

# HOUSING

## INTRODUCTION

Housing characteristics are related to the social and economic conditions of a community’s residents and are an important element of a comprehensive plan. Information in this element will provide data about the current housing stock, as well as identify significant changes in the number of housing units and other housing characteristics. The ability of a community to provide an adequate housing supply for all persons and income levels is key to its economic prosperity and the wellbeing of its inhabitants.

## EXISTING HOUSING CHARACTERISTICS

The town’s natural resource base has significantly influenced housing development. Seasonal homes have been a significant factor in representing a majority of total housing units. An important trend has been the conversion of seasonal homes to year-round units by retiring persons. In addition, improvements to State Truck Highway 51 south of Mercer and Iron County have allowed persons downstate and out-of-state (Illinois) to travel to Mercer more quickly and safely.

The current trend of short-term rental programs like AirBNB have significantly reduced the inventory of long term, affordable housing available for teachers, professionals, workers, and families. This trend adversely effects the ability for Mercer to attract families and businesses, and severely impacts the Mercer School District.

Current inventory of apartments within the sanitary district are old and outdated.

Table 2.1 addresses the number and type of housing units for the period 1980 to 2020. During that time period, total housing units increased by 22.9%. Notably, seasonal or occasional use housing units (vacant units used or intended for use only in certain seasons or for weekends or other occasional use) experienced a 14.0% increase for the period 1980 to 2020.

**Table 2.1: Housing Stock 2000-2020**

Town of Mercer	1980	1990	2000	2010	2020	# 1980-2020	% 1980-2020
<b>Total Housing Units</b>	<b>1,565</b>	<b>1,712</b>	<b>1,926</b>	<b>2,065</b>	<b>1,924</b>	<b>359</b>	<b>22.9%</b>
Occupied Housing Units (Households)	573	600	820	699	835	262	45.7%
<i>Owner-Occupied Units</i>	450	461	666	588	695	245	54.4%
<i>Renter Occupied Units</i>	123	139	154	111	140	17	13.8%
Vacant Units	992	1,112	1,106	1,366	1,089	97	9.8%
<i>Seasonal or Occasional Use Units</i>	860	875	1,016	1,232	980	120	14.0%

Average Household Size	2.49	2.21	2.11	2.01	1.97	-0.52	(-20.9%)
------------------------	------	------	------	------	------	-------	----------

Source: U.S. Census Bureau 1980, 1990, 2000, 2010, 2020

A gradual decline in average household size (persons per household) is occurring throughout Iron County and northern Wisconsin. Table 2.1 indicates that in 2020 the Town of Mercer had an average of 1.97 persons per household, which represents a continuous decline since 1980. The central trends causing this decline include the out migration of inhabitants over the age of 18 for work or school, overall smaller family sizes, fewer families with children moving into the town, and fewer children being born to town residents. Additionally, many households are composed of retired couples or single person households.

**Occupancy Characteristics**

Table 2.2 compares in detail the occupancy and tenure characteristics for the Town of Mercer, Iron County, and the State of Wisconsin. As referenced in the table, 56.6% of all town housing units in 2020 were identified as vacant with 90.0% of those vacant units reported as seasonal, leaving a “true” vacancy rate of 10.0%. In comparison, Iron County had 45.0% of housing units vacant (85.6% seasonal) for a “true” vacancy rate of 14.4%. Because of the high seasonal housing levels, housing vacancy rates in the town and the county were greater than the state rate.

According to the 2020 Census, renter-occupied units comprised 16.8% of all occupied housing units in the Town of Mercer. Compared to 18.9% for the county and 33.7% for the state.

**Table 2.2: Housing Occupancy and Tenure 2020**

Housing Units	Town of Mercer		Iron County		State of Wisconsin	
	#	%	#	%	#	%
<b>Total Units</b>	<b>1,924</b>	<b>100.0%</b>	<b>5,523</b>	<b>100.0%</b>	<b>2,727,726</b>	<b>100.0%</b>
<b>Occupied</b>	<b>835</b>	<b>43.4%</b>	<b>3,035</b>	<b>55.0%</b>	<b>2,428,361</b>	<b>89.0%</b>
Owner	695	83.2%	2,462	81.1%	1,610,565	66.3%
Renter	140	16.8%	573	18.9%	817,796	33.7%
<b>Vacant</b>	<b>1,089</b>	<b>56.6%</b>	<b>2,488</b>	<b>45.0%</b>	<b>299,365</b>	<b>11.0%</b>
For Rent	35	3.2%	74	3.0%	49,278	16.5%
Rented, Not Occupied	3	0.3%	13	0.5%	6,878	2.3%
For Sale Only	22	2.0%	59	2.4%	17,153	5.7%
Sold, Not Occupied	3	0.3%	19	0.8%	7,611	2.5%
For Seasonal	980	90.0%	2,130	85.6%	172,141	57.5%
For Migrant Workers	0	0.0%	0	0.0%	369	0.1%
Other Vacant	46	4.2%	193	7.8%	45,935	15.3%

Source: U.S. Census Bureau 2020

Table 2.3 compares selected housing characteristics for the Town of Mercer with surrounding communities and Iron County. The Town of Mercer had a lower percentage rate of seasonal housing units compared to the Towns of Sherman and Oma but its rate was higher than the Town of Knight and the county.

According to American Community Survey 5-Year Estimates 2018-2022, the median housing value of owner-occupied housing units in the town was \$239,500, which was neither the highest nor the lowest, but was considerably higher than Iron County and the Town of Knight.

**Table 2.3: Comparison of Housing Characteristics**

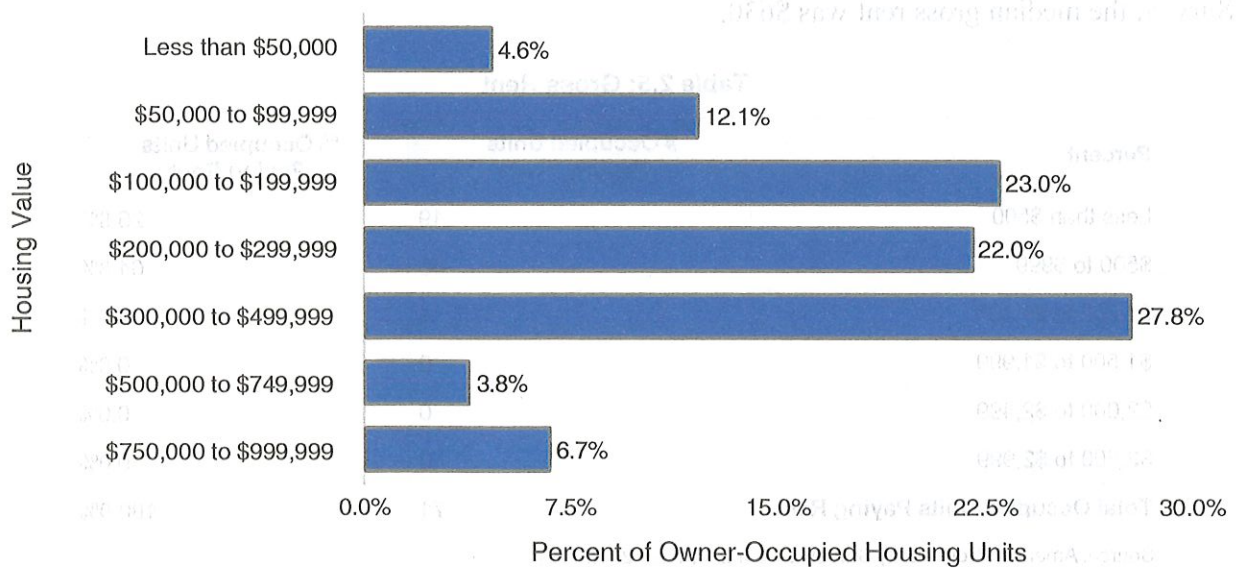
Characteristic	Town of Mercer	Town of Sherman	Town of Oma	Town of Knight	Iron County
Total Housing Units	1,924	459	520	194	5,523
% Occupied Housing	43.4%	36.4%	33.3%	57.2%	55.0%
% Seasonal Units	50.9%	61.7%	66.0%	34.0%	38.6%
Median Housing Value*	\$239,500	\$310,900	\$236,200	\$67,000	\$144,100

Source: U.S. Census Bureau 2020 & \*American Community Survey 5-Year Estimates 2018-2022

**Value Characteristics**

Figure 2.1 shows a detailed breakdown of the housing value of owner-occupied housing units in the Town of Mercer. Of the estimated 586 owner-occupied housing units in the town, 27.8% were valued between \$300,000 and \$499,999. An estimated 16.7% were valued \$50,000 or less, and 10.5% were valued between \$500,000 and \$999,999.

**Figure 2.1: Housing Value**



Source: American Community Survey 5-Year Estimates 2018-2022

Affordability of owner-and renter-occupied units is critical to sustaining population and employment levels for local businesses. According to the U.S. Census Bureau, selected monthly owner costs are calculated from the sum of payment for mortgages, real estate taxes, various insurances, utilities, fuels, mobile home costs, and condominium fees. When this measure exceeds 30%, the household is often living at risk of financial catastrophe.

Table 2.4 compares the monthly owner costs as a percent of household income for housing units with and without a mortgage. In the Town of Mercer, an estimated 38.1% of housing units with a mortgage and an estimated 11.4% of housing units without a mortgage have selected monthly owner costs that meet or exceed 30% of their household income.

**Table 2.4: Selected Monthly Owner Costs as Percent of Household Income**

Percent	Housing Units with a Mortgage	Housing Units without a Mortgage
Less than 20.0%	35.0%	37.7%
20.0 to 24.9%	7.7%	19.4%
25.0 to 29.9%	19.2%	14.2%
30.0 to 34.9%	14.5%	6.6%
35.0% or more	23.6%	4.8%

Source: American Community Survey 5-Year Estimates 2018-2022

Rental costs vary based on many factors, including the quality of housing, number of bedrooms, and overall size of the housing unit. Table 2.5 displays the estimated number of occupied units paying rent (71) by amount of gross rent (rent plus utilities) as reported by the American Community Survey 5-Year Estimates 2018-2022. According to the American Community Survey, the median gross rent was \$630.

**Table 2.5: Gross Rent**

Percent	# Occupied Units Paying Rent	% Occupied Units Paying Rent
Less than \$500	19	26.8%
\$500 to \$999	46	64.8%
\$1,000 to \$1,499	3	4.2%
\$1,500 to \$1,999	0	0.0%
\$2,000 to \$2,499	0	0.0%
\$2,500 to \$2,999	0	0.0%
<b>Total Occupied Units Paying Rent</b>	<b>71</b>	<b>100.0%</b>

Source: American Community Survey 5-Year Estimates 2018-2022

Gross rent as a percent of household income is the percent of household income that is allocated to gross rent (rent plus utilities) for housing. When this measure exceeds 30%, the household is often living at risk of financial catastrophe. Based on data from the American Community Survey 5-Year Estimates 2018-2022, approximately 61.9% of rental units have rental costs that meet or exceed 30% of household income (Table 2.6).

**Table 2.6: Gross Rent as a Percentage of Household Income**

Rent	# Occupied Units Paying Rent	% Occupied Units Paying Rent
Less than 15%	4	5.6%
15.0% to 19.9%	4	5.6%
20.0% to 24.9%	8	11.3%
25.0% to 29.9%	11	15.5%
30.0% to 34.9%	3	4.2%
35.0% or more	41	57.7%
<b>Total Occupied Units Paying Rent</b>	<b>71</b>	<b>100.0%</b>

Source: American Community Survey 5-Year Estimates 2018-2022

**Age Characteristics**

Understanding the relative age of the housing stock is a good indicator of the condition of available housing units. Table 2.7 lists the percentage of the town’s estimated total housing stock (1,840) by the decade in which it was built.

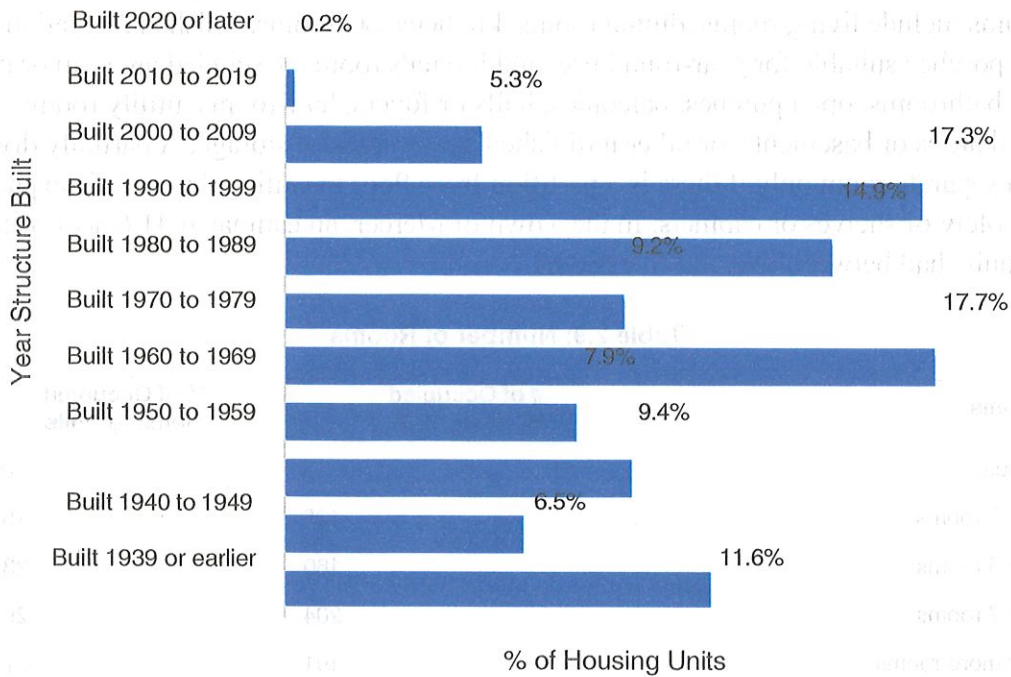
Figure 2.2 depicts the age of the housing units by year built with a more detailed breakdown of quantity of units for the decade from 1990 to March 2000. According to the American Community Survey 5-Year Estimates 2018-2022, the median year a structure was built in the Town of Mercer was 1978.

**Table 2.7: Age of Housing Stock**

Year Built	# of Housing Units	% of Housing Units
Built 2020 or later	3	0.2%
Built 2010 to 2019	97	5.3%
Built 2000 to 2009	318	17.3%
Built 1990 to 1999	275	14.9%
Built 1980 to 1989	170	9.2%
Built 1970 to 1979	325	17.7%
Built 1960 to 1969	146	7.9%
Built 1950 to 1959	173	9.4%
Built 1940 to 1949	119	6.5%
Built 1939 or earlier	214	11.6%
<b>Total</b>	<b>1,840</b>	<b>100.0%</b>

Source: American Community Survey 5-Year Estimates 2018-2022

**Figure 2.2: Age of Housing Stock**



Source: American Community Survey 5-Year Estimates 2018-2022

**Structural Characteristics**

Table 2.8 references units in structure in the Town of Mercer as reported by the American Community Survey 5-Year Estimates 2018-2022. A structure is defined as a separate building that either has open spaces on all sides or is separated from other structures by dividing walls that extend from ground to roof. One-unit detached homes are the typical housing unit for the town. An estimated 90.7% of occupied housing units in the town were one-unit detached dwellings and 1.6% were mobile homes.

**Table 2.8: Units in Structure**

Units	# of Occupied Housing Units	% of Occupied Housing Units
1, detached	621	90.7%
1, attached	20	2.9%
2 apartments	0	0.0%
3 or 4 apartments	9	1.3%
5 to 9 apartments	0	0.0%
10 or more apartments	24	3.5%
Mobile home or other type of housing	11	1.6%
<b>Total</b>	<b>685</b>	<b>100.0%</b>

Source: American Community Survey 5-Year Estimates 2018-2022

Table 2.9 shows the number of rooms in occupied housing units for the Town of Mercer as reported by the American Community Survey 5-Year Estimates 2018-2022. Number of rooms

data provides the basis for estimating the amount of living and sleeping spaces within a housing unit. Rooms include living rooms, dining rooms, kitchens, bedrooms, finished recreation rooms, enclosed porches suitable for year-round use, and lodger's rooms. Excluded are strip or pullman kitchens, bathrooms, open porches, balconies, halls or foyers, half-rooms, utility rooms, unfinished attics or basements, or other unfinished space used for storage. A partially divided room is a separate room only if there is a partition from floor to ceiling, but not if the partition consists solely of shelves or cabinets. In the Town of Mercer, an estimated 41.6% of occupied housing units had between two and five rooms.

**Table 2.9: Number of Rooms**

Rooms	# of Occupied Housing Units	% of Occupied Housing Units
1 room	5	0.7%
2 or 3 rooms	125	18.2%
4 or 5 rooms	160	23.4%
6 or 7 rooms	204	29.8%
8 or more rooms	191	27.9%
<b>Total</b>	<b>685</b>	<b>100.0%</b>

Source: American Community Survey 5-Year Estimates 2018-2022

**COMPREHENSIVE PLAN SURVEY RESULTS ON HOUSING**

**THE FOLLOWING TABLE WILL BE UPDATED AFTER TOWN PROPERTY OWNERS ARE RE-SURVEYED IN 2024.**

Roughly 54 percent of Town of Mercer respondents feel the overall quality of housing in their community is good, with only 5 percent rating it as poor. However, approximately 31 percent believe that dilapidated/abandoned buildings and houses are a problem in their local community. Table 2.X summarizes the results from the survey with regard to the type of housing respondents feel is needed in their community. Overall, the responses to the survey indicated a need for rehabilitation of existing homes and more moderately priced and single-family homes.

**Table 2.X: Type of Housing Needed in the Town of Mercer**

	Town of Mercer		Resident		Non-resident	
	Count	Percentage	Count	Percentage	Count	Percentage
Single-Family Homes	206	25.8%	104	51.2%	99	48.8%
Moderately Priced Homes	276	34.6%	147	54.0%	125	46.0%
Higher Priced Homes	63	7.9%	20	32.3%	42	67.7%



Duplexes	51	6.4%	32	65.3%	17	34.7%
Apartments	73	9.1%	53	73.6%	19	26.4%
Manufactured (Mobile) Homes	15	1.9%	9	60.0%	6	40.0%
Mobile Home Parks	14	1.8%	7	53.8%	6	46.2%
Housing for Seniors	126	15.8%	45	36.9%	77	63.1%
Public/Subsidized Housing	37	4.6%	21	58.3%	15	41.7%
Rehabilitation of Existing Homes (weatherization, etc.)	297	37.2%	111	38.0%	181	62.0%

Source: Town of Mercer Comprehensive Plan Survey, Town Responses = 798

Residents should be encouraged to seek rehabilitation assistance from Iron County’s housing RLF program. Additionally, the town and local residents should investigate weatherization programs from local housing authorities and other agencies.

### PROJECTED HOUSING CHARACTERISTICS

According to the U.S. Census Bureau, the Town of Mercer experienced a large increase in total housing units since 1980. As shown in Table 2.1, the increase amounted to 262 new housing units from 1980 to 2020. Table 2.10 indicates that based on population and household projections, continued growth with even greater increases is expected for the town to the year 2040. Projections indicate a nearly 21.0% increase in total housing units between 2020 and 2040.

Table 2.10: Projected Housing Characteristics

Town of Mercer	2010*	2020*	2025	2030	2035	2040
<b>Total Housing Units</b>	<b>2,065</b>	<b>1,924</b>	<b>2,045</b>	<b>2,112</b>	<b>2,117</b>	<b>2,327</b>
Occupied Housing Units (Households)	699	835	887	917	919	1,010
<i>Owner-Occupied Units</i>	<i>588</i>	<i>695</i>	<i>739</i>	<i>763</i>	<i>765</i>	<i>841</i>
<i>Renter Occupied Units</i>	<i>111</i>	<i>140</i>	<i>149</i>	<i>154</i>	<i>154</i>	<i>169</i>
Vacant Units	1,366	1,089	1,157	1,196	1,198	1,317
<i>Seasonal or Occasional Use Units</i>	<i>1,232</i>	<i>980</i>	<i>1,042</i>	<i>1,076</i>	<i>1,078</i>	<i>1,185</i>
Average Household Size	2.01	1.97	1.85	1.83	1.79	1.74

Source: \*U.S. Census Bureau, Northwest Regional Planning Commission

Projected housing units were derived using known housing trends and making future assumptions based on past trends. Based on data regarding projected population and number of households, it was assumed that a decline in the average household size to the year 2040 would continue. An assumption was also made that the ratio between seasonal units and occupied units

would remain the same as that represented in 2020 to the year 2040. The following formulas were utilized in projecting future housing units.

TOTAL HOUSING UNITS: Sum of all housing units including occupied, vacant, and seasonal.

TOTAL OCCUPIED HOUSING UNITS: Projected year population divided by projected year persons per household.

OWNER-OCCUPIED UNITS: Projected year total occupied housing units minus projected year renter occupied units.

RENTER-OCCUPIED UNITS: Previous year renter units divided by previous year occupied units times projected year occupied units.

VACANT YEAR UNITS: Projected year occupied units times previous year vacant units divided by previous year occupied units.

SEASONAL UNITS: Previous year seasonal units divided by previous year occupied units times projected occupied units.

## **HOUSING PROGRAMS**

The Wisconsin comprehensive planning legislation requires the Town of Mercer to compile a list of programs to provide an adequate housing supply that meets existing and forecasted housing demand. Below are housing programs available to developers or the town.

### **USDA-Rural Development**

Rural Development administers federal funds to help secure loan options to assist low- to moderate-income families with home purchase and rehabilitation. Rural Development generally funds individuals who cannot obtain conventional financing.

### **Wisconsin Housing and Economic Development Authority**

The Wisconsin Housing and Economic Development Authority (WHEDA) serves Wisconsin residents and communities by working with others to provide creative financing resources and information to stimulate and preserve affordable housing, small business, and agribusiness.

### **Northwest Affordable Housing Inc.**

Northwest Affordable Housing Inc. is a 501(c)(3) non-profit organization that is able to obtain funds that are not available to the general public for the purpose of promoting affordable and accessible housing for low- and moderate-income persons.

**Northwest Wisconsin Community Services Agency**

The Northwest Wisconsin Community Services Agency has a number of housing programs available to help individuals and families find and transition into stable housing including affordable housing and homeless prevention and rapid re-housing programs.

**Ashland County Housing Authority**

The Ashland County Housing Authority helps individuals and families find suitable housing through the housing choice voucher (Section 8) program, public housing, weatherization, emergency furnace program, and home rehabilitation and homebuyer programs.

**Community Development Block Grant Housing Rehabilitation**

Community Development Block Grant (CDBG) housing rehabilitation funds are available to municipalities to help offset rehabilitation costs by eligible homeowners, renters, and landlords.

**Community Development Block Grant Emergency Assistance Program**

Community Development Block Grant Emergency Assistance Program (CDBG-EAP) funds are available to assist local governments in responding to emergency housing needs. The funds are provided to low- to moderate-income families who are homeless due to natural disasters, as well as family groups who meet the state definition of homeless.

**Housing Cost Reconstruction Initiative**

The Housing Cost Reduction Initiative (HCRI) provides federal funds for housing assistance to low- and moderate-income (LMI) households seeking to own decent, safe, affordable housing. The Program also provides foreclosure prevention assistance to eligible households.

**2.5 HOUSING GOALS, OBJECTIVES, ACTIONS, POLICIES, AND PROGRAMS**

A set of recommended goals, objectives, and actions steps has been developed to assist the Town of Mercer in the area of housing. Implementation of the identified actions will assist in achieving the overall goal that an adequate range of housing opportunities are available to meet the needs, desires, and financial capabilities of existing and future residents.

**GOAL:** Guide housing development in Mercer in a carefully planned and orderly fashion to provide a varied and adequate range of housing options to meet the needs and wishes of existing and future community residents, while maintaining and protecting the town's northwoods' character.

**Objectives:**

1. Promote a variety of safe housing opportunities for all ages and economic brackets.

*Action 1: Encourage private developers to provide these housing options.*

**Encourage development of Tax Increment Financing (TIF) District.**

*Action 2: Construct ordinances that require the removal, demolition, or restoration of unsafe housing, abandoned buildings and blight.*

*Encourage these actions through low-interest loan and grant programs for homeowners and landlords.*

*Action 3: Inform residents of housing resources through postings, media announcements, public information meetings and intergovernmental cooperative actions.*

**Action 4: Find and allocate funding for acreage for development.**

2. **Protect residential locations from infringement by incompatible land uses.**

*Action 1: Ensure well-planned subdivision designs, including infrastructure, to preserve environmental systems and maintain the character of the community.*

3. **Encourage higher-density residential housing in areas already served by or near public services.**

*Action 1: Show these higher-density areas on the Town of Mercer Future Land Use Map.*

4. **Promote a joint effort with the Mercer Chamber to identify town rental units and disseminate long-term rental information.**

**Action 1: Encourage the Mercer Chamber to promote long and short rental opportunities and business development.**

**Action 2: The Town of Mercer will supply the necessary information to the Mercer Chamber, and the town treasurer will annually survey which rental unit owners are willing to create long-term rental opportunities.**

The private sector is encouraged to address the needs of all income levels, age groups, and persons with special needs as the development of safe, affordable, and quality housing is constructed or rehabilitated. While it is unlikely the town will develop residential housing units itself, it encourages the private sector to make available residential housing. Although large portions of the town are undeveloped, it is encouraged that vacant or dilapidated buildings be considered for redevelopment before development of green space is used for residential development, whenever possible. Affordable housing development, including low-to-moderate income, should be developed in the town to ensure all ranges of family incomes have an opportunity to live, work, and raise a family.