



CITY OF MERRILL
REDEVELOPMENT AUTHORITY
AGENDA • TUESDAY DECEMBER 6, 2016

Regular Meeting

City Hall Council Chambers

8:00 AM

- I. Call to Order
- II. Public Comment
- III. Minutes Approval
 1. Consider approval of November 1st meeting minutes
- IV. Agenda items for consideration:
 1. Consider recommendation for purchase of 2101 Logan Avenue (former Merrill Pavers property) for \$30,000.00 which is in TID No. 9 and eligible for 30% Idles Sites grant funding
 2. Follow up discussion on how to obtain public input related to housing needs and potential future City directions for developing housing strategy
- V. Establish date, time and location of next meeting
- VI. Adjournment
- VII. Agenda Items

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City of Merrill
Redevelopment Authority (RDA)

Tuesday, November 1st, 2016 at 8:00 A.M.
City Hall Common Council Chambers

RDA Present: Bill Bialecki, Ryan Schwartzman Amanda Kostman, Tim Haight,
and Jill Laufenberg

Absent: Karen Karow and Tony Kusserow

Others: City Clerk Bill Heideman, City Administrator Dave Johnson,
Finance Director Kathy Unertl, City Attorney Tom Hayden,
Public Works Director Rod Akey, Kirsten Fish from Redevelopment
Resources, and Ken Maule from Lincoln County Economic
Development Corp. (LCEDC)

Call to Order: Chair Bialecki called the meeting to order at 8:00 a.m.

Consider approval of meeting minutes:

Motion (Schwartzman/Laufenberg to approve the RDA meeting minutes from September 6th, 2016 closed session, September 19th closed session, and from October 4th, 2016. Carried. The October 4th minutes were amended to include City Clerk Bill Heideman as attending and live streaming the meeting.

Public Comment: None.

Consider recommendation to purchase 2101 Logan Ave. (former Merrill Pavers property):

Johnson advised that no written offer has yet been provided from Mathy Construction. Consensus to defer to a future RDA meeting for consideration.

Review and discuss 2017 Tax Increment District (TID) budget requests:

Unertl highlighted the various TID budgets and responded to RDA Commissioner questions. Follow-up item for future RDA meeting discussion is proposed housing strategy planning. The Committee of Whole will be considering potential TID-funded street infrastructure projects at November 3rd meeting.

RDA meeting: Next RDA meeting is scheduled for Tuesday, December 6th at 8:00 a.m.

Adjournment: Motion (Schwartzman/Kostman) to adjourn at 8:30 a.m. Carried.

Minutes prepared by RDA Secretary Kathy Unertl

City of Merrill - TID No. 9 (Idle Sites Grant)

Property is located immediately east of the former Anson-Gilkey site. Parcel extends from railroad tracks south to the Wisconsin River.

Potential acquisition and demolition of this property was included in the Wisconsin Economic Development Corp (WEDC) Idle Sites grant application.

Property Owner:

Mathy Construction
920 10th Ave N
Onalaska, WI 54650

PIN/Parcel	Acres	Assessed Valuation - 1/1/2016			2015 RE Taxes
		Land	Improved	Total	
251-3106-182-0010	2.04	\$11,600	\$43,400	\$55,000	\$1,347.46
34-0001-000-008-00-00					

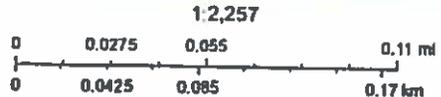
Purchase price	\$30,000
Estimated demo price Minimal to no environmental costs are anticipated.	\$20,000
Estimated total cost	<u>\$50,000</u>
Idle Sites grant - 30%	\$15,000
Net TID No. 9 cost	<u><u>\$35,000</u></u>

Tax Increment Districts

Former Page Milk



- October 24, 2016
- Boundary
- TID 0
- AddressPoints
- CityRoads
- CityParcels



Sources: Esri, HERE, DeLorme, Intermap, increment P Corp., GEBCO, USGS, FAO, NPS, NRCAN, GeoBris, IGN, Kadaster NL, Ordnance Survey, Esri Japan, METI, Esri China (Hong Kong), Swisstopo, Mapbox Labs, © OpenStreetMap contributors, and the GIS User Community

Former Anson-Gilkey

Former Merrill Pavers

Attachment: RDA 2016-12-06 4-Logan Ave (2118 : Purchase property @ 2101 Logan Ave - Merrill Pavers)

City of Merz
City of Merz

City of Merrill – Redevelopment Resources Proposal**Local Housing Demand & Factors Assessment**

December 2016

Background: Historically, residential properties have represented approximately 65% of the tax base for the City of Merrill. However, overall market depression, subsequent loss in property values and the resulting lack of reinvestment has caused overall disrepair across wide swaths of the housing stock has brought this source of revenue under threat. Compounding this issue, new housing starts in surrounding towns from 1990-2013 totaled 839 (a 41.4%-unit increase) whereas new housing starts in the City proper totaled only 696 – an increase of only 17.2%. For additional background information, see City of Merrill Comprehensive Plan 2016, Chapter 3 – Housing (pgs. 21-30).

Purpose: To develop a quantifiable understanding local housing demand dynamics and associated factors for the City of Merrill. Once collected, the data will be utilized in concert with data included in the 2016 Comprehensive Plan to develop market-actuated, localized programs and tactics for future residential development and redevelopment. Desired outcomes include improved housing stock inventory, increased existing housing value and demand, and increased new housing starts within the City proper.

Program: The approach will include three phases: Direct surveys to employers, employees, and Merrill citizens at-large; Public participation summits; followed by strategy and tactic development and deployment.

Direct Surveys:

Employers: Building on efforts initiated by the UWEX, Redevelopment Resources will engage in a comprehensive approach to surveying employers to ascertain perceptions on quality, availability, issues and needs in terms of community housing.

Employees: Direct feedback surveys from employees will be conducted to learn: housing locations & motivations; perceptions of local housing stock; and overall feedback on awareness and perceptions of local community assets.

General Public: Direct feedback surveys will be conducted to learn local housing perceptions, motivations, and pressures. Additionally, overall community feedback and perceptions of local community assets will be collected.

Public Participation Summits:

A series of summits consisting of area stakeholders including employers, lenders, educators, civic groups, religious groups, and citizenry will be conducted. The intent of the summits is to convey survey results, solicit direct feedback, and engage in community / neighborhood development carets that provide an opportunity for community members to assist in shaping strategy and tactics that will shape the lifestyles and living styles of their neighborhoods.

Strategy and Tactics Development and Deployment:

Using both the secondary data (as available either through the Comprehensive Plan or housing studies privately conducted), as well as the primary data and input collected from residential stakeholders, Redevelopment Resources will work with City staff to develop and deploy market-actuated, localized programs and tactics that work towards improving housing stock inventory, increasing existing housing value and demand, and increasing new housing starts within the City of Merrill.

City of Merrill, Wisconsin
Local Housing Demand & Factors Assessment Survey Samples
Citizen & Employee

DRAFT – 2016-11-29 FOR DISCUSSION

1. What is your age range?

18-24 25-34 35-44 45-54 55-64 65-74 75+

2. Do you live in the City of Merrill?

(Yes) Do you own or rent? (No) In which Township or City do you reside?
Do you own or rent?

(Rent) Do you hope to purchase a home in the next 5 years?
Why or Why not? (Multiple factor selection + Other)

3. If you could describe your ideal home, what would it be?

(Multiple factor selection + Other)

3a. If you could describe your ideal neighborhood, what would it be?

(Multiple factor selection + Other)

2. Excluding access to retail store considerations, what is your favorite aspect of your current City/Town of residence? (Open ended response)

3. Excluding access to retail store considerations, what is your least favorite aspect of your current City/Town of residence? (Open ended response)

4. Have you noticed any positive developments in the Merrill community occurring over the past 5-7 years? If so, would you please list them: (Open ended response)

5. Have you noticed any negative developments in the Merrill community occurring (or increasing) over the past 5-7 years? If so, would you please list them: (Open ended response)

6. Please rate the most challenging issues that Merrill’s residential areas face 1=most challenging; 5=least challenging: (Multi-factor response + Other)

- Availability of Apartments to Buy or Rent
- Availability of Condos to Buy or Rent
- Availability of “Quality” Single-family homes to Buy
- Availability of “Quality” Single-family homes to Rent
- Affordability of Rentals
- Affordability of Purchased Properties
- Condition of existing single-family homes
- Condition of existing rental properties
- Location of existing single-family homes

- Location of existing rental properties
- Lot availability for new builds in City Limits
- Lot size of existing single family homes
- Access to community garden areas
- Access to community park areas
- Access to bike or walking trails
- Access to public art areas
- Access to Downtown
- Access to Restaurants / nightlife

7. If you live in the City of Merrill, what is one thing about your neighborhood that you would like to change?

8. If you do not live in the City of Merrill, what would need to occur for you to want to live in the City of Merrill?



***Recommended
DRAFT***

**City of Merrill
Comprehensive Plan
2016**



Chapter Three

Housing

This chapter is organized into three sections: Background, Inventory & Trends, and Goals, Objectives and Policies. There is also an overview of programs available to help local communities to meet their housing needs.

Previous Studies

Several plans that relate to housing are relevant to housing in Merrill. These range from statewide housing plans to architectural and history surveys.

City of Merrill Comprehensive Plan, 2007

The 2007 Comprehensive Plan for Merrill included an inventory of existing housing in Merrill and goals for the future, with supporting objectives and policies. The three goals identified were: Provide an adequate supply of affordable housing for individuals of all income levels throughout the community; Encourage compact housing development patterns, where appropriate; Encourage the production of new units and the rehabilitation of existing units, including the development of large family units and elderly housing with accompanying support services; and Promote access to housing throughout the community for all citizens.

City of Merrill, Intensive Architectural & History Survey Project

This 1992 Architecture and History Report identify Merrill's major historic properties within those historic contexts. Residential, Commercial & Industrial, Governmental, & Church Architectures are described within the historical context of when each structure was built. Only objects, buildings, sites, and structures that are potentially eligible for the National Register of Historic Places are listed and described in this report.

Lincoln County Comprehensive Plan

Lincoln County's Comprehensive Plan was most recently updated in 2012, and contains a Housing element with data and an inventory of existing housing. This plan also includes

a housing plan for the County with 3 main goals, including: Promote collaboration amongst housing agencies located throughout the county and use those strong ties to free up the exchange of housing information; Improve older homes to increase affordable housing and so especially the aging can remain in them; and develop much more specialized senior housing.

Regional Livability Plan: Housing Assessment

The Housing Assessment of the Regional Livability Plan was one of the four key assessments identifying issues and opportunities for livability in North Central Wisconsin. Housing is a crucial component of livability. The type of housing and the costs of various housing options were researched and analyzed. The assessment studied the availability and affordability of housing and introduced the impact higher density housing developments can have on traffic levels. Housing options in close proximity to employment opportunities has a significant impact on the workforce's ability to get to and from work efficiently and effectively. Proximity also expands the workforce shed allowing more citizens access to more employment opportunities.

Understanding the type of housing units, their age and value, and the tenure of the housing stock can provide valuable insight into a community and the demands that will face the community in the future. The assessment introduces the need to build smaller housing units to attract a younger demographic to the region while accommodating an aging populations need and desire for small housing units with less maintenance such as; condos, townhomes, and units incorporating universal design standards. Connecting people's homes to their places of work, schools, and shopping opportunities is a primary function of a transportation system. This report looks at the existing housing stock, factors that affect current residents and trends that are likely to determine the future of housing in the Region.

The housing goal for the Regional Livability Plan is: Promote a variety of safe and affordable housing options that meet the needs of all community members. The housing goal includes 3 objectives and 20 recommendations

income on housing. Using this standard "...households in the low-income range have great difficulty finding adequate housing within their means and that accommodates their needs..."

Wisconsin State Consolidated Housing Plan

The Consolidated Housing Plan is required by the Department of Housing and Urban Development (HUD) in the application process required of the State in accessing formula program funds of Small Cities Community Development Block Grants (CDBG), HOME Investment Partnerships, Emergency Shelter Grants, and Housing Opportunities for Persons with HIV/AIDS. "The Consolidated Plan provides the framework for a planning process used by States and localities to identify housing, homeless, community, and economic development needs and resources, and to tailor a strategic plan for meeting those needs." This is how the Department of Housing and Urban Development (HUD) describes the Consolidated Plan, which consists of a 5-year strategic plan, annual action plans, and annual performance reports. The Plan must be updated annually.

The Consolidated Plan, in assessing housing needs, looks at a number of different factors that are significant components of the housing picture. Housing affordability is a primary consideration. According to federal guidelines a family should not have to spend more than thirty percent of its

Inventory & Trends

Existing Housing Stock

In 2013, the City of Merrill contained a total of 4,741 housing units, compared to 4,045 in 1990 and 4,397 in 2000 as listed in Table 11. The City added 696 housing units between 1990 and 2013, which represents an increase of about 17.2 percent. The State and County increased housing units by 27.7 percent and 26.3 percent respectively over that same period. The surrounding towns grew at even higher percentages. Taken together, the three towns added a total of 839 housing units, a 41.4 percent growth over the 23 year period.

About 7.8 percent of all housing units in the City were built after 2000. Table 12 lists about 9.8 percent of the housing units were built in the previous decade from 1990 to 1999. The most were constructed prior to 1939, when about 33.5 percent of all housing units were built. Overall, about 58 percent of the existing housing stock is at least 55 years old (built before 1960).

Table 11: Total Housing Units

Minor Civil Division	1990	2000	2010	2013	1990-2013 % Change	1990-2013 Net Change
City of Merrill	4,045	4,397	4,619	4,741	17.2%	696
Town of Merrill	1,037	1,210	1,355	1,385	33.6%	348
Town of Pine River	566	724	822	880	55.5%	314
Town of Scott	423	488	572	600	41.8%	177
Lincoln County	13,256	14,681	16,784	16,743	26.3%	3,487
State of Wisconsin	2,055,774	2,321,144	2,624,358	2,626,142	27.7%	570,368

Source: U.S. Census

Table 12: Year Structure Built, 2013

Year	Merrill	Merrill %	Lincoln Co. %	Wisconsin %
2010 or later	30	0.6%	0.6%	0.4%
2000 to 2009	339	7.2%	12.0%	12.9%
1990 to 1999	466	9.8%	15.7%	14.0%
1980 to 1989	316	6.7%	10.8%	9.8%
1970 to 1979	575	12.1%	15.9%	14.9%
1960 to 1969	262	5.5%	7.7%	9.8%
1950 to 1959	732	15.4%	10.1%	11.3%
1940 to 1949	431	9.1%	7.3%	6.0%
1939 or earlier	1,590	33.5%	19.9%	20.9%

Source: U.S. Census

Housing Issues

Affordability. The affordability of housing, both to rent and to own, is a key component of livability. In 2013, 19.1 percent of Merrill households reported incomes below \$15,000 per year, and about 31.5 percent of city households have incomes below \$25,000. Roughly 16.4 percent of all city residents were living in poverty in 2013. For many of these people this poses a difficulty in paying for decent, safe, and sanitary housing. When a household pays more than 30 percent its income on housing costs, it is considered to be house burdened. Burdened households have less income to spend on other essentials, such as transportation and groceries. Roughly 20.3 percent of homeowners were house burdened, while 46.4 percent of renters were house burdened in 2013.

Although, housing prices rose across Lincoln County, they rose faster in the surrounding towns. The median home value rose by 125.5 percent in Merrill from 1990 to 2013. However, the median value of a home in Merrill is almost half the median home value in the towns of Merrill, Pine River, and Scott. The median gross rent in the City of Merrill also increased 103.5 percent between 1990 and 2013. On average, renters pay \$296 more per month in 2013 than they did in 1990.

Appearance & Maintenance. The condition of housing stock is important to examine as part of the needs assessment of the city. Broken concrete driveways, shifting porches, siding in poor repair all show to various extents how well maintained the housing is within a community. Analyzing which housing units need rehabilitation and which units are beyond repair will show how much effort is needed by individuals and by government to promote restoration of such units.

Sometimes the age of homes is used as a measure of condition, but many older homes may have been remodeled and kept in good repair. Over 58 percent of the housing units in the City of Merrill were constructed prior to 1960. Age alone is not a good measure of housing condition. Combining housing age and assessed value for individual units may indicate a percentage of older homes that have not been maintained.

A community may want to do a visual assessment of housing conditions. Windshield Surveys entail a person driving or walking through the community and evaluating each housing unit based upon visual appearance. The advantages of using a Windshield Survey are that it does not intrude upon the occupant and is relatively quick and inexpensive.

Elderly/Retiree Housing Needs. Persons over the age of 65 decreased 10.8 percent in the City of Merrill between 2000 and 2013. The surrounding Towns, especially Merrill (48.8%) and Pine River (51.5%), all experienced an increase in this demographic. Lincoln County and the State of Wisconsin also experienced considerable increases in people over the age of 65 during this time period.

It can become a challenge to perform the basic tasks of maintaining a household as people age. The use of "Universal Design" can help accommodate the needs of an older population, allowing them to age in place. "Aging in place" is the phrase used to describe how a person is able to remain in their home as they age. "Universal Design" involves designing products and spaces for use by the widest range of people possible.

Housing options located in proximity to the downtown area provides easy access to key amenities. National trends indicate that the Baby Boomer generation is interested in smaller homes in closer proximity to the central business district, or downtown, of a community. Multifamily housing options featuring universal design marketed towards this generation will help accommodate those over the age of 65 and allow them to continue to live in the City well beyond their working years.

Subsidized/Special-needs Housing. In 2010, the City of Merrill's federally assisted affordable rental housing stock included 220 subsidized housing units; this is one unit for every forty four people. In 2010, 77 units were financed through the Low Income Housing Tax Credit program (LIHTC), 140 through the Section 8 program, 40 through the RD 515 program, and 102 through public housing. In Merrill, there are four affordable housing properties and scattered sites providing rental assistance; Jenny Towers, Park Place, Westgate Apartments, and Woodbines Apartments. Jenny Towers is the largest housing property assisting 110 units through Section 8 and eight units through the RD 515 program.

The City of Merrill Housing Authority provides affordable housing for qualified low income individuals and families. The Housing Authority manages the City's four properties and reviews all applications. Westgate Apartments, Woodbine Apartments and scattered sites require at least one child under the age of 18 residing in the household more than 50 percent of the time and do not work with Section 8 vouchers.

As a comparison, housing in Lincoln County has been built more evenly over the decades. About 12.6 percent of housing units were constructed after 2000. The decades of the 70's, 80's, and 90's saw the building of about 11 to 16 percent in each decade of existing housing stock. The remaining 37.3 percent of housing was built before 1960, 20.7 percentage points less than the City of Merrill.

Lower taxes and land value in the surrounding towns have attracted new home development. Many people who work in Merrill who are interested in building a home choose the neighboring towns due to these reduced costs. Easy accessibility and access to the City of Merrill from the surrounding townships makes this possible. With an older and lower valued housing stock, new home owners are unable to maximize their housing value in the City and therefore elect to build in the surrounding towns.

Table 13 shows that single-family detached units dominate about two-thirds of all housing unit types in Merrill, as in the state and to a greater degree the county. Duplexes and 4-unit or fewer multi-family buildings represent about 12.6

percent of all housing in the city. The number of units in buildings with two to four units decreased 6.2 percentage points over the past 13 years. Meanwhile larger buildings of 10 or more units increased the total number of units in such buildings from 383 units in 2000 to 667 units in 2013, accounting for over 14 percent of the housing stock. Over 33 percent of the housing units in the City of Merrill are multifamily housing. A number of the larger 1-unit detached and attached homes have been modified into multifamily units, especially in close proximity to the downtown area. This trend has decreased the number of 1 unit structures and has slightly increased the number of multi-unit structures in the City over the past 20 years.

Compared to the County, the City of Merrill has a high number of 10 or more unit structures, almost 10 percentage points more than the County. Lincoln County's housing stock is predominately one unit homes- detached, making up 79.3 percent of the housing stock. The percentage of housing stock in all other categories is less than Merrill. Only 12.6 percent of the housing units in the county are multifamily units.

Table 13: Type of Structure

	City of Merrill		City of Merrill Percentages		Lincoln County Percentages	Wisconsin Percentages
	2000	2013	2000	2013	2013	2013
1-unit detached	2,811	3,028	64%	63.9%	79.3%	66.5%
1-unit attached	42	26	1%	0.5%	0.5%	4.4%
2 to 4 units	827	599	19%	12.6%	5.5%	10.4%
5 to 9 units	161	300	4%	6.3%	2.4%	4.9%
10 or more units	383	667	9%	14.1%	4.7%	10.0%
Mobile home, trailer, or other	174	121	4%	2.6%	7.6%	3.7%

Source: U.S. Census



Single family residential buildings.



Multifamily Residential building.

Table 14: Median Value for Specified Owner-Occupied Housing Units

Minor Civil Division	1990	2000	2013	1990-2013 % Change	1990-2013 Net Change
City of Merrill	\$38,400	\$76,100	\$86,600	125.5%	\$48,200
Town of Merrill	\$54,400	\$101,100	\$154,300	183.6%	\$99,900
Town of Pine River	\$49,800	\$103,600	\$163,500	228.3%	\$113,700
Town of Scott	\$46,700	\$98,100	\$154,000	229.8%	\$107,300
Lincoln County	\$42,700	\$86,500	\$129,100	202.3%	\$86,400
State of Wisconsin	\$62,100	\$112,200	\$167,100	169.1%	\$105,000

Source: U.S. Census

Table 15: Median Gross Rent

Minor Civil Division	1990	2000	2013	1990-2013 % Change	1990-2013 Net Change
City of Merrill	\$286	\$430	\$582	103.5%	\$296
Town of Merrill	\$320	\$468	\$517	61.6%	\$197
Town of Pine River	\$352	\$456	\$685	94.6%	\$333
Town of Scott	\$358	\$469	\$671	87.4%	\$313
Lincoln County	\$297	\$433	\$600	102.0%	\$303
State of Wisconsin	\$399	\$540	\$759	90.2%	\$360

Source: U.S. Census

The City of Merrill's housing stock is in line with the State of Wisconsin. Over 25 percent of the housing stock in the State is multifamily and single family-detached units make up 66.5 percent of the housing stock.

National trends indicate that multifamily housing options near key amenities and activities are attractive to millennials and retirees. The ability to easily walk to healthcare offices, restaurants, grocery centers, and other services fits the lifestyle of a wide variety of people.

Value Characteristics

Median values of single-family houses, and duplexes in the City of Merrill were \$86,600 in 2010, an increase of roughly \$10,000 from 2000, see Table 14. Surrounding towns, the county, and state all had median housing values over \$150,000 in 2010 and experienced an increase in value of at least \$42,600 over the thirteen year period. Between 1990 and 2013, the median value of housing units increased 125.5 percent, drastically lower than the surrounding towns, county, and state. During the same time period, the county's home values increased 202.3 percent and the state increased 169.1 percent. The Town of Scott experienced the highest increase (229.8%) and the Town of Pine River has the highest net change (\$113,700) over the 23 year period. Median home value in the City of Merrill has historically been lower than the surrounding towns, county, and the state, and although it has increased in value, the value is increasing at a considerably slower pace.

Median gross rents throughout Lincoln County from 1990

Table 16 Percent of Total Households that Spent 30% or more of Household Income on Housing, 2013

	Owners in 2013	Renters in 2013
City of Merrill	20%	46%
Lincoln County	23%	42%
Wisconsin	27%	46%

Source: U.S. Census

to 2013 were lower than the state as a whole, see Table 15. Median rent in the City of Merrill increased 103.5 percent from \$286 a month in 1990 to \$582 a month in 2013. In 2013, median gross rent in the City of Merrill was roughly \$100 a month lower than the surrounding towns of Pine River and Scott, \$18 a month lower than the county, and \$177 lower than the state. The Town of Merrill has the lowest 2013 median gross rent at \$517 a month. Over the past 13 years, rent in the City of Merrill increased \$152 a month. Only the Town of Merrill had a lower net income increase at \$49 more per month.

The most commonly applied standard for housing affordability is spending no more than thirty percent of income on housing. Table 16 shows that as of the year 2013 in the City of Merrill 20 percent of households spend more than 30 percent of their household income on housing, while throughout the county about 23 percent of households spent more than 30 percent of their household income on housing, and 27 percent of households statewide did the same. A much higher percentage of renters spend more than 30 percent of their income on rent compared to home

owners. In the City of Merrill, over 46 percent of renters spend greater than 30 percent of their income on housing, compared to 20 percent of home owners.

Occupancy Characteristics

The percentage of housing units that are owner occupied decreased 6 percentage points between 2000 and 2013. Roughly 59 percent of occupied housing units in the City of Merrill were owner occupied in 2013, down from 65 percent in 2000, see Table 17. After increasing the number of owner occupied units between 1990 and 2000, the City experienced a decrease of 154 owner occupied units between 2000 and 2013. In comparison, the surrounding towns, county, and state all increased the total number of owner occupied units between 1990 and 2013 at the same rate, or faster than the increase in total housing units. The percentage of housing units that were owner occupied in Lincoln County (77%) and the State (68%) has remained the same since 2000.

Roughly 41 percent of all occupied housing units in the City of Merrill were renter occupied in 2013, up from 34 percent in 2000, see Table 18. Overall, the City of Merrill increased the number of rental occupied housing units 35 percent over the 23 year period. Over the same time the county (23%) and the state (32%) held the number of housing units steady.

National trends show that renting is becoming more common, especially by young professionals between the

ages of 20 and 29. Young professionals coming out of college are burdened with college loans, low paying entry jobs, and do not see home ownership as an investment due to the housing collapse during the 2000s. Many do not qualify for mortgage loans. Some young professionals also enjoy the flexibility of renting and the ability to move in a month's notice should a better employment opportunity present itself. The City of Merrill should continue to see an increase in rental demand as more Millennials enter the workforce.

Almost 100 percent of the housing units in the City of Merrill are year round residences. Only 0.5 percent of all housing units in the City of Merrill were seasonal units in 2010, up 0.2 percentage points from 1990. The Town of Scott (10 units) was the only municipality with fewer seasonal units than the City of Merrill (21 units) in 2010, see Table 19. In comparison, 7.5 percent of the State's 2.5 million housing units and 22.3 percent of the County's 16,743 housing units were seasonal units in 2010. The Town of Merrill had the most seasonal units (107) in 2010 and experienced the largest net increase since 1990, increasing 48 units, 81.4 percent

Demand Characteristics

Over the 23 year period, 1990 to 2013 the city's median age increased from 34.5 to 41.3 years old, see Table 20. During the same time period, the median age for the county climbed to 45.3 years old and the state's median age has gone up to 38.7 years of age. In comparison to the surrounding towns and county, the City of Merrill has the lowest median age.

Table 17: Owner Occupied Units

Minor Civil Division	1990	2000	2010	2013	1990-2013 % Change	1990-2013 Net Change
City of Merrill	2,602	2,732	2,575	2,578	-0.9%	-24
Town of Merrill	855	1,035	1,095	1,151	34.6%	296
Town of Pine River	459	601	688	755	64.5%	296
Town of Scott	345	417	483	514	49.0%	169
Lincoln County	7,751	9,162	9,318	9,646	24.4%	1895
State of Wisconsin	1,215,350	1,426,361	1,551,558	1,558,846	28.3%	343,496

Source: U.S. Census

Table 18: Renter Occupied Units

Minor Civil Division	1990	2000	2010	2013	1990-2013 % Change	1990-2013 Net Change
City of Merrill	1,317	1,451	1,600	1,777	34.9%	460
Town of Merrill	99	90	109	88	-11.1%	-11
Town of Pine River	60	72	66	52	-13.3%	-8
Town of Scott	54	41	54	64	18.5%	10
Lincoln County	2,408	2,559	2,776	2,867	19.1%	459
State of Wisconsin	606,768	658,183	728,210	729,486	20.2%	122,718

Source: U.S. Census

Table 19: Seasonal Units

Minor Civil Division	1990	2000	2013	1990-2013 % Change	1990-2013 Net Change
City of Merrill	12	19	21	75.0%	9
Town of Merrill	59	48	107	81.4%	48
Town of Pine River	25	26	37	48.0%	12
Town of Scott	14	9	10	-28.6%	-4
Lincoln County	2,521	1,949	3,736	48.2%	1,215
State of Wisconsin	150,601	142,313	193,046	28.2%	42,445

Source: U.S. Census

The median age in the City of Merrill is likely to increase over the next 15 year. In 2011, the first of the Baby Boomers reached what used to be known as the retirement age of 65. It is estimated that there are over 77 million Baby Boomers in the United States comprising 20 percent of the nation's population. And for the next 18 years, Baby Boomers will be turning 65 at a rate of about 10,000 a day. As a result, over 20 percent of the nation's population will be over the age of 65 in 2029. In addition, with the advancement in medical technology and care, people are living longer lives which will contribute to the increase in the median age of communities.

The demand of an additional 696 housing units between 1990 and 2013 is likely due to the increase in total households over the time period. Total households increased by 822 over the 23 year period, see Table 21. The 21.0 percent growth in households is 3.8 percentage points higher than the increase in housing units. The net

increase in households in the City of Merrill was more than double the increase in the surrounding towns. However, the surrounding towns all increased households at a higher rate. The Town of Pine River experienced the highest rate of growth at 69.6 percent. The City of Merrill is the only municipality that increased households over the 23 year period at a slower rate than the state and county. As a result, the percentage of the county's households located in the City of Merrill decreased from 38.6 percent in 1990 to 28.3 percent in 2013. The decrease in the percentage of the county's households located in the City of Merrill indicates that the majority of growth the county is experiencing is taking place outside of the central City of Merrill.

The Wisconsin Department of Administration projects a 3.4 percent increase in households between 2015 and 2040 in the City of Merrill. Lincoln County is expected to increase households three times as fast over the same time period. Projections show that the City of Merrill will have a total

Table 20: Median Age

Minor Civil Division	1990	2000	2010	2013	1990-2013 % Change	1990-2013 Net Change
City of Merrill	34.5	37.3	40.4	41.3	19.7%	6.8
Town of Merrill	32.8	38.7	45.5	46.7	42.4%	13.9
Town of Pine River	31.8	37.0	46.0	46.6	46.5%	14.8
Town of Scott	32.5	37.3	42.6	42.1	29.5%	9.6
Lincoln County	34.9	38.9	44.7	45.3	29.8%	10.4
State of Wisconsin	32.9	36.0	38.5	38.7	17.6%	5.8

Source: U.S. Census

Table 21: Total Households

Minor Civil Division	1990	2000	2010	2013	1990-2013 % Change	1990-2013 Net Change
City of Merrill	3,919	4,183	4,175	4,744	822	21.0%
Town of Merrill	954	1,125	1,204	1,385	431	45.2%
Town of Pine River	519	673	754	880	361	69.6%
Town of Scott	399	458	537	578	179	44.9%
Lincoln County	10,159	11,721	12,094	16,743	6584	64.8%
State of Wisconsin	1,822,118	2,084,544	2,279,768	2,626,142	804024	44.1%

Source: U.S. Census

Table 22: Household Projections

Minor Civil Division	2015	2020	2025	2030	2035	2040
City of Merrill	4,180	4,321	4,472	4,566	4,527	4,324
Town of Merrill	1,217	1,285	1,360	1,418	1,439	1,408
Town of Pine River	766	813	862	907	925	911
Town of Scott	551	597	646	690	715	714
Lincoln County	12,329	12,922	13,557	14,046	14,126	13,693
State of Wisconsin	2,371,815	2,491,982	2,600,538	2,697,884	2,764,498	2,790,322

Source: WI DOA

of 4,324 households in 2040, 144 more households than in 2015. WI DOA projections indicate the City's population will decrease 355 people over the same time period, a 3.8 percent decline, see Table 22. These projections support the trend of a decrease in average household sizes due to fewer people living within the same household. All municipalities, the County, and the State project a larger increase in households than population over the next 25 years.

The decrease in population aged 17 and under in Merrill, partially due to the transition to the 18 and over cohort during the decade, has a direct impact on the increase in households. The increase in total households combined with a decrease in population indicates that the sizes of households are decreasing. The City of Merrill declined persons per household by .18 persons between 1990 and 2013, see Table 23. Over the 23 year period, the City of Merrill has had a smaller average household size than the County, State, and the surrounding towns. In 2013, the City

of Merrill had an average household size of 2.28, roughly 0.05 less than the County and 0.27 less than the State.

The City of Merrill is projected to decrease their average household size an additional 0.17 over the next 25 years, see Table 24. The projected median household size in the City of Merrill in 2040 is 2.01. Lincoln County is also projected to decrease median household size over the 25 year period, decreasing from 2.26 in 2015 to 2.08 in 2040. A variety of national trends help explain the projected decrease in average household sizes. Roughly 20 percent of the nation's population is turning 65 over the next 19 years. The children of this generation are reaching adulthood and are moving out into their own homes. What was a household of four people is now split into two, possibly three households with 2 or fewer people per household. The children of Baby Boomers, many of which are Millennials, are the largest living generation in terms of population. Much of this generation has not yet reached the point in their lives where they are

Table 23: Average Household Size

Minor Civil Division	1990	2000	2010	2013	1990-2013 Net Change
City of Merrill	2.46	2.34	2.25	2.28	-0.18
Town of Merrill	2.85	2.65	2.47	2.45	-0.40
Town of Pine River	2.99	2.79	2.48	2.43	-0.56
Town of Scott	3.03	2.81	2.67	2.57	-0.46
Lincoln County	2.60	2.46	2.33	2.32	-0.28
State of Wisconsin	2.61	2.50	2.43	2.55	-0.06

Source: U.S. Census

Table 24: Average Household Size Projections

Minor Civil Division	2015	2020	2025	2030	2035	2040
City of Merrill	2.18	2.14	2.10	2.07	2.03	2.01
Town of Merrill	2.40	2.34	2.30	2.26	2.23	2.20
Town of Pine River	2.40	2.35	2.31	2.27	2.24	2.21
Town of Scott	2.59	2.53	2.48	2.44	2.41	2.37
Lincoln County	2.26	2.21	2.17	2.14	2.11	2.08
State of Wisconsin	2.38	2.35	2.32	2.30	2.28	2.26

Source: WI DOA

Table 25: Population Projections

Minor Civil Division	2015	2020	2025	2030	2035	2040
City of Merrill	9,345	9,460	9,625	9,690	9,500	8,990
Town of Merrill	2,920	3,015	3,135	3,215	3,215	3,105
Town of Pine River	1,840	1,910	1,990	2,060	2,070	2,010
Town of Scott	1,425	1,510	1,605	1,685	1,720	1,695
Lincoln County	28,415	29,170	30,100	30,750	30,580	29,355
State of Wisconsin	5,783,015	6,005,080	6,203,850	6,375,910	6,476,270	6,491,635

Source: WI DOA

starting families and having children, and trends show that more people are choosing to start families in their late 30's and early 40's. The delay in starting families and having children will continue to drive the average household size to 2 people per household in the future. This trend also helps explain the increase in median age.

The Wisconsin Department of Administration (DOA) prepares population projections for the state and local units. Based on DOA projections, see Table 25, Merrill will lose 355 residents from the year 2015 to 2040, a decline of 3.8 percent. During the same time period the county is projected to gain over 940 new residents, an increase of 3.3 percent. Surrounding towns are projected to gain about 545 residents through the year 2025 but start declining after 2035, following Merrill. Growth in the City of Merrill and Lincoln County are significantly lower than the projected growth in the State. The State of Wisconsin is projected to increase its population by 708,620 people, an increase of 12.3 percent. Only the Town of Scott (18.9%) is projected to increase population at a higher rate than the state. Based on household projections prepared by the Wisconsin DOA, the City of Merrill will grow by roughly 145 households between 2015 and 2040. In 2013 the City had approximately 4,741 housing units, so if it is assumed the number of vacant units remains constant, an additional 145 housing units will be needed.

The City of Merrill's zoning code should be evaluated to ensure the older housing can be improved to meet modern living requirements and preferences. This potentially includes reducing minimum lot sizes, setbacks, and yard requirements and allowing or encouraging more variety of housing types such as bungalow courts and attached single family homes. If zoning prevents existing lots from being redeveloped or homes improved, it can incentivize disinvestment in properties and increase blight. Many people prefer to live in traditional neighborhoods like the City of Merrill's established areas, but also want modern housing amenities.

A variety of housing related programs are available in Appendix B.

Goals, Objectives & Policies

The following Goals, Objectives, and Policies will help guide the City of Merrill to ensure housing to all people within the planning area.

Goal 1: Supply an affordable mixture of housing options that meet the needs of all community members.

Objective 1: Decrease the percentage of renters spending greater than 30 percent of household income.

Objective 2: Decrease the percent growth of median rent to State levels.

Objective 3: Increase the percentage of multifamily (2 or more units) and attached single-family housing units.

Objective 4: Increase the percentage of housing options that accommodate low/moderate income people, disabled, and physically limited citizens.

Policy 1: Work with developers to provide mixed-income, market rate housing developments and a broad range of housing choices (apartments, townhomes, and condominiums).

Policy 2: Work with developer on funding mechanisms and programs to help make developments affordable and profitable.

Policy 3: Promote the construction of multifamily housing units, specifically close to the central business district.

Policy 4: Eliminate and redevelop blighted properties and units.

Policy 5: Develop a homestead program or low interest loan program to assist and encourage home owners improving their housing units in targeted areas.

Policy 6: Encourage "universal design" in all new units and modifications allowing a wide range of tenants and owners, especially near business districts and important services.

Policy 7: Promote "universal design" apartments near healthcare facilities and daily amenities.

Goal 2: Improve the housing stock, developing new housing that is in walking distance to food and entertainment options, to accommodate and attract new households.

Goal 3: Eliminate dilapidated and tax delinquent housing units, especially in downtown areas, maximizing property values.

Objective 1: Increase the percentage of renter occupied housing units with 2-3 bedrooms.

Objective 1: Reduce tax delinquent properties in the City.

Objective 2: Identify target locations and develop a long range development plan for individual neighborhoods.

Objective 2: Reduce blighted residential property.

Objective 3: Develop assistance/improvement programs for low income homeowners to make property improvements.

Objective 3: Increase median housing values to Lincoln County levels.

Objective 4: Evaluate the zoning code in relation to its effect on older housing and the development/redevelopment potential of existing lots.

Policy 1: Aggressively market vacant lots for redevelopment or improve them for public benefit with features such as pocket parks or rain gardens to improve nearby property values.

Policy 1: Eliminate and redevelop distressed/blighted housing units and lots.

Policy 2: Work with County to collect property taxes from all land owners and tighten up the foreclosure process on delinquent properties.

Policy 2: Promote the construction of smaller housing units and multifamily units in close proximity to the central business area.

Policy 3: Create an aggressive redevelopment plan on non-paying/ delinquent properties.

Policy 3: Work with the County to acquire delinquent tax properties for redevelopment opportunities.

Policy 4: Strictly enforce building codes and violations and ensure housing units are safe.

Policy 4: Create developer incentives to encourage multifamily housing options and new developments (e.g. reduced permit fees and review times, increased density and building height, etc.).

Policy 5: Continue to apply for CDBG grants for income eligible home owners wishing to repair homes.

Policy 5: Develop a homestead program in targeted areas to promote investment in distressed neighborhoods.

Policy 6: Develop a neighborhood housing Tax Incremental Financing program in blighted areas incentivizing redevelopment.

Policy 6: Develop a neighborhood housing TIF in blighted areas incentivizing redevelopment.

Policy 7: Apply for grants to help purchase, redevelop, and fund residential property projects.

Policy 7: Ensure all vacant lots conform to the city's building code.

Policy 8: Aggressively enforce building inspection violations, enforce repairs, and document repeat offenders.

Policy 9: Increase developable land by exploring and implementing annexation agreements where feasible.



Single family residential home.