

**CITY OF CUDAHY  
HOUSING  
AFFORDABILITY  
REPORT: 2019**

**MILWAUKEE COUNTY  
WISCONSIN**



## Chapter 1

# INTRODUCTION

### 1.1 PURPOSE OF THE REPORT

In 2018, the Wisconsin Legislature enacted legislation that requires cities and villages with populations of 10,000 people or more to prepare a housing affordability report. Per Section 66.10013 of the *Wisconsin Statutes*, the report needs to include data regarding development activity in the in the municipality and an analysis of the how the municipality's land use regulations impact the cost of housing. The report needs to be posted on the municipality's website and updated annually no later than January 31. The City of Cudahy, with a population of over 18,000, is required to prepare, post, and update a report per the Statute.

The housing affordability report relates to the implementation of the housing element of a municipality's comprehensive plan. Wisconsin's comprehensive planning law, set forth in Section 66.1001 of *Wisconsin Statutes*, requires cities, villages, towns, and Counties that engage in land use regulation to adopt a comprehensive plan with nine elements, including a housing element. The comprehensive planning law requires the housing element to include a compilation of goals, objectives, policies, and programs intended to provide an adequate housing supply that meets the community's existing and forecast housing demand. This includes policies and programs that promote the development of a range of housing choices for people of all income levels, age groups, and needs. The comprehensive planning law also requires the housing element to include a wide range of data regarding the community's housing stock.

As part of assessing housing element implementation, Section 66.10013 of the Statutes requires the affordability report to include the following data:

- The number of subdivision plats, certified survey maps (CSM), condominium plats, and building permit applications approved in the prior year.
- The total number of new residential dwellings units proposed in all subdivision plats, CSMs, condominium plats, and building permit applications approved in the prior year.
- A list and map of undeveloped parcels that are zoned for residential development.
- A list of all undeveloped parcels that are suitable for, but not zoned for, residential development, including vacant sites and sites that have the potential for redevelopment. A description of the zoning requirements and availability of public facilities and services for each property needs to be included.

The Statute also requires the affordability report to include an analysis of the City's residential development regulations, such as land use controls, site improvement requirements, fees and land dedication requirements, and permit procedures. The analysis needs to assess the financial impact the regulations have on the cost of developing a new residential subdivision. The analysis also needs to identify ways the City can modify its construction and development regulations, lot sizes, approval processes, and related fees to meeting existing and forecast housing demand and reduce the time and cost necessary to approve and develop a new subdivision by 20 percent.

The City has requested the Southeastern Wisconsin Regional Planning Commission (SEWRPC) to assist with the analyses required by the Statute. Regional housing plan<sup>1</sup> recommendations were used as the basis of the required analyses, where applicable. In addition to the analyses required by the Statute, SEWRPC staff also conducted an analysis of the City's residential development regulations as they relate to the development of multifamily housing. Regional housing plan recommendations were also used as the basis for the multifamily housing analysis. In addition, SEWRPC provided existing housing stock and demographic data, household and employment forecasts, and analyses from the regional housing plan (such as the regional job/housing balance analysis) to assist with determining existing and forecast housing demand.

## **1.2 COMMUNITY OVERVIEW**

The City of Cudahy is located in Milwaukee County along the shore of Lake Michigan, just south of the Cities of Milwaukee and Saint Francis. As noted in the *City of Cudahy 2020 Comprehensive Plan*, Cudahy's early growth as a center of industry was spurred by its proximity to Milwaukee and the accessibility of rail and water transport. Despite recent declines in the manufacturing sector throughout the Milwaukee Metropolitan Area, the industrial core continues in Cudahy, due in part to the City's proximity to the interstate highway system and Milwaukee Mitchell International Airport.

As reflected by the City's existing land use data presented in Chapter 2, the City has a mix of single-family and multifamily residential uses with significant areas of commercial and industrial development. The City includes one major economic activity center identified in VISION 2050, the regional land use and transportation plan.<sup>2</sup> The Cudahy industrial center is home to a concentration of industrial land and at least 3,500 total jobs. The School District of Cudahy includes Cudahy High School, Middle School, and five elementary schools. In addition, many public and private colleges and universities are located nearby.

The City's location along the Lake Michigan shoreline is an asset to the community in many ways. As one of the world's largest freshwater resources, Lake Michigan helps promote and sustain business and residential development in Cudahy. Milwaukee County's Warnimont Park Golf Course and Sheridan Park offer recreational activities, hiking trails, natural areas and beach access, as well as impressive views overlooking the Lake.

These characteristics are reflected in the vision for Cudahy that was developed for the comprehensive plan. The City's vision includes investing in its neighborhoods to enhance the older areas and promote home ownership throughout the City; secure the economic health of the City by invigorating the commercial corridors and maintaining and attracting new businesses to the industrial base; and revitalizing the downtown into a vibrant center for residents, businesses, and civic activities, while preserving its historic character. In addition, the vision seeks to enhance and improve public visibility and accessibility to Lake Michigan.

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<sup>1</sup> *The regional housing plan is documented in SEWRPC Planning Report No. 54, A Regional Housing Plan for Southeastern Wisconsin: 2035, March 2013.*

<sup>2</sup> *VISION 2050 is documented in SEWRPC Planning Report No. 55, A Regional Land Use and Transportation Plan for Southeastern Wisconsin, July 2016.*

## Chapter 2

# EXISTING CONDITIONS

Note: Map and tables are presented at the end of the Chapter.

## 2.1 INTRODUCTION

Information regarding existing conditions with respect to land use, housing stock, and the demographic and economic base is essential to determining the existing and forecast demand for housing in the City of Cudahy. This chapter presents a summary of existing land use data developed by SEWRPC and demographic and economic data compiled from the U.S. Census.

## 2.2 EXISTING LAND USE INVENTORY

The land use inventory is one of the regional inventories completed by SEWRPC to monitor urban growth and development in the Region. The inventory places all land and water areas of the Region into one of 65 discrete categories, providing a basis for analyzing specific land uses at the regional and community levels. The most recent regional inventory was carried out based on aerial photography taken in spring of 2015. Existing land use for the City of Cudahy is shown on Map 2.1 and presented in Table 2.1.

### **Developed Land**

As discussed in the City's comprehensive plan, Cudahy is a "built-out" community. This means there is very little land in the City that has not been developed with urban land uses such as residential, commercial, industrial, and governmental and institutional development and the transportation and utility land uses that serve this development.

Residential land uses encompass the most land in Cudahy at about 32 percent of the City. Most of the residential land consists of single-family homes, although there is a mix of single-family and multifamily dwellings in the City because of the greater density of multifamily development. Industrial land uses encompass 11 percent of land in the City. Combined with a significant amount of commercial land, this is one indicator that the City has a large employment base, which means ensuring that there is an adequate supply of housing for the City's workforce is an important consideration for the City in land use regulation activities. In addition, over 6 percent of the City's developed land is devoted to recreational uses, most of it in the lakefront park and golf course sites.

### **Undeveloped Land**

Undeveloped land in the City consists of surface water and natural resources such as wetlands that are not compatible with urban development; however, the land use inventory identifies over 300 acres of unused land that may potentially be developed. As shown on Map 2.1, much of the undeveloped land is adjacent to the existing industrial and commercial development in the City.

## 2.3 INVENTORY OF EXISTING HOUSING STOCK

The characteristics of the City's existing housing stock have been inventoried to help determine the number and type of housing units that will best suit the current and future needs of Cudahy's residents per the requirements of Section 66.10013 of the *Wisconsin Statutes*. The inventory was compiled using 2013-2017 American Community Survey (ACS)<sup>1</sup> data from the U.S. Census Bureau. The inventory includes:

- Total housing units by tenure
- Vacancy rate by tenure
- Value of owner-occupied housing units
- Monthly housing costs by tenure
- Structure type
- Number of bedrooms
- Year built
- Subsidized housing units

### **Total Housing Units**

The number and tenure (owner- and renter-occupied) of existing housing units is a necessary baseline inventory item in determining existing housing demand and forecasting the future housing demand in the City. According to the ACS data, there are a total of 8,177 housing units in the City. About 52 percent of the units are owner-occupied and about 39 percent are renter-occupied. The other nine percent are vacant. As shown in Table 2.2, Cudahy has a higher owner-occupancy rate than Milwaukee County, but lower than the Region or the State.

### **Vacancy**

Another key housing supply inventory item is the vacancy rate of owner- and renter-occupied housing units. Some vacancies are necessary for a healthy housing market. The standard historically used by the U.S. Department of Housing and Urban Development (HUD) recommends that an area have a minimum overall vacancy rate of 3 percent to ensure adequate housing choices, and further recommends that an area have a homeowner housing unit vacancy rate of between 1 and 2 percent and a rental housing unit vacancy rate of between 4 and 6 percent.

Homeowner and rental vacancy rates for Cudahy, Milwaukee County, the Region, and the State are presented in Table 2.3. As noted in the previous section, the overall vacancy rate in the City is 9 percent, which is higher than the HUD standard. However, the homeowner and rental vacancy rates are generally in line with the range recommended by HUD, with the homeowner housing unit vacancy rate slightly below the recommended level. Compared to Milwaukee County, the Region, and the State, the City has a lower homeowner housing unit vacancy rate and a higher rental unit vacancy rate. The City does have a large number of vacant units that fall into the "other" category of vacancies—not for sale or rent, but held by the owner, including abandoned units—which accounts for the high overall vacancy rate.

### **Value of Owner-Occupied Housing Units**

The value of owner-occupied housing units for the City, County, Region, and State are presented in Table 2.4. The median value of owner-occupied housing units in Cudahy is \$146,700 according to the ACS data. This is lower than the median values in the County, Region, or State. With 89 percent of owner-occupied homes valued below \$200,000, owner-occupied units in Cudahy are generally more affordable than in the

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<sup>1</sup> The ACS is intended to be a nationwide, continuous survey designed to provide communities with a broad range of timely demographic, housing, social, and economic data; however, the data may have a relatively large margin of error due to limited sample size.

remainder of the County, Region, and State, which may make it easier for moderate income households to purchase a home in the City.

### **Monthly Housing Costs by Tenure**

Monthly housing costs for owner-occupied and rental housing units were inventoried as another indicator of whether there is an adequate supply of housing that may be affordable to a wide range of households in the City. Tables 2.5 through 2.7 present information regarding monthly housing costs for homeowners with a mortgage, homeowners without a mortgage, and renters for the City, County, Region, and State. The median monthly costs for homeowners with a mortgage (\$1,347) and renters (\$789) in the City are lower than in the County, Region, and State. Nearly two thirds of homeowners with a mortgage pay below \$1,500 a month for housing and 80 percent of renters pay below \$1,000 a month for housing. As discussed in Section 2.4, the comparatively low cost of housing for homeowners and renters could be an indicator of adequate workforce housing in the City.

### **Structure Type**

Structure type, or residential building type, is one of the most important considerations in providing market-rate housing that may be more affordable to a wider range of households. The most affordable market-rate housing tends to be multifamily housing, such as apartment buildings, while single-family homes tend to be more costly. Table 2.8 presents the number of units by structure type in the City, County, Region, and State. About 52 percent of the housing units in the City are single-family homes, about 20 percent are in two-family buildings, and about 28 percent are in multifamily buildings.

Cudahy has an equal percentage of multifamily units compared to Milwaukee County, and it has a higher percentage of multifamily units than the Region or State. As multifamily dwellings are more likely to be rental units than single-family homes, and rental costs in the City are lower than in the remainder of the County, Region, and State, multifamily buildings are therefore an important source of housing for those working in the City.

### **Number of Bedrooms**

The number of bedrooms in a housing unit is an important consideration in providing housing that is best suited for the City's current and future housing needs. Most of the housing units in the City have either two bedrooms (34 percent) or three bedrooms (39 percent), which could provide housing choices for both aging households and households with children.

### **Year Built**

The age of the housing stock provides some insight into the character and condition of the existing units in the City. According to the Census data, about 29 percent of the City's housing units were built after 1970, about 39 percent of the units were built between 1950 and 1970, and about 32 percent of the units were built before 1950. This indicates that much of the City's housing stock should generally be in good shape for some time; however, the City's aging housing stock may need to be rehabilitated or replaced over time in order to incorporate newer amenities, technology, and safety features. It should be noted that some multifamily units have been developed in the City in recent years that, due to the sampling process of the ACS, were not reported in the Census data.

## **Subsidized Housing**

Cudahy has relatively low housing costs compared to the remainder of Milwaukee County and the Region, and is home to a significant amount of commercial and industrial development, including one major industrial economic activity center identified in VISION 2050. Ensuring that an adequate amount of workforce housing is maintained in the City is a key consideration in meeting existing and forecast housing demand.

The Low Income Housing Tax Credit (LIHTC) Program has become the primary source of government assistance for new subsidized housing units. The LIHTC Program is an indirect subsidy that is used to provide an incentive for developers to construct or rehabilitate affordable rental housing for low- and moderate-income households. LIHTC developments typically reserve a number of units for households with incomes of about 60 percent of the County median income. Currently, there are three developments with about 250 affordable units reserved for family households in the City, providing an important source of affordable workforce housing now and in the future. Four additional developments in the City provide 180 affordable units for senior residents.

The U.S. Department of Housing and Urban Development (HUD) Section 8 Housing Choice Voucher Program is a major source of government assistance for very low-income households; however, there is typically a much greater demand for vouchers than supply.

## **2.4 DEMOGRAPHIC AND ECONOMIC CHARACTERISTICS**

This section includes information regarding the population, household, and economic characteristics of the City of Cudahy, which, along with the existing housing stock data presented in Section 2.3, are crucial for discussing housing demand. Similar to the existing housing stock data, the population, household, and economic information was compiled using the 2013-2017 ACS. The information includes:

- Total population
- Age distribution
- Race/ethnicity composition
- Household size
- Household type
- Group quartered population
- Employment status
- Occupation
- Household income
- Poverty status
- Housing cost burden
- Affordability based on county median income

### **Demographic Characteristics**

Understanding the demographic characteristics of the City's population such as age, household size, and household type is important in determining the types of housing that will best suit the City's current and future residents.

#### ***Total Population***

Cudahy has a population of 18,350 according to the ACS. Cudahy was originally incorporated as a Village in 1895; in 1906, the Village incorporated as a City. Table 2.9 presents historical data regarding the City's population since 1910. The City's population grew fairly steadily since its inception, peaking in 1970 at about 22,000. The City experienced a significant population decline in the 1970s, and smaller decreases in population through 2010, most likely due to a reduction in new housing development and declining



household size. Milwaukee County experienced a very large population increase during the 1950s and then a large population decrease between 1970 and 1980. The County population has increased slightly since 2000. The Region and State have been experiencing modest population growth since 1970, with the State growing at a faster pace than the Region.

The potential for future population growth in the City, discussed further under Section 3.4 in Chapter 3, is limited because there are few significant vacant and developable lands in the City for residential development. Most potential population growth would have to result from scattered infill construction or redevelopment projects.

### ***Age Distribution***

The age distribution of the City's population has important implications on housing. Table 2.10 presents the current age distribution of the City's population. About 18 percent of the City's population is age 65 and above, which is higher than in Milwaukee County (13 percent), the Region (14 percent), and the State (16 percent). This may result in a greater demand for housing better suited to an aging population in the City than in other communities.

Multifamily housing may benefit the City's aging households because it requires less up-keep than single-family housing, the units are typically one level, and Federal and State fair housing laws require that most multifamily housing units built after the early 1990s include basic accessibility features for people with disabilities. In addition, the modest sized single-family homes on smaller lots available in the City may benefit the City's aging households because they require less up-keep than larger homes.

### ***Race/Ethnicity Composition***

Table 2.11 presents the racial and ethnic composition of Cudahy, Milwaukee County, the Region, and the State. The non-Hispanic white population share of the City's total population is about 84 percent and the minority share of the City's population is about 16 percent, including 11 percent Hispanic. Cudahy has about the same racial and ethnic diversity as the State as a whole, while the County and Region have a higher share of minority population than the City.

### ***Total Households***

An understanding of household data is critical because households are the unit of consumption for housing units and relate directly to the demand for housing in the City. A household includes all people who occupy a housing unit. A housing unit is defined by the U.S. Census Bureau as a house, apartment, mobile home, group of rooms, or single room occupied or intended for occupancy as separate living quarters. According to the ACS data, there are 7,434 households in the City of Cudahy.

### ***Household Size***

Table 2.12 presents information on average household size as well as number of people per household by tenure. The average household size in the City is 2.46 people, which is similar to Milwaukee County, the Region, and the State. Table 2.12 also shows that the average household size is somewhat smaller for renter-occupied housing (2.34 people per household) than for owner-occupied housing (2.55 people per household). Following regional, State, and nationwide trends, the average household size in the City has been declining for decades.

### ***Household Type***

Table 2.13 presents information on household type in Cudahy. The percentage of family households (60 percent) is higher than that of Milwaukee County as a whole and lower than the Region and State, and there are comparatively fewer households with children present in the City than in the County, Region, or State. The household type makeup of the City reflects the City's goal of attracting young families, as described in their comprehensive plan.

### ***Group Quartered Population***

In addition to people living in traditional housing units, Cudahy has about 50 residents living in group quarters. The group quartered population in Cudahy is split between nursing home residents and other group homes for adults.

### ***Economic Characteristics***

Similar to understanding the demographic characteristics of the City's population, understanding the economic characteristics of the City's population is necessary to determining the types of housing that will be best suited to the City's current and future residents.

### ***Employment Status***

The employment status data available from the 2013-2017 ACS incorporates data from across that time period and generally does not reflect the historically low unemployment rates that have been seen in the Region, State, and Nation for the last few years. Taking this into account, the 2013-2017 ACS reports that the unemployment rate in Cudahy is 5.4 percent, which is lower than the unemployment rate in Milwaukee County and the Region. A relatively large percentage of the City's resident population age 16 and older, about 41 percent, are not participating in the labor force. This compares to about 35 percent of Milwaukee County residents and about 33 percent of Region and State residents. These statistics may be a reflection of the lower labor force participation rate among the City's 25 to 59 year olds and the aging population.

### ***Occupation***

Along with employment status, the occupational makeup of the City's population is a determining factor in household income and the ability of Cudahy's residents to afford housing in the City. A significant number of City residents have occupations with low to moderate wages. As shown in Table 2.14, the Sales and Office, and Production, Transportation, and Material Moving occupation sectors are the two largest among City residents, both of which tend to have moderate wages. There are also a significant number of workers in lower-wage occupations such as Food Preparation and Serving, Building and Grounds Cleaning and Maintenance, and Personal Care and Service living in the City for whom affordable housing may be a concern. The City's relatively affordable housing—smaller houses and lot sizes and ample supply of rental units—provides a wide variety of housing options for workers in the City.

### ***Household Income***

Ultimately, the household incomes of those living in Cudahy should be considered when determining the demand for various types of housing in the City. The number of households in the City by income range are presented in Table 2.15. Cudahy's median annual household income of \$50,923 is higher than that of Milwaukee County (\$46,784), but lower than the Region (\$57,926) and the State (\$56,759). In addition to the modest overall income in the City and the fairly even distribution of households within income ranges, it is important to understand how many households may benefit from more affordable housing as development decisions are made moving forward.

Table 2.15 shows that almost 3,300 households, or 44 percent of households in the City, have annual incomes below \$45,000. According to the results of a cost of housing development analysis completed for the regional housing plan (adopted by SEWRPC in 2013), households with incomes below \$45,000 could benefit from additional multifamily housing. Another 2,000 households in the City have incomes between \$45,000 and \$75,000. The regional housing plan analysis found that households with incomes in this range could benefit from modest single-family homes on lots of 10,000 square feet or less. The City housing stock already includes a significant number of such affordable houses, and the City is essentially built out, with few large developable areas for new single-family housing.

### **Poverty Status**

There are about 2,300 people experiencing poverty in the City according to the ACS data. This represents about 12 percent of the City's population, which is much lower than the poverty rate in the County (about 21 percent) and similar to the poverty rates in the Region (about 14 percent) and State (about 12 percent). Individuals and families experiencing poverty would benefit from housing assistance as identified under the Affordability based on County Median Income discussion at the end of this section.

### **Housing Cost Burden**

Table 2.16 presents ACS data regarding households with a high housing cost burden in the City, County, Region, and State. A household is considered cost burdened when monthly housing costs exceed 30 percent of gross household income. Table 2.16 shows that the percentage of homeowners (about 22 percent) with a cost burden in the City is lower than that of the County and Region, and similar to the rate found in the State. Among renters, the percentage with a cost burden (about 41 percent) is lower than the County, Region, and State. While the relatively low cost burden rates indicate a more adequate supply of workforce housing in the City as compared to the larger geographic areas, it is notable that about 2,200 households in the City do experience housing cost burdens. Table 2.16 also shows that renters are much more likely to be cost burdened than homeowners whether it is at the City, County, Region, or State level.

### **Affordability based on County Median Income**

A number of Cudahy's low-income households may benefit from housing assistance programs. Low-income households are typically defined as households with incomes of 80 percent or less of area median income (AMI), and can be further defined as extremely low-income households (30 percent or less) or very low-income households (30 to 50 percent). When discussing eligibility for various housing assistance programs, AMI typically refers to the median income of the County where a community is located.

When using Milwaukee County as the basis for AMI, there could be about 1,500 households currently residing in Cudahy that have annual incomes of 50 percent or less of AMI (a common eligibility requirement for many housing assistance programs). As discussed in Section 2.3, the Section 8 Housing Choice Voucher Program is one the most common forms of assistance; however, there is typically a much greater demand for vouchers than supply. As a result, LIHTC development could be an important source of affordable housing for low-income households. There are currently about 250 affordable housing units for families in this program and 180 units for seniors.

## **2.5 CONCLUSIONS**

This chapter presents baseline information regarding Cudahy's existing land use, housing stock, and demographic and economic base for use in determining existing and forecast housing demand in the City as required by the Section 66.10013 of the *Wisconsin Statutes*. Key conclusions that can be drawn from the information follow.

### **Land Use**

- As discussed in the City's comprehensive plan, Cudahy is a built-out community. Opportunities for new residential development are limited to infill development or redevelopment on a small number of vacant single-family residential parcels and a small number of sites that may accommodate future mixed use development/redevelopment projects.
- There is a significant amount of commercial and industrial development in the City, which may create a demand for workforce housing in the City.

## **Housing Stock**

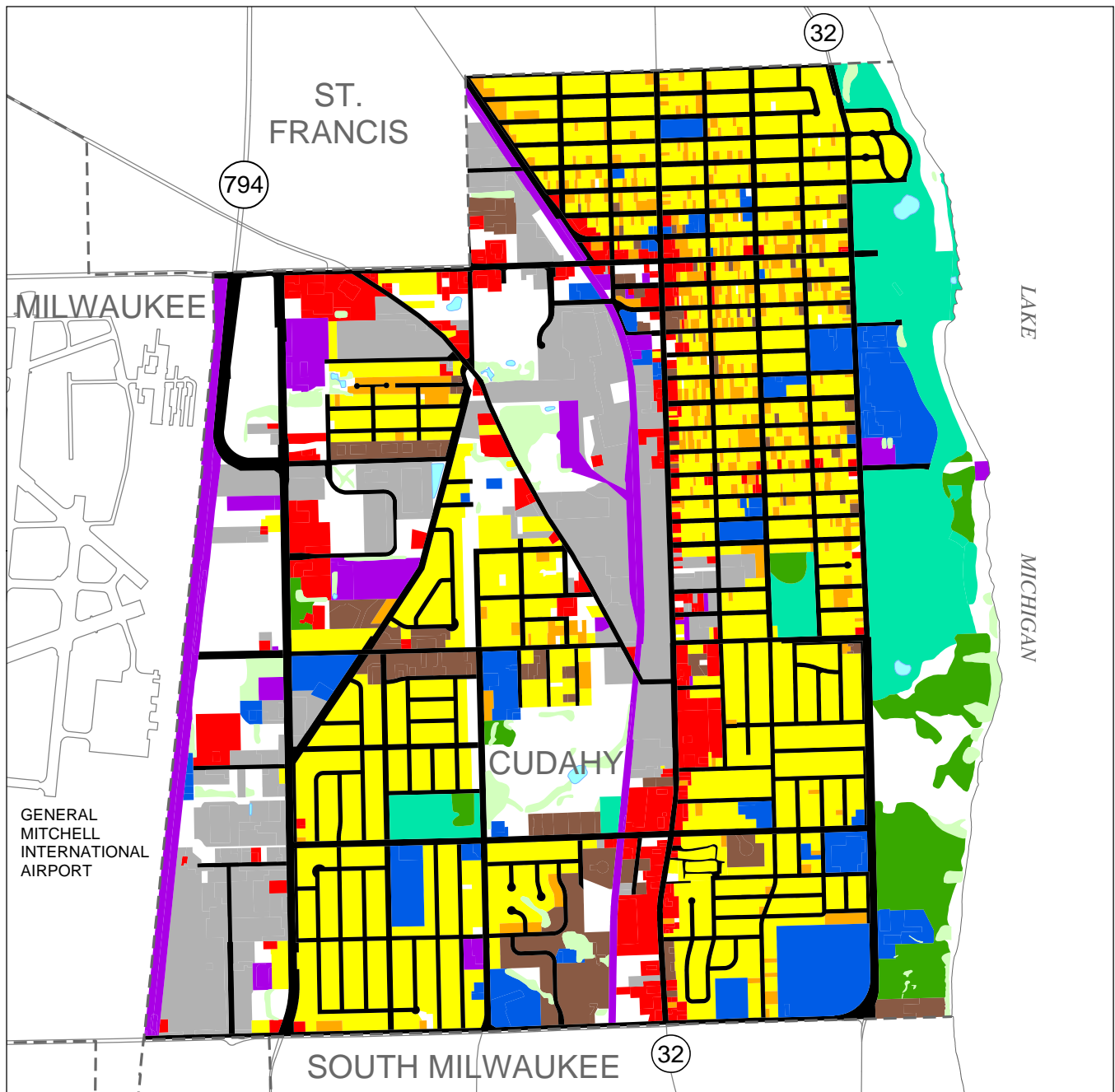
- Homeowner and rental vacancy rates are generally in line with the vacancy rate ranges recommended by HUD, with the homeowner vacancy rate slightly below the recommended level.
- Monthly homeowner and rental costs are lower in the City than the rest of Milwaukee County and Southeastern Wisconsin.
- Most of the owner-occupied housing units are valued below \$200,000.
- The City has the same ratio of single family and multifamily housing units as Milwaukee County.
- Most of the City's housing was built before 1970, and some of the aging housing may need to be rehabilitated or replaced.
- LIHTC developments are a source of workforce housing in the City.

## **Demographic and Economic Characteristics**

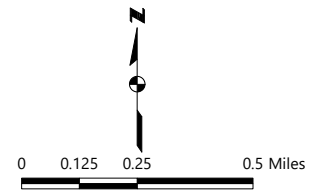
- A large percentage of the City's population is age 65 and over, which may have implications on the type and size of housing that may best suit current City residents.
- The average household size of the City is relatively small.
- The City currently has a relatively high percentage of households with no children.
- Household income in the City is slightly higher than the County, and lower than the Region and the State. There are a number of households in the City that could benefit from new multifamily housing and modest single-family housing based on their income.
- The percentage of both home owners and renters with a housing cost burden in the City is generally lower than Milwaukee County, the Region, and the State.

These conclusions are key elements of the existing and forecast housing demand analyses, which are presented in Chapter 3.

**Map 2.1**  
**Existing Land Uses in the City of Cudahy: 2015**



- |   |                                |   |  |
|---|--------------------------------|---|--|
|  | SINGLE-FAMILY RESIDENTIAL      |  | STREETS AND HIGHWAYS                               |
|  | TWO-FAMILY RESIDENTIAL         |  | OTHER TRANSPORTATION, COMMUNICATION, AND UTILITIES |
|  | MULTIFAMILY RESIDENTIAL        |  | AGRICULTURAL AND OTHER OPEN LANDS                  |
|  | COMMERCIAL                     |  | WETLANDS   |
|  | INDUSTRIAL                     |  | WOODLANDS  |
|  | GOVERNMENTAL AND INSTITUTIONAL |  | SURFACE WATER                                      |
|  | RECREATIONAL                   |   |  |



Source: SEWRPC

**Table 2.1**  
**Existing Land Uses in City of Cudahy: 2015**

<b>Land Use Category</b>		<b>Acres</b>	<b>Percent of Total</b>
<b>Developed Land</b>	Residential		
	Single-Family	751	24.6
	Two-Family	92	3.0
	Multifamily	114	3.8
	Mobile Homes	7	0.2
	Residential Subtotal	964	31.6
	Commercial	158	5.2
	Industrial	346	11.3
	Transportation, Communications, and Utilities	671	22.0
	Government and Institutional	173	5.7
Recreational	198	6.5	
Developed Land Subtotal	2,510	82.3	
<b>Undeveloped Land</b>	Agricultural	33	1.1
	Natural Resource Areas		
	Wetlands	65	2.1
	Woodlands	98	3.2
	Surface Water	7	0.2
	Natural Resources Areas Subtotal	170	5.5
	Unused and Other Open Lands	339	11.1
Undeveloped Land Subtotal	542	17.7	
<b>Total</b>		<b>3,052</b>	<b>100.0</b>

NOTE: Off-street parking is included with the associated use.

Source: SEWRPC

**Table 2.2**  
**Number of Housing Units and Tenure in the City, County, Region, and State**

Area	Owner-Occupied		Renter-Occupied		Vacant		Total	
	Housing Units	Percent of Total	Housing Units	Percent of Total	Housing Units	Percent of Total	Housing Units	Percent of Total
City of Cudahy	4,217	51.6	3,217	39.3	743	9.1	8,177	100.0
Milwaukee County	189,686	45.4	192,341	46.0	35,986	8.6	418,013	100.0
Region	498,721	56.7	308,274	35.1	72,257	8.2	879,252	100.0
Wisconsin	1,559,308	58.5	769,446	28.8	339,938	12.7	2,668,692	100.0

NOTE: Data are based on the 2013-2017 American Community Survey.

Source: U.S. Bureau of the Census and SEWRPC

#250758 – Tbl 2.3- Vacancy Rates  
KES/ks  
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**Table 2.3**  
**Housing Vacancy Rates in the City,**  
**County, Region, and State**

<b>Area</b>	<b>Homeowner (percent)</b>	<b>Rental (percent)</b>
City of Cudahy	0.9	5.1
Milwaukee County	1.6	4.9
Region	1.4	4.7
Wisconsin	1.5	4.8

NOTE: Data are based on the 2013-2017 American Community Survey.

Source: U.S. Bureau of the Census and SEWRPC



**Table 2.4**  
**Value of Owner-Occupied Housing Units in the City, County, Region, and State**

Value	City of Cudahy		Milwaukee County		Region		Wisconsin	
	Number of Units	Percent of Total	Number of Units	Percent of Total	Number of Units	Percent of Total	Number of Units	Percent of Total
Less than \$50,000	195	4.6	12,442	6.6	22,751	4.6	85,201	5.5
\$50,000 to \$99,999	309	7.3	34,016	17.9	53,556	10.7	219,653	14.1
\$100,000 to \$149,999	1,744	41.4	48,063	25.3	90,243	18.1	331,800	21.3
\$150,000 to \$199,999	1,508	35.8	40,377	21.3	99,110	19.9	315,939	20.3
\$200,000 to \$299,999	385	9.1	33,831	17.8	128,054	25.7	350,432	22.5
\$300,000 to \$499,999	66	1.6	15,344	8.1	77,413	15.5	192,366	12.3
\$500,000 to \$999,999	0	0	4,728	2.5	23,350	4.7	53,495	3.4
\$1,000,000 or more	10	0.2	885	0.5	4,244	0.8	10,422	0.6
Total	4,217	100.0	189,686	100.0	498,721	100.0	1,559,308	100.0
Median Value	\$146,700		\$150,300		\$190,700		\$169,300	

NOTE: Data are based on the 2013-2017 American Community Survey.

Source: U.S. Bureau of the Census and SEWRPC

**Table 2.5**  
**Monthly Costs of Owner-Occupied Housing Units with a Mortgage in the City, County, Region, and State**

Monthly Cost	City of Cudahy		Milwaukee County		Region		Wisconsin	
	Number of Units	Percent of Total	Number of Units	Percent of Total	Number of Units	Percent of Total	Number of Units	Percent of Total
Less than \$500	19	0.8	747	0.6	1,854	0.6	10,419	1.0
\$500 to \$999	432	17.7	20,754	16.3	44,513	13.2	204,933	20.3
\$1,000 to \$1,499	1,131	46.5	48,025	37.7	111,129	32.9	360,465	35.7
\$1,500 to \$1,999	728	29.9	33,902	26.6	93,666	27.7	240,205	23.8
\$2,000 to \$2,499	89	3.7	12,595	9.9	44,658	13.2	104,418	10.3
\$2,500 to \$2,999	29	1.2	5,661	4.5	21,327	6.3	46,104	4.6
\$3,000 or more	6	0.2	5,536	4.4	20,638	6.1	43,208	4.3
Total	2,434	100.0	127,220	100.0	337,785	100.0	1,009,752	100.0
Median Monthly Cost	\$1,347		\$1,441		\$1,561		\$1,399	

NOTE: Data are based on the 2013-2017 American Community Survey.

Source: U.S. Bureau of the Census and SEWRPC

**Table 2.6**  
**Monthly Costs of Owner-Occupied Housing Units Without a Mortgage in the City, County, Region, and State**

Monthly Cost	City of Cudahy		Milwaukee County		Region		Wisconsin	
	Number of Units	Percent of Total	Number of Units	Percent of Total	Number of Units	Percent of Total	Number of Units	Percent of Total
Less than \$250	52	2.9	1,806	2.9	3,817	2.4	25,874	4.7
\$250 to \$399	58	3.3	5,404	8.7	13,435	8.3	96,040	17.5
\$400 to \$599	619	34.7	22,678	36.3	59,355	36.9	216,154	39.3
\$600 to \$799	820	46.0	19,193	30.7	48,741	30.3	127,845	23.3
\$800 to \$999	194	10.9	7,517	12.0	19,886	12.4	48,121	8.7
\$1,000 or more	40	2.2	5,868	9.4	15,702	9.7	35,522	6.5
Total	1,783	100.0	62,466	100.0	160,936	100.0	549,556	100.0
Median Monthly Cost	\$696		\$612		\$613		\$540	

NOTE: Data are based on the 2013-2017 American Community Survey.

Source: U.S. Bureau of the Census and SEWRPC

**Table 2.7**  
**Monthly Costs for Renters in the City, County, Region, and State**

Monthly Cost	City of Cudahy		Milwaukee County		Region		Wisconsin	
	Number of Units	Percent of Total	Number of Units	Percent of Total	Number of Units	Percent of Total	Number of Units	Percent of Total
Less than \$500	469	15.0	17,979	9.6	26,738	8.9	88,019	12.0
\$500 to \$999	2,037	65.4	113,271	60.4	174,128	58.2	447,833	60.8
\$1,000 to \$1,499	559	17.9	45,062	24.0	77,991	26.1	158,152	21.5
\$1,500 to \$1,999	52	1.7	7,912	4.2	14,491	4.8	29,571	4.0
\$2,000 to \$2,499	--	--	2,228	1.2	3,792	1.3	7,720	1.0
\$2,500 to \$2,999	--	--	499	0.3	878	0.3	2,099	0.3
\$3,000 or more	--	--	517	0.3	1,096	0.4	2,842	0.4
Total <sup>a</sup>	3,117	100.0	187,468	100.0	299,114	100.0	736,236	100.0
Median Monthly Cost	\$789		\$844		\$863		\$813	

NOTE: Data are based on the 2013-2017 American Community Survey.

<sup>a</sup>Excludes rental units with no rent paid.

Source: U.S. Bureau of the Census and SEWRPC

**Table 2.8**  
**Residential Structure Types in the City, County, Region, and State**

Structure Type	City of Cudahy		Milwaukee County		Region		Wisconsin	
	Number of Units	Percent of Total	Number of Units	Percent of Total	Number of Units	Percent of Total	Number of Units	Percent of Total
1-Unit, Detached	3,704	45.3	191,410	45.8	510,810	58.1	1,776,970	66.6
1-Unit, Attached	491	6.0	23,854	5.7	48,784	5.6	114,444	4.3
2 Units	1,616	19.8	68,982	16.5	91,559	10.4	173,245	6.5
3 or 4 Units	413	5.1	26,383	6.3	41,678	4.7	99,396	3.7
5 to 9 Units	761	9.3	27,140	6.5	52,433	6.0	130,296	4.9
10 to 19 Units	191	2.3	17,206	4.1	32,877	3.7	91,393	3.4
20 or More Units	900	11.0	60,673	14.5	92,393	10.5	188,319	7.1
Mobile Homes	101	1.2	2,315	0.6	8,601	1.0	94,013	3.5
Boat, RV, Van, etc.	--	--	50	-- <sup>a</sup>	117	-- <sup>a</sup>	616	-- <sup>a</sup>
<b>Total</b>	<b>8,177</b>	<b>100.0</b>	<b>418,013</b>	<b>100.0</b>	<b>879,252</b>	<b>100.0</b>	<b>2,668,692</b>	<b>100.0</b>

NOTE: Data are based on the 2013-2017 American Community Survey.

<sup>a</sup>Less than 0.05 percent.

Source: U.S. Bureau of the Census and SEWRPC

#250773 – Tbl 2.9 Population  
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 11/5/19

**Table 2.9**  
**Historic Resident Population Levels in the City, County, Region, and State: 1910-2017**

Year	City of Cudahy			Milwaukee County			Region			Wisconsin		
	Population	Change from Preceding Census		Population	Change from Preceding Census		Population	Change from Preceding Census		Population	Change from Preceding Census	
		Absolute	Percent		Absolute	Percent		Absolute	Percent		Absolute	Percent
1910	3,691	2,325	170.2	433,187	103,170	31.3	631,161	129,353	25.8	2,333,860	264,818	12.8
1920	6,725	3,034	82.2	539,459	106,272	24.5	783,681	152,520	24.2	2,632,067	298,207	12.8
1930	10,631	3,906	58.1	725,263	185,804	34.4	1,006,118	222,437	28.4	2,939,006	306,939	11.7
1940	10,561	-70	-0.7	766,885	41,622	5.7	1,067,699	61,581	6.1	3,137,587	198,581	6.8
1950	12,182	1,621	15.3	871,047	104,162	13.6	1,240,618	172,919	16.2	3,434,575	296,988	9.5
1960	17,975	5,793	47.6	1,036,047	165,000	18.9	1,573,614	332,996	26.8	3,951,777	517,202	15.1
1970	22,078	4,103	22.8	1,054,249	18,208	1.8	1,756,083	182,469	11.6	4,417,821	466,044	11.8
1980	19,547	-2,531	-11.5	964,988	-89,261	-8.5	1,764,796	8,713	0.5	4,705,642	287,821	6.5
1990	18,659	-888	-4.5	959,275	-5,713	-0.6	1,810,364	45,568	2.6	4,891,769	186,127	4.0
2000	18,429	-230	-1.2	940,164	-19,111	-2.0	1,931,165	120,801	6.7	5,363,675	471,906	9.6
2010	18,267	-162	-0.9	947,735	7,571	0.8	2,019,970	88,805	4.6	5,686,986	323,311	6.0
2017	18,350	83	0.5	956,586	8,851	0.9	2,041,005	21,035	1.0	5,763,217	76,231	1.3

Source: U.S. Bureau of the Census and SEWRPC

**Table 2.10**  
**Age Distribution of Residents in the**  
**City of Cudahy**

<b>Age</b>	<b>Population</b>	<b>Percent of Total</b>
Under 5 Years	1,241	6.8
5 to 9 Years	796	4.3
10 to 14 Years	1,119	6.1
15 to 19 Years	965	5.2
20 to 24 Years	912	5.0
25 to 29 Years	1,017	5.5
30 to 34 Years	1,308	7.1
35 to 39 Years	1,126	6.1
40 to 44 Years	1,161	6.3
45 to 49 Years	1,152	6.3
50 to 54 Years	1,301	7.1
55 to 59 Years	1,608	8.8
60 to 64 Years	1,280	7.0
65 to 69 Years	950	5.2
70 to 74 Years	748	4.1
75 to 79 Years	538	2.9
80 to 84 Years	457	2.5
85 Years and Over	671	3.7
<b>Total</b>	<b>18,350</b>	<b>100.0</b>

NOTE: Data are based on the 2013-2017 American Community Survey.

Source: U.S. Bureau of the Census and SEWRPC

**Table 2.11**  
**Race and Ethnicity Composition of Residents in the City, County, Region, and State**

Race or Ethnicity	City of Cudahy		Milwaukee County		Region		Wisconsin	
	Population	Percent of Total	Population	Percent of Total	Population	Percent of Total	Population	Percent of Total
Not Hispanic								
White Alone	15,374	83.8	499,245	52.2	1,416,752	69.4	4,715,129	81.8
Black or African American Alone	504	2.8	249,356	26.0	291,850	14.3	359,094	6.3
American Indian and Alaskan Native Alone	81	0.4	4,477	0.5	6,899	0.3	45,947	0.8
Asian Alone	118	0.6	38,897	4.1	60,608	3.0	151,358	2.6
Native Hawaiian and Other Pacific Islander Alone	--	--	102	-- <sup>a</sup>	457	-- <sup>a</sup>	1,520	-- <sup>a</sup>
Some Other Race Alone	10	0.1	1,297	0.1	2,035	0.1	4,483	0.1
Two or More Races	298	1.6	23,743	2.5	40,695	2.0	105,096	1.8
Subtotal	16,385	89.3	817,117	85.4	1,819,296	89.1	5,382,627	93.4
Hispanic	1,965	10.7	139,469	14.6	221,709	10.9	380,590	6.6
Total	18,350	100.0	956,586	100.0	2,041,005	100.0	5,763,217	100.0

NOTE: Data are based on the 2013-2017 American Community Survey.

<sup>a</sup>Less than 0.05 percent

Source: U.S. Bureau of the Census and SEWRPC



#250806 – Tbl 2.12- Household Size  
 KES/ks  
 10/25/19

**Table 2.12**  
**Household Size in the City of Cudahy**

Size	Households					
	Owner-Occupied	Percent of Total	Renter-Occupied	Percent of Total	Total	Percent of Total
1-Person Household	1,088	25.8	1,385	43.0	2,473	33.3
2-Person Household	1,634	38.8	921	28.6	2,555	34.4
3-Person Household	665	15.8	379	11.8	1,044	14.0
4-Person Household	402	9.5	327	10.2	729	9.8
5-Person Household	337	8.0	115	3.6	452	6.1
6-Person Household	56	1.3	41	1.3	97	1.3
7-or-More-Person Household	35	0.8	49	1.5	84	1.1
Total	4,217	100.0	3,217	100.0	7,434	100.0
Average Household Size	2.55		2.34		2.46	

NOTE: Data are based on the 2013-2017 American Community Survey.

Source: U.S. Bureau of the Census and SEWRPC

**Table 2.13**  
**Household Types in the City of Cudahy**

<b>Household Type</b>	<b>Number</b>	<b>Percent of Subtotal</b>	<b>Percent of Total</b>
Owner-Occupied			
Family Households	2,915	69.1	39.2
With Children	(992)	(23.5)	(13.3)
Nonfamily households	1,302	30.9	17.5
Owner-Occupied Subtotal	4,217	100.0	56.7
Renter-Occupied			
Family Households	1,530	47.6	20.6
With Children	(832)	(25.9)	(11.2)
Nonfamily households	1,687	52.4	22.7
Renter-Occupied Subtotal	3,217	100.0	43.3
Total Occupied			
Family Households	4,445	--	59.8
With Children	(1,824)	--	(24.5)
Nonfamily households	2,989	--	40.2
<b>Total</b>	<b>7,434</b>	<b>--</b>	<b>100.0</b>

NOTE: Data are based on the 2013-2017 American Community Survey.

NOTE: Figures in parentheses are not included in the subtotals or totals of the number or percentage of households.

Source: U.S. Bureau of the Census and SEWRPC

**Table 2.14**  
**Occupation of Residents in the City of Cudahy**

<b>Occupation</b>	<b>Number</b>	<b>Percent of Total</b>	<b>Average Annual Wages<sup>a</sup> (\$)</b>
Management, Business, and Financial	930	11.1	57,268
Computer, Engineering, and Science	411	4.9	62,378
Education, Legal, Community Service, Arts, and Media	578	6.9	41,475
Healthcare Practitioners and Technical	454	5.4	52,572
Healthcare Support	250	3.0	22,412
Protective Service	119	1.4	48,320
Food Preparation and Serving Related	559	6.7	14,240
Building and Grounds Cleaning and Maintenance	350	4.2	20,012
Personal Care and Service	303	3.6	16,080
Sales and Office	2,056	24.6	29,746
Farming, Fishing, and Forestry	61	0.7	23,628
Construction and Extraction	381	4.6	36,478
Installation, Maintenance, and Repair	326	3.9	41,449
Production, Transportation, and Material Moving	1,587	19.0	29,804
<b>Total</b>	<b>8,365</b>	<b>100.0</b>	<b>33,530</b>

NOTE: Data are based on the 2013-2017 American Community Survey.

<sup>a</sup>Wages are based on Milwaukee County workers.

Source: U.S. Bureau of the Census and SEWRPC

**Table 2.15**  
**Household Income**  
**in the City of Cudahy**

<b>Income</b>	<b>Households</b>	<b>Percent of Total</b>
Less than \$10,000	552	7.4
\$10,000 to \$14,999	259	3.5
\$15,000 to \$19,999	535	7.2
\$20,000 to \$24,999	379	5.1
\$25,000 to \$29,999	480	6.5
\$30,000 to \$34,999	357	4.8
\$35,000 to \$39,999	294	4.0
\$40,000 to \$44,999	418	5.6
\$45,000 to \$49,999	381	5.1
\$50,000 to \$59,999	802	10.8
\$60,000 to \$74,999	806	10.8
\$75,000 to \$99,999	980	13.2
\$100,000 to \$124,999	593	8.0
\$125,000 to \$149,999	308	4.1
\$150,000 to \$199,999	135	1.8
\$200,000 or More	155	2.1
<b>Total</b>	<b>7,434</b>	<b>100.0</b>
<b>Median Household Income</b>	<b>\$50,923</b>	

NOTE: Data are based on the 2013-2017 American Community Survey.

Source: U.S. Bureau of the Census and SEWRPC

**Table 2.16**  
**Housing Cost Burden in the City, County, Region, and State**

<b>Tenure</b>	<b>City of Cudahy</b>	<b>Milwaukee County</b>	<b>Region</b>	<b>Wisconsin</b>
	Number of Units	Number of Units	Number of Units	Number of Units
<b>Owner-Occupied</b>				
Total Owner-Occupied	4,217	189,686	498,721	1,559,308
Housing Costs More Than 30 Percent of Household Income	922	50,457	118,105	335,241
Percent with Cost Burden	21.9	26.6	23.7	21.5
<b>Renter-Occupied</b>				
Total Renter-Occupied	3,217	192,341	308,274	769,446
Housing Costs More Than 30 Percent of Household Income	1,313	93,953	144,214	330,136
Percent with Cost Burden	40.8	48.8	46.8	42.9

NOTE: Data are based on the 2013-2017 American Community Survey.

Source: U.S. Bureau of the Census and SEWRPC



## Chapter 3

# EXISTING AND FORECAST HOUSING DEMAND

### 3.1 INTRODUCTION

This chapter presents information used in conjunction with information presented in Chapter 2, Existing Conditions, to determine existing and forecast housing demand in the City of Cudahy. Key information presented in this Chapter includes development activity that has occurred in the City during the past year, areas of the City that have potential for residential development or redevelopment, and household and employment forecasts. This chapter also includes a discussion of the impacts the City's land use regulations may have on meeting housing demand.

### 3.2 DEVELOPMENT ACTIVITY

Section 66.10013 of the *Wisconsin Statutes* requires that housing affordability reports present information regarding development activity in the municipality during the previous year. To meet this requirement, this section presents information for calendar year 2018 regarding the number of subdivision plats, certified survey maps, condominium plats, and building permits approved by the City and the number of proposed housing units that could result from these approvals.

#### **Subdivision Plats**

As discussed throughout this report and in the City's comprehensive plan, Cudahy is a built-out community and cannot accommodate any new subdivisions. As a result, there were no subdivisions approved during the last year.

#### **Certified Survey Maps**

There were no certified survey maps approved by the City during the last year.

#### **Condominium Plats**

There were no condominium plats approved by the City during the last year.

#### **Building Permits**

The City issued one building permit during the last year for a duplex at 2700/2702 E. Sommers Court.

### 3.3 DEVELOPMENT POTENTIAL

Section 66.10013 of the Statutes also requires that housing affordability reports present information regarding development potential in the municipality. To meet this requirement, this section presents information regarding undeveloped parcels zoned for residential development, undeveloped parcels not zoned for residential development, and potential residential redevelopment sites. All development sites within the City have urban services such as public sanitary sewer service and water supply service.

The City's vision for residential development, as described in their 2020 Comprehensive Plan, includes a number of strategies to best make use of the current housing stock and the limited land available for new development. With goals to improve the condition of existing housing for current and future residents, and

to increase the level of home ownership in the City, future development will consist of redevelopment of existing developed sites, increased density of existing buildings, and infill on the few remaining vacant sites.

### **Undeveloped Parcels Zoned for Residential Development**

While the City's 2020 Comprehensive Plan, prepared in 2009, refers to limited areas available for new residential development, currently no undeveloped parcels zoned for residential development have been identified by City officials.

### **Undeveloped Parcels Not Zoned for Residential Development**

There are no identified undeveloped parcels located in the City that are not zoned residential, but could be suitable for residential development.

### **Potential Residential Redevelopment Sites**

Redevelopment opportunities in the City include acquisition of neglected residential properties, mixed-use buildings with housing over business establishments, conversion of storefront buildings to residential uses, and redeveloping some rental properties to single family homes.

During the planning process for SEWRPC's *Vision 2050: A Regional Land Use and Transportation Plan for Southeastern Wisconsin*, two sites in the City were identified for possible mixed-use development by City officials. The sites are located at the corners of East Layton Avenue and South Packard Avenue, and East Carpenter Avenue and South Packard Avenue. However, City officials indicate that no detailed development concept plans are associated with those sites at this time.

## **3.4 Existing Demand**

The information presented in Chapter 2 regarding the demographic and economic characteristics of the City provide insight into the housing needs of the City's current residents.

An important consideration regarding existing demand for housing is the high percentage of current residents age 65 and over and the resulting small household size. Smaller single-family homes and multifamily units may be best suited for the City's aging households because they require less maintenance. In addition, Federal and State fair housing laws require most multifamily units constructed after the early 1990s to include basic accessibility features. This may be particularly beneficial for City residents 65 and over because the likelihood of having a mobility related disability increases as a person ages. Much of the existing housing in the City consists of smaller single family homes and multifamily units.

Housing cost is another important consideration regarding existing housing demand in the City. The household income and occupation data presented in Chapter 2 show that the modest income of City residents is generally in line with the lower cost of Cudahy's smaller homes on small lot sizes and ample rental units, as reflected by the relatively low numbers of residents with housing cost burdens.

When analyzing the potential impacts of the City's development regulations on meeting existing housing demand, it is important to consider the City's existing land use. There are no areas of the City that are suitable for new subdivisions. Therefore, single-family construction is limited to scattered vacant parcels, redevelopment, and possible mixed-use developments. New development or redevelopment of smaller or modest sized homes on the existing small lots would help meet the demand for moderate-cost workforce housing in the City.

The current rental vacancy rate in the City is relatively high while the homeowner vacancy rate is relatively low. The City's comprehensive plan identifies a goal to increase the homeownership rate to 50 percent in each of its neighborhoods, and to decrease rental units. To accomplish this goal, the plan recommends



potentially converting some existing rental properties into single family homes or condominiums, or redeveloping lower quality rental units into affordable owner-occupied units.

### **3.5 Forecast Demand**

This section discusses Cudahy's forecast housing demand based on the household and employment forecasts developed by SEWRPC for the regional land use and transportation plan (VISION 2050); demographic, economic, and land use data presented in Chapter 2; and the job/housing balance analysis prepared by SEWRPC for the regional housing plan.

#### **Household and Employment Forecasts**

Cudahy's status as a built-out community limits the amount of additional urban development that can be accommodated in the City. The household and employment forecasts developed for VISION 2050, which was adopted by SEWRPC in 2016, were based in part on the prospect of redevelopment projects that are not currently identified by City officials; therefore, SEWRPC forecasts may exceed the available development opportunities in the City.

Long-range planning efforts, such as VISION 2050, require forecasts of future conditions that affect plan design and implementation. The land use component of VISION 2050 was designed to accommodate the future demand for land in the Region, which primarily depends on future household and employment levels. The transportation component of VISION 2050 was, in turn, designed to accommodate future travel needs associated with the land use component. Therefore, the future household and employment forecasts developed for VISION 2050 were critical to long range planning for future land use and transportation in the Region and its communities. Past trends, 2010 Census data, and economic base data were the basis of the forecasts. The forecasts were further refined based on development information from local government plans, such as the City's comprehensive plan, and input from local officials.

Because the VISION 2050 forecasts were prepared to support systems-level regional planning, they do not align exactly with City boundaries. However, the forecast data can be approximated to the city. Based on this approximation, VISION 2050 forecasts about 600 additional households and a 360 new jobs in the City through the year 2050. Based on the existing number of housing units and limited development potential discussed Section 3.3, and the City's goal to increase owner-occupied housing while decreasing rental housing, which is reflected in the City's comprehensive plan, long-range forecasts may need to be adjusted.

#### **Demographic, Economic, and Land Use Characteristics**

The factors discussed under the Existing Demand section are likely to remain valid for the City in the future. The aging of the population is a trend that is forecast to continue not only within Southeastern Wisconsin, where the population age 65 and older is expected to increase from 13 percent to 21 percent by 2050, but across the State and the Nation. It should be noted that 18 percent of Cudahy's population is already age 65 or older. This could cause a turnover in households and result in more households with children in the future. If this does occur, the current mix of housing stock in the City would likely be able to accommodate the need based on the structure type and number of bedrooms data presented in Chapter 2.

The projected job/housing balance analysis prepared for the regional housing plan shows that the City's workers will continue to create demand for housing in the City. The basis of the analysis was local government comprehensive plans, including the City's comprehensive plan. It should be noted that the projected job/housing balance analysis was conducted at a necessarily general, regionwide scope, which was appropriate for use in the development of housing recommendations at a regional level. The regional housing plan recommends that communities identified as having a projected job/housing imbalance conduct a more detailed analysis based on specific conditions in their community as part of a comprehensive plan update. If the local analysis confirms an imbalance, it is recommended that the local

government consider changes to their comprehensive plan that may provide more lower-cost housing (generally defined as multifamily housing) for lower-wage workers or more moderate-cost housing (generally defined as smaller single-family homes on lots of 10,000 square feet or less) for moderate-wage workers.

The regional job/housing balance analysis shows that the City of Cudahy is planning for a balance between jobs and housing; however, this is because the regional analysis compares the percentage of lower- and moderate-wage jobs and multifamily and modest single-family housing that could be accommodated by the comprehensive plan. Percentages were used in the regional analysis because in almost all cases, the number of jobs that could be accommodated exceeds the number of housing units that could be accommodated by local comprehensive plans. The job/housing balance analysis does show that Cudahy is projected to have a moderate-cost imbalance, meaning there would be a higher percentage of moderate-wage jobs than moderate-cost housing. However, there is projected to be sufficient low- and moderate-cost housing combined to accommodate both moderate-wage and lower-wage workers. In addition, Cudahy's industrial areas are well served by public transit, allowing workers to commute in to the City, which should alleviate some of the current and future demand for workforce housing within the City.

### **3.5 CONCLUSIONS**

This chapter presents information used in conjunction with information presented in Chapter 2, Existing Conditions, to determine existing and forecast housing demand in the City as required by Section 66.10013 of the *Wisconsin Statutes*. This chapter also includes a discussion of the impacts the City's land use regulations may have on meeting housing demand. Key conclusions that can be drawn from the Chapter follow.

- Potential residential development/redevelopment sites within the City are very limited. There are only a limited number of vacant parcels that could accommodate single-family residential construction and two parcels that could potentially accommodate multifamily residential development/redevelopment.
- The household and employment forecasts developed for VISION 2050, which was adopted by SEWRPC in 2016, were based in part on the prospect of redevelopment projects that are not currently identified by City officials; therefore, SEWRPC forecasts may exceed the available development opportunities in the City. The City's comprehensive plan does not create barriers to workforce housing or accessible housing.
- One of the stated goals in the City's comprehensive plan is to increase homeownership and decrease rental units to accomplish a 50 percent homeownership rate in each neighborhood.

## Chapter 4

# ANALYSES OF RESIDENTIAL DEVELOPMENT REGULATIONS

Note: The table is presented at the end of the chapter.

### 4.1 INTRODUCTION

This chapter presents analyses regarding the financial impact of City residential development regulations on the cost of developing single-family housing and multifamily housing. The analyses also identify ways in which Cudahy could modify its regulations to encourage housing affordability.

Analyses and recommendations presented in this Chapter are based on recommendations set forth in the regional housing plan. The regional housing plan was adopted by the Regional Planning Commission in 2013. The vision of the plan is to provide “financially sustainable housing for people of all income levels, age groups, and needs throughout the entire Southeastern Wisconsin Region.” To support this vision, the regional housing plan includes extensive analyses regarding affordable housing and several recommendations that can be implemented by local governments to encourage the development of affordable housing throughout the Region.

### 4.2 RESIDENTIAL DEVELOPMENT REGULATIONS RELATED TO SINGLE-FAMILY HOUSING

Section 66.10013 of the Statutes requires housing affordability reports to include an analysis of the financial impacts of regulations such as land use controls, site improvement requirements, fees and land dedication requirements, and permit procedures on the cost of new subdivisions. As discussed in the previous chapters of this report, Cudahy is a built-out community, and although the City does have a subdivision ordinance, there are no opportunities to develop new subdivisions in the City.

As described in the comprehensive plan, new single-family construction opportunities in Cudahy may be limited to infill on scattered existing vacant lots, which may be identified in the future. While the provisions of the City’s subdivision ordinance will not impact construction on these lots, there are other City regulations that will, such as the zoning ordinance, impact fees, and building ordinance. The following analyses discuss how the City’s regulations relate to applicable regional housing plan recommendations and include discussion of any modifications that could be considered by the City to encourage affordability.

#### **Zoning Ordinance**

Key regional housing plan recommendations related to zoning regulations for single-family housing include recommendations regarding minimum lot size, minimum home size, flexible zoning regulations, and accessory dwelling units.

#### **Minimum Lot Size**

The regional housing plan recommends that local governments with public sanitary sewer service and other urban services provide areas within the community for development of new single-family homes on lots of 10,000 square feet or less. Single-family residential zoning districts in the City permit minimum lot sizes of 7,200 and 9,000 square feet.

### ***Minimum Home Size***

The regional housing plan also recommends that local governments with public sanitary sewer service and other urban services provide areas within the community for the development of new single-family homes of less than 1,200 square feet in size. As the residential zoning districts in the City permit minimum home sizes of 1,100 to 1,400 square feet, having some areas in the City zoned for minimum home sizes below the recommended level meets the spirit of the regional housing plan recommendation.

Data provided by RSmeans shows that while the cost per square foot of single-family construction increases as home sizes decrease, the overall construction cost of a smaller home is still lower than that of a larger home. Based on data for the Milwaukee Metropolitan area, Table 4.1 presents costs for economy and average single-family homes at 1,000 square feet, 1,200 square feet, and 1,400 square feet. The City could consider lowering the minimum home size requirement for all residential zoning districts to encourage more modest single-family housing; however, there are so few vacant parcels that it would have a minimal impact.

### ***Flexible Zoning Districts***

The regional housing plan recommends that communities with urban services include flexible zoning regulations intended to encourage a mix of housing types within neighborhoods. Examples include Planned Unit Development (PUD), Traditional Neighborhood Development (TND), density bonus, and adaptive reuse of buildings.

As an example of the adaptive reuse of existing buildings, the City recommends in its comprehensive plan the conversion of properties once used for businesses that are no longer viable into residential structures. While the City would have to consider modifying zoning regulations and standards regarding residential uses in order to achieve such “storefront conversions,” the process could provide additional and unique housing opportunities.

### ***Accessory Dwelling Units***

The regional housing plan recommends that all communities permit accessory dwelling units in single-family residential zoning districts as a source of affordable housing. The City’s zoning ordinance does not allow accessory buildings to be used for residential purposes in residential zoning districts. The City could consider amending its zoning ordinance to allow accessory dwelling units in single-family residential zoning districts as a way to encourage affordable housing and housing that may benefit the City’s aging population.

### ***Job/Housing Balance***

The regional job/housing balance analysis shows that the City’s zoning ordinance does not create a barrier to the development of modest single-family housing that could be affordable to moderate-income workers; however, there is very little opportunity for such construction in the City. Permitting accessory dwelling units in single-family residential zoning districts may be a more effective method of encouraging the development of workforce housing.

### ***Comprehensive Plan***

As discussed in Chapter 1, the Wisconsin legislature enacted legislation in 1999 that expanded the scope and significance of comprehensive planning in the State. The law, set forth in Section 66.1001 of the *Wisconsin Statutes*, requires consistency between important City land use regulations, such as the zoning ordinance, with the comprehensive plan. The comprehensive planning law also requires the City’s comprehensive plan to include a housing element with goals, objectives, policies, and programs intended to provide an adequate housing supply that meets the community’s existing and forecast housing demand. This includes policies and programs that promote the development of a range of housing choices for people of all income levels, age groups, and needs. This makes the comprehensive plan an important long-range housing policy implementation tool for the City.

As discussed in Chapter 3, the projected job/housing balance analysis prepared for the regional housing plan shows that the City's comprehensive plan does not create a barrier to the development of modest single-family housing within the City. However, as discussed throughout the report, opportunities for new single-family home construction are limited to a handful of vacant parcels.

### **Impact Fees**

In 1994 the Wisconsin Legislature adopted statutory provisions that authorize local governments to impose impact fees on developers as a way of allocating a portion of the cost of public facilities created by new development to new development. The impact fee law is set forth in Section 66.0617 of the *Wisconsin Statutes*. Examples of public facilities under the impact fee law include sanitary sewer, water supply, and stormwater management facilities; new recreational facilities; fire protection, emergency medical, and law enforcement facilities; solid waste and recycling facilities; and roads and other transportation facilities. The City of Cudahy does not impose impact fees for single-family residential development. A list of other single-family residential development fees, such as utility connection and permit application fees, are listed in the City of Cudahy Building Permit Fee Structure, which will be posted on the City's website as of January 1, 2020.

### **Building Code**

The Wisconsin Uniform Dwelling Code applies to all single-family dwellings within the City. Because the dwelling code requirements are uniform across the State, building codes do not affect the cost of construction differently between local governments.

### **Local Housing Incentive Programs**

Cudahy's comprehensive plan includes several recommendations for upgrading and maintaining the housing stock and offering assistance with homeownership. Recommended strategies for investment in the housing stock include low-interest loans for home improvements; purchase of sub-standard properties, which may detract from the character of the surrounding neighborhood, by the City or private interests for rehabilitation or redevelopment; and developing a landlord licensing program to ensure landlords are involved in their property maintenance and encourage long-term rentals.

Recommended strategies to encourage homeownership in the City include holding potential home-buyer workshops to provide information on homeownership and to promote Cudahy as a place to live; financial assistance for first time home-buyers, including assistance with down payments and necessary repairs, and negotiating favorable mortgage terms; and creating an employer-assisted housing program whereby companies offer assistance to potential homeowners to help attract and maintain a nearby workforce.

## **4.3 RESIDENTIAL DEVELOPMENT REGULATIONS RELATED TO MULTIFAMILY HOUSING**

While not specifically required by Section 66.10013 of the Statutes, this section presents analyses of how the City's land use and development regulations relate to applicable regional housing plan recommendations for new multifamily housing development. This section also includes discussion of any modifications that could be considered by the City to encourage affordability.

### **Zoning Ordinance**

Key regional housing plan recommendations related to zoning regulations for multifamily housing include recommendations regarding maximum density, minimum unit size, flexible zoning regulations, parking requirements, and landscaping requirements.

### ***Maximum Density, Minimum Unit Size, and Flexible Zoning Regulations***

The regional housing plan recommends that local governments with urban services provide areas within the community for the development of multifamily housing at a density of at least 10 units per acre, and 18 units or more per acre in highly urbanized communities. The housing plan also recommends that communities allow modest apartment sizes and flexible zoning regulations to encourage affordability.

The municipal code for the City identifies three divisions of multifamily residential districts, each with specified density limits based on the number of bedrooms. In the RM-1 district, densities range from 8.7 dwelling units per net acre for three bedroom apartments to 14.5 dwelling units per net acre for efficiency apartments. The RM-2 district allows for densities ranging from 12.4 to 21.8 units per net acre. The RM-3 district is specifically for high-rise buildings with a density limit of 40 units per net acre. Allowing for this range of densities meets the spirit of the housing plan recommendation. If additional multifamily units are needed to provide workforce housing or housing units for the elderly, the City could consider increasing the density in the RM-1 and RM-2 districts.

Zoning regulations in the City's multifamily districts allow for minimum floor areas ranging from 300 to 400 square feet for efficiency units to 600 to 800 square feet for two-bedroom units. These modest sizes are in line with the regional housing plan recommendations of a minimum of 800 square feet for a two-bedroom unit to encourage affordability.

The Planned Unit Development Overlay District (PUD), which may be applied to any district except the RS-3 Manufactured Home Residential District, is intended to provide zoning flexibility and diversity of building types, location, and uses, including those consistent with traditional neighborhoods, such as residential, business, civic and open spaces in a walkable neighborhood. The City could consider modifying the PUD District Overlay, which currently does not allow for greater densities than permitted in the underlying basic zoning district, to include density bonus as an incentive for developing housing units that would be affordable to workers and to the aging population within the City.

### ***Parking and Landscaping Requirements***

An adequate amount of parking is important to ensuring a multifamily development will be attractive to prospective residents. A lack of parking may also create opposition to a project from neighboring residents and property owners. However, parking is also very costly to provide and can have a negative impact on the affordability of a multifamily development. Data gathered for VISION 2050 shows that parking stalls in above ground parking ramps can cost more than \$25,000 to build, which can lead to increased rental costs for residents.<sup>1</sup> Landscaping and exterior building materials are also important considerations in ensuring that multifamily developments are attractive, compatible with the surrounding community, and less likely to create opposition from neighboring residents and property owners.

The regional housing plan recommends that communities review parking, landscaping, and exterior building material requirements for multifamily housing set forth in local zoning ordinances to determine if amendments could be made to reduce the cost of housing to the consumer while preserving safety, functionality, and aesthetic quality. The City could work with a qualified consultant to perform the reviews, such as an architect with experience designing affordable multifamily housing. Where lot constraints cannot accommodate the required 1.1 parking stalls per dwelling unit for multistory residential buildings, the City has provisions to potentially ease that requirement with other existing parking, thereby reducing the cost of developing multifamily housing. In conjunction, the use of shared parking agreements could be encouraged to reduce the demand for parking stalls in new multifamily developments. Additionally, parking

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<sup>1</sup> *Surface parking stalls could cost between \$5,000 and \$10,000 to construct and underground parking could cost up to \$50,000 per stall to construct.*

lot screening and landscaping regulations are examples of requirements that could potentially be modified to reduce the cost of developing multifamily housing.

### ***Job/Housing Balance***

The regional job/housing balance analysis shows that the City's zoning ordinance does not create a barrier to the development of multifamily housing for lower-wage workers based on maximum density and minimum unit size requirements. However, the ability to accommodate new multifamily development in the City is limited based the amount of land with development or redevelopment potential.

### **Comprehensive Plan**

Similar to the discussion under Section 4.2, the projected job/housing balance analysis prepared for the regional housing plan shows that the City's comprehensive plan does not create a barrier to the development of multifamily housing within the City based on maximum density requirements. As discussed throughout the report, there are limited opportunities for multifamily development/redevelopment in the City.

### **Impact Fees**

The City of Cudahy does not impose impact fees for multifamily residential development. A list of other multifamily residential development fees, such as utility connection and permit application fees, are listed in the City's New Housing Fee Report.

### **Building Code**

The Wisconsin Uniform Building Code applies to all multifamily buildings within the City. Because the building code requirements are uniform across the State, building codes do not affect the cost of construction differently between local governments.

### **Tax Increment Financing District (TID) Extension**

Tax increment financing (TIF) could be used as a mechanism for affordable housing in the City. Wisconsin TIF law (Section 66.1105(6)(g) of the *Wisconsin Statutes*) allows municipalities to extend the life of a TID for one year after paying of the TID's project costs. In that year, at least 75 percent of any tax revenue received from the value off the increment must be used to benefit affordable housing in the municipality and the remainder must be used to improve the municipality's housing stock. The City of Cudahy has one active TID which is scheduled to close in 2021.

## **4.4 CONCLUSIONS**

This chapter presents analyses regarding the financial impact of City regulations on developing single-family housing and multifamily housing. The chapter also identifies ways in which the City could modify its regulations to encourage housing affordability. Key conclusions that can be drawn from the analyses follow.

- Section 66.10013 of the Statutes requires the housing affordability report to include analyses of the financial impacts of City regulations on the cost of new subdivisions. Cudahy is a built-out community and there are no opportunities to develop new subdivisions in the City.
- Based on the projected job/housing balance analysis prepared for the regional housing plan, the City's comprehensive plan does not create barriers to the development of modest single-family housing and multifamily housing.
- The City already has smaller houses on small lots and ample multifamily housing (48 percent of total housing units).

- Modifying the City's zoning ordinance to allow for storefront conversions, accessory dwelling units, and density bonus could permit greater latitude for residential development.
- The City's comprehensive plan recommends programs to improve the housing stock and encourage homeownership.



**Table 4.1**  
**Single-Family Residential Construction Costs in the Milwaukee Area: 2019<sup>a</sup>**

Living Area (Square Feet)	Economy <sup>b</sup> (with unfinished basement)					
	1 Story		1.5 Story		2 Story	
	Cost (dollars per square foot)	Total Cost (dollars)	Cost (dollars per square foot)	Total Cost (dollars)	Cost (dollars per square foot)	Total Cost (dollars)
1,000	135.98	135,975	139.07	139,073	140.07	140,070
1,200	126.42	151,704	131.46	157,752	126.84	152,208
1,400	117.97	165,155	126.00	176,400	120.54	168,756

Living Area (Square Feet)	Economy <sup>b</sup> (no basement)					
	1 Story		1.5 Story		2 Story	
	Cost (dollars per square foot)	Total Cost (dollars)	Cost (dollars per square foot)	Total Cost (dollars)	Cost (dollars per square foot)	Total Cost (dollars)
1,000	122.90	122,900	129.15	129,150	131.46	131,460
1,200	114.40	137,277	122.17	146,601	118.86	142,362
1,400	106.84	149,573	117.18	164,052	113.09	158,319

Living Area (Square Feet)	Average <sup>c</sup> (with unfinished basement)					
	1 Story		1.5 Story		2 Story	
	Cost (dollars per square foot)	Total Cost (dollars)	Cost (dollars per square foot)	Total Cost (dollars)	Cost (dollars per square foot)	Total Cost (dollars)
1,000	162.28	162,278	162.33	162,330	164.80	164,798
1,200	150.62	180,747	152.93	183,519	149.10	178,920
1,400	140.75	197,054	146.27	204,771	141.33	197,862

Living Area (Square Feet)	Average <sup>c</sup> (no basement)					
	1 Story		1.5 Story		2 Story	
	Cost (dollars per square foot)	Total Cost (dollars)	Cost (dollars per square foot)	Total Cost (dollars)	Cost (dollars per square foot)	Total Cost (dollars)
1,000	147.21	147,210	150.99	150,990	154.93	157,930
1,200	136.66	163,989	142.22	170,667	139.91	167,895
1,400	127.68	178,752	136.03	190,439	132.67	185,735

<sup>a</sup> Residences include one full bathroom and stucco on wood frame exterior. An additional full bathroom adds \$6,813 to the cost of an economy-grade residence and \$8,517 to the cost of an average-grade residence. An additional half bathroom adds \$4,023 to the cost of an economy-grade residence and \$5,028 to the cost of an average-grade residence.

<sup>b</sup> An economy class residence is usually built from stock plans. The materials and workmanship are sufficient to satisfy building codes. Low construction cost is more important than distinctive features.

<sup>c</sup> An average class residence is a simple design and built from standard plans. The materials and workmanship are average, but often exceed minimum building codes. There are frequently special features that give the residence some distinctive characteristics.

Source: RSMMeans, a division of the Gordian Group, and SEWRPC