

# THE GAD REPORT

VOLUME 12, ISSUE 11      OCTOBER, 2019

## LARGE HOUSING DEVELOPMENT PLANNED

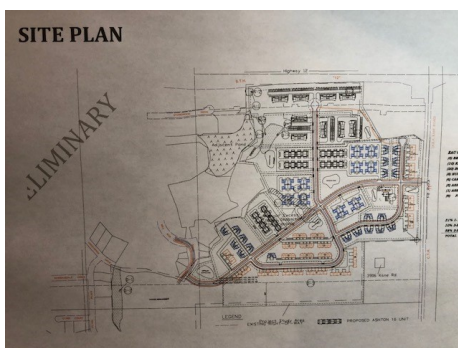
The same developer that approached the City of Eau Claire two years ago with a plan to build over 600 apartments on 60 acres has changed its plan and has resubmitted it to the city for approval.

The development would be on the same land as the previous application, but the layout for development is substantially different. S.C. Swiderski of Mosinee is looking to develop 108 acres on the far west side of Eau Claire next to Wild Ridge golf course and south of Menards Corporate headquarters.

The last has not been

developed, but a previous plan for the property nearly 20 years ago was scrapped.

The plan would call for a variety of building plans from single family to multi-



family buildings, duplex and 1,2 or 3 bedroom plans and apartments with green space, a community center, and a fitness center. There would be a property management office and maintenance

shop on site. All of the buildings would be one or two story units with access on Kane Road, and other driveways to the west that would connect to existing roadways and streets.

Over two-thirds of the apartments would be workforce housing with the rest having rents under \$1000 a month.

The pace of the project would be determined by the need in the city. If the city council approves, construction could begin by next summer and continue until all of the buildings are completed.

## CLEARWATER CARE CENTER TO CLOSE

The 161 bed Clearwater Care Center, formerly the Clairemont nursing home announced that it will close its doors later this year or when facilities can be found for all current residents.

The longtime nursing facility has served the Eau

Claire area for decades, but has run into financial difficulties with low Medicare reimbursements and more seniors trying to stay in their homes for as long as possible.

While the trend in recent years has been fewer

and fewer nursing facilities, the buildings they leave behind are being looked at as possible low-income housing options similar to the recent project in Altoona which converted an empty nursing home into low income apartments and opened last week.

**HAVE YOU GOTTEN  
OUR TEXT MESSAGES?**



NATIONAL  
ASSOCIATION of  
REALTORS®



REALTOR  
PARTY

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**GOVERNMENT  
DAY**

**February 5, 2020**

**Registration Opens November**



SAVE THE  
DATE:

2020 REAL-  
TOR® & Gov-  
ernment Day is  
Wednesday,  
February 5th at  
the Concourse  
Hotel and State  
Capitol in Madi-  
son.

## CHIPPEWA FALLS COUNCIL APPROVES TINY HOMES

Chippewa Falls has led the way in the region with constructing a number of tiny homes, shelters for those in temporary need of a roof over their head.

The city council gave preliminary approval to allow two more tiny homes outside of Notre Dame Parish. A final approval will be given on October 15th.

Led by Landmark Church pastor Mike Cohoon, the tiny home project in the city has

been a huge success. The



tiny home has a heater, chemical toilet, chair, bed and table mounted on a trailer and constructed for \$5000 to \$7000.

Most of the tiny homes are 8 by 12 or 15 feet, and are mainly used by homeless people in the Chippewa Falls area. Four more tiny homes are being planned and a larger shelter is also under development that could temporarily house four or five.

## HAVE YOU INVESTED IN RPAC?

Have you made your investment in RPAC yet?

Over the last two legislative sessions, WRA has advanced, and had passed, most in bi-partisan fashion, bills that are consumer friendly, real estate friendly and land use friendly.

That does not happen unless legislators from both sides of the aisle are there to

help pass them. WRA has had over 120 bills passed over two sessions. We need to support those legislators who support your industry and your livelihood.

Now is the perfect time to make an investment in your business. Any amount from \$100 to \$10,000 will support those who support your business.



## FREDDIE MAC SAYS HOUSING SHOULD BE STRONG THIS FALL

The September forecast of housing released by Freddie Mac suggests that housing will remain strong despite uncertainty in the markets or with the end of the trade war between the United States and China.

According to Freddie, the 30-year fixed rate mortgage is

expected to stay below 4% for the rest of the year. Currently the 30-year is at its lowest point in three years and the nations GDP is expected to stay around 2.2% thru the rest of the year.

Housing stats have shot up in recent months, the government agency says that new con-

struction should average 1.25 million homes thru the balance of the year and increase to 1.28 million in 2020.

Tight inventories of existing homes and higher prices are making that market a challenge for many locations as is the lack of affordable rental housing in many markets.



## SPECIAL REPORT: WRA WORKFORCE HOUSING STUDY

The Wisconsin REALTORS® Association (WRA) recently released a groundbreaking new study, "Falling Behind," that shows a severe workforce housing shortage and highlights the need for bold bipartisan action now to address this growing concern. From a high of more than 30,000 single-family home permits authorized in 2004 to fewer than 12,500 permits authorized in 2017, Wisconsin is on the cusp of not being able to adequately provide housing for today's growing workforce needs.

The detailed report showcases the primary causes of the workforce housing shortage and the subsequent results that this short-

age brings to the state of Wisconsin.

"For more than a decade, we have seen a steady decline in the volume of housing construction in the Badger State, while we have seen a dramatic jump in employment," said Tom Larson, the WRA's Senior Vice President of Legal and Public Affairs. "Without an adequate supply of workforce housing to meet the growing need, Wisconsin will not be able to attract the workers necessary to help our economy prosper and will find itself at a competitive disadvantage."

Workforce housing is defined as the supply of housing in a community that meets the needs of the workforce in that community. In the released report, housing is considered affordable for renting families that earn up to 60 percent of the area's median income, and affordable for owning families that earn up to 120 percent of the median income.

The report, "Falling Behind," authored by University of Wisconsin-Madison professor of urban and regional planning Dr. Kurt Paulsen, Ph.D., AICP, highlights three main causes of the workforce housing or housing needs (continued below)



## WRA SPECIAL REPORT CONTINUES

of the workforce in that community. In the released report, housing is considered affordable for renting families that earn up to 60 percent of the area's median income, and affordable for owning families that earn up to 120 percent of the median income.

. These include:

- Not building enough homes to keep up with population and income growth.
- Construction costs outpac-

ing inflation and incomes.

- Outdated land use regulations that significantly drive up the cost of housing

The results of these root causes of the workforce housing shortage bring about the following results:

- Housing costs on the rise.
- A severe decline in homeownership.
- A continued decline in overall housing affordability.

The report outlines a number of goals including building more housing, increasing housing choice diversity, rebuilding and strengthening homeownership, reinvesting in older housing stock and neighborhoods, and making housing a priority. To read the entire report, go to this website:

[www.wra.org/FallingBehind](http://www.wra.org/FallingBehind).

## FALL IS THE RIGHT TIME TO INVEST IN RPAC

With October upon us, your dues billing statement will arrive. When you receive it, be sure to include the voluntary RPAC investment with your dues. Why? Your investment in RPAC means that 40% of your dollars comes right back to *your Association* to invest in advocacy and support of candidates for local and state office.

As any candidate can tell

you, advertising of all kinds, print, radio, television and Internet is very expensive, doing mailings is very expensive, organizing fundraisers and coordinating appearances at debates is expensive, and given next year is a huge year with a Presidential primary, a Supreme Court race, and now a 7th Congressional race thru the winter and likely spring months, along with all

the traditional local races for city council, school board, county board, sheriff, register of deeds, county clerk and town boards, your investment is needed. Turn to Page 4 for more reasons to invest.

2019 is the 40th anniversary of our local PAC, your investment is needed to continue to support our advocacy efforts.

## 12 Reasons to Renew Your Large Donor/Major investor Council Membership In 2019

1. In 2010, some appraisers and the City of Milwaukee wanted legislation passed that would prevent real estate licensees from giving **opinions of value** unless they had an appraiser's license. It didn't pass thanks to your help and the WRA's efforts to kill this legislation.
  2. In some states, local governments can **regulate brokerage services** that are currently regulated by state and federal laws. Not in Wisconsin! The WRA helped pass a law that prohibits local governments from interfering with Wisconsin license law.
  3. In some states, attorneys are required at every closing. Not in Wisconsin! Your right to use **state approved forms** was reaffirmed by the state Supreme Court, thanks to an amicus brief filed by the WRA.
  4. In some states and municipalities, state or local governments have **rent control** laws or ordinances. Not in Wisconsin! The WRA took the lead years ago and helped pass a law that prohibits local rent control.
  5. Some members of Congress wanted to eliminate the **mortgage interest deduction** for second homes. The NAR and WRA were successful in maintaining this deduction because of the importance of second homes to the real estate market in Wisconsin.
  6. Prior to 2016, Wisconsin REALTORS® could be sued up to six years after a closing. Today, we have significantly improved liability protection for real estate firms and agents by creating a **two-year statute of limitations** from closing.
  7. For years, some Wisconsin municipalities imposed expensive and unnecessary **time of sale requirements** on property owners. Not anymore! Wisconsin law now prohibits local time of sale requirements that would limit or impede a property owner's right to transfer property.
  8. For 30 years, the State of Wisconsin imposed **weatherization requirements** on rental properties. Not now! The legislature eliminated the rental weatherization program, which required weatherization of rental units and certification before the property was sold or transferred.
  9. Some Wisconsin municipalities prohibited homeowners from **renting their property** on a short-term basis. Today, we have a new law that protects the ability of homeowners to rent out their home by allowing local communities to regulate but not prohibit such rentals for seven days or more.
  10. Historic rehabilitation is a priority for communities across the State of Wisconsin. Through the efforts of the WRA and other allies, Wisconsin maintains the **state historic rehabilitation tax credit** up to \$3.5 million per project.
  11. Some Wisconsin cities imposed rigid and expensive **rental property inspection programs**. A new law limits the authority of municipalities to conduct inspections of rental property unless there is evidence of blight, high rates of building code complaints or violations, deteriorating property values, or increase in single family home conversions to rental units.
  12. Over the years, some state lawmakers have made several attempts to increase the **real estate transfer tax**. The WRA has stopped all these proposals, including the last proposal to double the transfer fee that would cost your seller hundreds of dollars on the sale of their home.
- This is only a small sample of our legislative successes at the State and Federal level, made possible by your contributions so we can support candidates who support our industry.



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"OUR MISSION IS TO HELP OUR  
MEMBERS BE MORE SUCCESSFUL IN  
REAL ESTATE"

The REALTORS® Association of Northwestern Wisconsin is the largest association in terms of area, stretching from Millston, Whitehall and Fountain City to the south all the way to central Bayfield and southern Ashland county to the north. We are the fourth largest of the 19 Associations in terms of membership. Your Association covers 375 units of local government, monitoring a wide variety of issues that can and do affect you. In addition to local government, your GAD also monitors issues at the state and national level that will have a direct or indirect impact on housing and the industry, as well as legislation that can affect the consumer. Your Government Affairs Director works with members and affiliates to raise investment dollars for RPAC that help to support elected officials that support your business. RANWW is one of only three REALTOR® Association's in Wisconsin that have their own PAC, which was started 40 years ago to support candidates at the local and state level. We maintain a Facebook page, called "The GADabouts", that aims to keep you up to date on political issues that will affect your business. Your GAD also produces a periodic government affairs program posted on our YouTube channel, RANWWTV!!



## MY THOUGHTS—BY BRUCE KING

At a recent staff meeting, Brenda challenged us to embark on a skill enhancing program that would culminate in obtaining the C2EX endorsement from NAR.

I have to admit I was somewhat apprehensive about stepping into the domain of our member REALTORS®. I am not a REALTOR®. I don't wear REALTOR® apparel, except for REALTOR Party gear or lapel pins. That realm belongs to you.

Navigating thru the C2EX website, which has recently been upgraded, I found a number of resources that I

can use in my day to day work as your Government Affairs Director, and all in an easy to access location.

A few years ago, I took the REALTORS® Certified Executive pre-course to test my knowledge on a number of facets of the real estate industry. Some areas such as advocacy and politics I did very well in, others not so much. Both experiences have been a welcome addition to my skill set, and the knowledge gained thru each will assist me in serving you better. So, how did I do? After a few days, spending an hour to two a day, and night,

and weekend, I'm proud to say that I am C2EX endorsed!

I would highly recom-



mend that you invest the time and complete this course. You are certain to learn things you may have forgotten and information you didn't know you needed.

