

As planners lament lack of affordable options, market rebound awaited

Two opposing dynamics at play in the Ozaukee County housing market came under the spotlight last week during a forum on local housing issues.

Regional experts speaking at the Friday Forum discussion series at the Mequon campus of Milwaukee Area Technical College documented that affordable residential options are in short supply in the county.

Those details ran in sharp contrast to a report from Troy Bretl of the Ozaukee Board of Realtors, who said lagging real estate sales are starting to show signs of recovery.

Nancy Anderson, chief community assistance planner with the Southeastern Wisconsin Regional Planning Commission, and Ben McKay, principal planner with the commission, said there is a disconnect between the high number of moderate-paying jobs in the county and the high median value of single-family homes.

The latest SEWRPC statistics shows that single-family homes represent 75% of the housing stock in the county. The rest of the residential market is made up of apartments and duplexes.

The median value of those homes is slightly less than \$250,000, with a monthly owner cost — including mortgage, taxes and basic utilities — of \$1,823.

SEWRPC statistics also show that the county has an unemployment level of only 4%, but 50% of local residents work outside of the county.

That means many of the basic service sector and retail jobs in the county are held by people who do not live here. A regional transportation study shows 88% of Ozaukee County jobs are not accessible to public transit.

While preparing an update to SEWRPC's regional housing plan, Anderson said, that factor became dramatically apparent.

"Some thought needs to be given to providing affordable housing options closer to where these jobs are," she said.

One way to open the area to affordable housing, according to the SEWRPC representatives, is by offering housing subsidies and tax credits to landlords. There are 62 family and 403 elderly tax-credit housing units in the county.

Another 496 subsidized-housing voucher units are available in the county, with 278 available only to seniors.

Forum tells tale of two housing markets

Written by MARK JAEGER

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“We see the demand for subsidized housing growing, especially as the population keeps aging and the number of people with disabilities grows,” McKay said.

Kori Schneider Peragine, program manager with the Metropolitan Milwaukee Fair Housing Council, said the lack of affordable housing here reflects a historical pattern of segregation which sought to concentrate minority populations in the central city.

“A historical pattern of conscious and deliberate decision-making had made metropolitan Milwaukee the most segregated city in the country,” Schneider Peragine said.

“Segregation didn’t occur by accident, and overcoming it is also going to require conscious, deliberate actions. We need to make sure our local officials know that providing affordable housing is important.”

While the sentiment of courting affordable housing project was lauded, Anderson said the politics of money often run contrary to that goal.

“Municipalities here are so dependent on property taxes, so you can’t blame officials who are glad to see developers come in with plans for big homes on vacant lots. The property tax system is a big impediment toward meeting the need for affordable housing,” she said.

Bretl, a real-estate agent with Re/Max United, said local officials focused on the local tax base — and homeowners in general — should be encouraged by the market rebound logged in the past year.

Figures from the Multiple Listing Service show home sales in Ozaukee County rose by 15.8% in 2011, with 690 transactions compared to 596 in 2010.

“We are very pleased with the direction real-estate sales are going. It won’t be back to 2006 or 2007 levels for some time, but the market is moving in a positive direction,” Bretl said.

He projected as many as 800 homes will be sold in Ozaukee County this year.

Home prices during the past year were down 7%, to a median price of \$232,000, but Bretl said the lower prices can be blamed in part by the inclusion of 43 distressed or foreclosed properties.

Bretl said some communities saw sharp increases in home sales over the past year, led by a 59% jump in Thiensville (where 35 homes were sold last year), 44% in Grafton (131 homes), 38% in Belgium (22 homes), 30% in Saukville (35 homes) and 29% in Fredonia (27 homes).

More moderate sales were logged in Mequon with a 16% increase (202 homes) and Cedarburg (2% increase, 144 homes). Sales dropped nearly 11% in Port Washington, where there were 92 transactions.

The median price of homes sold last year, according to MLS, has far to go to reach “the bubble years.”

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Still, three county communities saw the median value of homes sold increase last year. In Thiensville, the median sale price was \$213,000, an increase of 18%; Saukville's median sale price was \$188,000, an increase of .2%; and Mequon's median price was \$348,000, an increase of .1%.

Last year's median sale price in Fredonia was \$145,000, down 24% from 2010; Grafton was \$197,000, down 16%; Port Washington was \$161,000, down 13%; Belgium was \$178,000, down 5%; and Cedarburg was \$248,000, down 1%.