Authority (WHEDA) the authority to issue tax credits for acquisition, rehabilitation or new construction of rental housing for low-income households. There are two type of tax credits available through this program: 1) Federal 9% Tax Credit (competitive) and 2) Federal 4% Tax Credit (non-competitive). The City should seek developers with LIHTC experience .

## **Wisconsin Low Income Housing Tax Credit (LIHTC)**

Similar to the federal LIHTC program, Wisconsin offers a 4% non-competitive state tax credit which can be used as match for the federal 4% program. Again, the City should seek to work with developers familiar with the LIHTC program.

## **WHEDA 7/10 Flex Financing**

The City should encourage developers to apply for these low interest loans that require developers to set aside at least 20% of units to households at or below 80% AMI. This is a noncompetitive program and applications are accepted at any time. Loan amounts have a maximum of \$10 million. One drawback to the program is that it is not as desirable when interest rates are already low.

## **Continue CDBG Housing Rehab Program**

The Housing Rehabilitation Assistance Program provides housing rehab assistance to low- and moderate-income households within City limits. Assistance is available for owner- and renter-occupied units. The City should continue to offer this program and consider increasing promotional efforts.

## **Waive Fees on Housing Rehab for Low-Income Owners**

The City should consider waiving fees for housing rehabilitation projects for low income households (<80% AMI). This would be an incentive in addition to the CDBG Housing Rehab Assistance program the City already offers.

## **Downpayment Assistance**

Newcap, WHEDA and the Federal Home Loan Bank of Chicago (FHLBC) already have downpayment assistance programs which should be promoted. These programs are typically available for households at/below 80% AMI. The FHLBC Downpayment Plus program provides matching funds which could be matched from pools of local employers or from the City.

## **Senior Property Tax Deferral Loan Program**

Encourage seniors to apply for this state program, which is administered by the Wisconsin Housing and Economic Development Authority (WHEDA) and allows homeowners age 65 or older, or qualified veterans with limited income to convert the equity in their home to cash to pay their property taxes. Eligible households can borrow up to \$3,525 each year they qualify. Borrowers make no monthly principal and interest payments on the loan until ownership of the property is transferred or until the borrower no longer lives in the home.

### **Federal Home Loan Bank Affordable Housing Program**

Encourage developers of rental projects to apply, and encourage local banks and single-family home developers to participate in the Federal Home Loan Bank (FHLB) Affordable Housing Program (AHP). Under this program a FHLB member bank can partner with a developer to apply for grant funds for rental projects where at least 20% of the units are affordable for and occupied by those at or below 50% AMI or owner-occupied programs for households at or below 80% AMI.

### **Partnerships** **Habitat for Humanity**

Habitat for Humanity uses volunteer labor and donations to build and renovate affordable housing. The City should partner with Habitat by working to maintain a supply of lots for new Habitat home construction. This will require a collaboration with various developers to arrange potential sites.

### **Newcap**

Continue to partner with Newcap as they are providing valuable assistance to the low-income and homeless population through various programs such as the Section 8 Housing Choice Voucher Program, Rapid Re-Housing Program, Homeowner Assistance Program, etc.

### **Landlord/Tenant Education**

Quality of rental units was a concern brought up during the public meetings. The City should work with existing organizations such as Newcap or the Housing Authority to provide training opportunities for landlords and tenants as to the rights and responsibilities of each.

### **Seniors and Health Care**

For proposed (larger) mixed use developments, seek out or explore the opportunity to partner with a property management company that offers access to healthcare services on-site. The demand for medical care facilities is trending upwards and will be for decades. Another route to achieve this outcome would be to site senior residential developments adjacent to healthcare. The Union Corners development in Madison, WI did a similar thing—it sited a new healthcare clinic adjacent to an affordable/market rate apartment building targeted to seniors.