



City of Franklin

Housing Diversity in Franklin, Wisconsin

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**Bruce Kaniewski, AICP
BK Planning Strategies**

“Housing Diversity in Franklin, Wisconsin” report details not only the diversity of housing that exists within the City of Franklin, but identifies the ample amount of relatively affordable housing available in the City.

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Executive Summary

The “Housing Diversity in Franklin, Wisconsin” report details not only the diversity of housing that exists within the City of Franklin, but identifies the ample amount of relatively affordable housing available in the City. It is noted that of the 8,533 single-family homes in the City, 988 homes (or about 12 percent), are assessed at less than \$200,000, that 160 housing units are located within two mobile homes parks, and that 2,639 apartment units are available in the City. It is also interesting to note that the highest rate of affordable housing occurs with the City’s condominium developments (2,024 units or about 76 percent of the total condominium units are valued at less than \$200,000).

While the City of Franklin is in almost all respects a model example of a suburban community, with a suburb’s typical land uses, densities, and cost of urban services, the City is also atypical in that it still retains a significant amount of relatively older (more affordable) housing in its unincorporated village of St. Martins area and its scattered farm and rural housing.

The “Housing Diversity in Franklin, Wisconsin” report consists of: a historical review of housing and housing related factors in the City; a brief review of the Housing chapter of the City’s Comprehensive Master Plan; an explanation of housing affordability; the current housing situation within the City; identification of many of the impediments to affordable housing; and recommendations to assist with the provision of affordable housing. An overview of the entire “Housing Diversity in Franklin, Wisconsin” report is also provided in the Conclusion section at the end of the report.

The “Housing Diversity in Franklin, Wisconsin” report was adopted by the City of Franklin Board of Water Commissioners on December 18, 2018. This report was also recommended for approval by the City of Franklin Plan Commission on December 20, 2018 and was adopted by the City of Franklin Common Council on January 8, 2019 as a guide to the Housing Element of the “City of Franklin 2025 Comprehensive Master Plan”.

Joel Dietl, Planning Manager
City of Franklin Department of City Development
December 2, 2018

Housing Diversity in Franklin, Wisconsin

In comparison to many of the other suburbs which surround the City of Milwaukee, Franklin is a relatively young city, incorporated in 1956. It sits in the outer ring of suburbs from the City of Milwaukee and abuts the Milwaukee/Racine County border. As such, it remained primarily rural dotted with one half acre to one-acre lot single family subdivisions served by on-site septic systems and well water.

Housing developed steadily, until the 1990's which saw a large increase in housing permits; the largest to date in the City's history. The City of Milwaukee was, for the most part developed pre-WWII in response to housing needed for the workforce of large manufacturing companies. The majority of Franklin's housing has developed well after WWII. During this time home sizes and values increased quickly with home buyers seeking more land and distance from their neighbors.

Franklin continues to attract home buyers and development because of its urban amenities in a more rural atmosphere. This "best of both worlds" puts Franklin in a unique position in comparison to some its neighboring suburban villages/cities.

The Hawthorne Neighborhood is indicative of the range of single-family housing values within the City of Franklin. Located on the north side of West Rawson Avenue, on the east side of South 92nd Street across from the 8th Fairway of Whitnall Park Golf Course, this is an older neighborhood of 43 homes on one acre lots. Yet, according to 2018 city assessment data, the neighborhood contains one of the 988 homes in the city valued below \$200,000 and one of the 15 homes in the city valued above \$1,000,000.

The extreme range of between \$170,800 and \$1,014,500 home values is typical of all sections of the city comprising quality homes for the general workforce within Franklin and the greater region combined with larger homes that attract entrepreneurs to locate their business near their homes in Milwaukee County. While expensive homes on large lots in Franklin are most notable in the public eye, only 361 homes out of a total of 8,533 single family detached homes are valued over \$500,000, with three of those homes in the Hawthorne Neighborhood. Reflective of the city as a whole, the neighborhood has 39 homes valued between \$200,000 and \$500,000.

There are numerous styles of housing types in the city, starting with 160 units within two adjacent mobile home parks, 2,639 apartment units within a range of rents, 2,662 condominium units ranging in assessed value from \$85,500 to \$744,200 with three out of every four condominiums under \$200,000, and numerous locations of 307 duplex residential structures totaling 614 residential units, mostly of side-by-side design with the owners living on one side and renting the other side. As well, housing is available for the developmentally disabled, Alzheimer patients and the like within Community Based Residential Facilities.

This report will analyze current housing stock, provide a history of community development and local policy that shaped the mixture of housing stock, address impediments to providing reasonably priced new housing, and provide recommendations of future housing policy. This report is not meant to be a comprehensive master planning document, as could be provided by the South Eastern Wisconsin Regional Planning Commission. It is meant to be a pragmatic approach to explain the current and future housing status in the City of Franklin. Information contained within this report could also be used as a basis for Franklin to prepare a Comprehensive Housing Report in order to comply with State of Wisconsin law before January 1, 2020 and could potentially be combined with an update to the City's Comprehensive Master Plan of 2009.

For purposes of this report, the 2018 city assessment of residential properties has been used as the major data set to evaluate the level of housing affordability. The city assessor's office recently completed a city-wide reassessment of properties, effective January 1, 2018, so the data is considered reliable and up-to-date. The across the board increases in assessment value from the previous valuation was 5.2%; for residential the increase was 6.1%.

ABOUT FRANKLIN

Franklin has steadily grown from a predominately rural farming community dotted with blue collar neighborhoods of 10,006 people in 1960 (U.S. Census) to an estimated 2018 population of 35,779 (Wisconsin Department of Administration). The City, covering 34.6 square miles in the far southwestern corner of Milwaukee County, became an incorporated city on August 15, 1956 transitioning its local government from the Town of Franklin. Within Milwaukee County the city abuts Villages of Hales Corners and Greendale, and the City of Greenfield to the north, the City of Oak Creek to the east, and the City of Milwaukee to the northeast. (See attached Map 1 of the location of Franklin within Milwaukee County).

Even from its rural beginnings, Franklin has been attractive to regional land uses because of the availability of large tracts of land at low cost. Beyond housing, Franklin has been receptive of the land use needs of the area by accommodating landmarks and significant sites important to the entire Milwaukee area. Please see attached Map 2 for Landmarks and Significant Sites covering a large portion of the city.

Throughout the city, reminders of its rural history are visible by the many farm houses and other older homes along the state and county highways and main local roads which crisscross the city. For example, there are 257 homes in the city defined as “Old Style” by the city assessor that are typically former farm houses. Within the old style category, five are assessed at a value of less than \$100,000 and 165 are valued between \$100,000 and \$200,000.

From farm houses to recent subdivisions of single family and condominium homes, Franklin continues to grow residentially with remaining large tracts of land attractive to residential developers. Therefore, and not surprisingly, housing and income data for Franklin skews to the upper levels, as exhibited within Table 1.

Since in 2020 another decennial U.S. Census will be taken, the most reliable and recent snapshot of the population of Franklin is the 2012-2016 American Community Survey, a five-year estimate prepared by the U.S. Census Bureau from annual sample surveys of the population. Data pertinent to housing and income of residents, comparing Franklin to the total of all municipalities in Milwaukee County and the City of Milwaukee is presented in the following table.

Table 1. Housing and Income Statistics Compared
City of Franklin/City of Milwaukee/Milwaukee County

	Franklin	City	County
Owner Occupied Housing Rate	77.3%	41.7%	49.4%
Median Value of Owner-Occupied Housing Units	\$224,800	\$115,500	\$150,000
Median Monthly Owner Costs; with a Mortgage	\$1,793	\$1,308	\$1,439
Median Monthly Owner Costs; without a mortgage	\$745	\$546	\$606
Median Gross Rent	\$982	\$798	\$821
Median Household Income (in 2016 dollars)	\$73,590	\$36,801	\$45,263
Per Capita Income in past 12 Months (in 2016 dollars)	\$36,659	\$20,630	\$25,881

Source: American Community Survey, 2012-2016

Sanitary Sewer and Housing

Before 1970 any type of occupied home, business or industry in Franklin was served by a private on-site sewerage disposal system (septic system). Having only septic available for residential sewerage sanitation meant no multi-family development and new single family subdivisions arising from the farm fields in the 1950's and 1960's were all divided with lot sizes exceeding one-half acre, which was the minimum lot size required for a septic system.

However, because of predominant expansive clay soils combined with high water tables in some sectors of the city, septic systems began to fail. At the urging of subdivision residents, during the late 1960's city officials began negotiating with the forerunner of the Milwaukee Metropolitan Sewerage District (MMSD) to extend interceptor sewers to provide sanitary sewer service initially to the east central portion of the city. The interceptor and local sewer lines were installed in 1969 and in 1970 homeowners began connecting to sanitary sewer.

Thus, the modern era of development in Franklin began. Soon smaller lot single family subdivisions were constructed across the northern tiers along with the 271-unit Mission Hills apartment complex within the northwest section of the city.

Today, nearly all the septic system era subdivisions are served by public sanitary sewer (except the aforementioned Hawthorne Neighborhood). A benefit of the pre-sewer subdivisions is they remain solid neighborhoods with homes available at a reasonable cost to home buyers. For example, at the exact center of the city (South 76th Street and Puetz Road) the Security Acres neighborhood has 156 homes valued at less than \$200,000 out of a total of 226 homes in the neighborhood. Typical ranch style homes in pre-sewer subdivisions on one-half acre lots accommodated blue collar growing baby boomer households, with the principal wage earner having employment in Milwaukee, West Allis, West Milwaukee or Oak Creek. No doubt the blue-collar subdivisions arose along the city's eastern border as a market response to wage earners having jobs at the nearby AC Spark Plug/Delco plant in Oak Creek. Just as in the early life of the City of Franklin, these homes continue to play an important role as work force housing in the first quarter of the new millennium.

Another aspect of sanitary sewer is that until five years ago, there was no available sanitary sewer in the southern sections of the city due to topography and lack of a major sewer interceptor. The result was the far southeast, south and southwest areas of the city remain rural, south of Ryan Road. MMSD has now extended the Ryan Creek Interceptor Sewer to the south and southwest, and the city is working toward extending sewer to the far southeast area of the city. Please see attached Map 3 showing sanitary interceptor sewers and local service sewer mains currently in the city. Map 3 shows the west central and south portions are void of any sanitary sewer, but there are projects underway to utilize the Ryan Creek Interceptor Sewer (the thick dotted line south side of the city) to extend sewer for housing development.

The main line sewer extensions present an opportunity to the city to work with developers to provide a good mix of reasonably priced housing, although a large portion of the aforementioned areas are protected floodplains, wetlands and environmental corridors (with the Root River corridor owned by Milwaukee County). Additionally, within the far southwest corner, Waste Management of Wisconsin, Inc. and Restoration Services, Inc. own approximately a combined 755 acres as part of the Milwaukee Metro Landfill.

Comprehensive Master Plan and Housing

In 2009 the city adopted “2025 Comprehensive Master Plan,” conforming to Section 66.1001 of State Statutes, known as the Comprehensive Master Planning Law. The law requires nine specific elements be included in the plan, one of which must be an element addressing housing needs.

The housing element (Chapter 6) identified the following goals and objectives for housing in the city.

1. Encourage high quality residential development in the City. Strive towards high quality residential development, in appropriate underdeveloped and undeveloped areas, that does not increase the local tax burden. [from public input]
2. Ensure compatibility with adjacent land uses.

Encourage infill residential development in appropriate areas that are currently adjacent to residential uses. [from public input]

Require new residential development to be compatible with surrounding land uses and densities whenever possible and appropriate. [from public input]

Maintaining housing in a good condition shall be a priority in existing neighborhoods. [from consultant]

Code Enforcement shall be a priority to sustain a high level of home maintenance and to preserve the existing housing stock. [from public, staff, Committee input]

3. Provide adequate location and choice of housing and a variety of housing types for varying age and income groups for different size households. [from 1992 Comprehensive Master Plan]

Ensure an adequate choice in size, cost, and location of housing units to assure equal housing opportunities. [from 1992 Comprehensive Master Plan]

Allow for a variety of residential types and densities within the requirements for high quality development and compatibility with adjacent uses, wherever possible and appropriate. [from public input]

Manage the development of multi-family housing to prevent a future surplus of this housing type. [from public input]

Manage the development of senior housing to prevent a future surplus of this housing type. [from public input]”

Consistent with the Comprehensive Master Planning Law, the city approach to the comprehensive master plan preparation process included many opportunities for public participation, including presentations of draft plan objectives with public response sessions focusing upon specific sections of the city.

Based on the objectives voiced during public comment, it was decided to continue with the existing direction of land use in the City; low density development, protection of open spaces, adherence to the goals and objectives stated above, with remnants of the outgrowth of the tax revolt meeting of 1992.

However, then and now, to provide appropriate and fair housing for a wide sector of the population, city staff and officials have welcomed new construction of senior housing and condominiums. Although no empirical study or survey has been undertaken, general evidence suggests the infusion of senior housing and new condominiums creates continuing turnover of single family detached homes as Franklin empty nesters move to senior housing or self-maintenance free condominiums, opening their former homes to young families.

Recently, the city approved 103 senior apartments and a 36-memory care unit complex for Senior Perspectives as part of the Ballpark Commons development, and a 56 unit side-by-side condominium development, called the Glen at Park Circle, located along South 76th Street south of Ryan Road, made possible by the new Ryan Creek Interceptor Sewer.

School Districts, Property Taxes and Housing

Three quality public school districts have their jurisdictional boundaries within Franklin. The area of Franklin Public Schools covers 83%. As shown on attached Map 4, the Oak Creek-Franklin School District extends along Franklin's eastern shared boundary with the City of Oak Creek covering 14% of the city, and in the far northwest part of the city the Whitnall School District covers 3%. A variety of housing types and costs exist within each school district attendance area (please see attached Map 4).

The difference between the school districts in the eyes of the general public extends back to January of 1992, to what many call the "Tax Revolt Common Council Meeting." A combination of factors along with a property value reassessment lead to substantially larger property tax bills mailed to property owners in December of 1991. With growing public discontent, the first Franklin Common Council meeting was moved to a large meeting room at Franklin High School. Some estimated at least 1,000 in attendance. The public comment period early on the agenda extended past three hours.

So how does this event 26 years ago affect housing in Franklin? The result of the tax revolt meeting was many citizens and elected officials identified that most non-residential tax supporting properties were located within the Oak Creek-Franklin and Whitnall school district areas, while the Franklin Public Schools attendance area was receiving the great majority of new housing starts with new children to educate without the benefit of a substantial non-residential tax base. As a result, the city initiated the use of impact fees on new housing starts, identified areas for larger lots within the 1992 Comprehensive Master Plan, and created a new residential zoning district for larger lots/homes. Among other impact fee charges, a \$2,000 per new single-family home impact fee was adopted for school capital improvements. Several years' later State of Wisconsin legislation outlawed the collection of impact fees for school improvements.

Impact fees were created in the city to offset the costs of providing additional capital improvements for the rapid residential growth, therefore lowering the cost impact of the growth upon the existing residential property owners, especially upon the reasonably priced homes in the city. This was especially true during the rapid growth of the 1990's. From 1990 to 1999 there were building permits issued for 3,579 dwelling units, or 25% of the current housing stock. During those years, building permits were issued for 2,275 single-family units, 80 two-family units, 553 condominium units (from 1992 to 1999), 501 apartment units (from 1992 to 1999) and another 170 condominium or apartment units in 1990 and 1992.

AFFORDABILITY OF FRANKLIN HOUSING

Residential assessment data shows there is a wide range of values with quality homes and locations within the affordable range. Likewise, there is a mix of rental properties available at a variety of rent levels.

What is Housing Affordability?

The U.S. Department of Housing and Urban Development (HUD) defines affordable housing for which the occupants pay no more than 30% of their income for housing costs, including utilities, based on 80% of median income for the subject county. For 2018, HUD has determined that the Milwaukee County median income is \$54,125 (\$43,300 at 80%). In 2017, the figure was \$50,690 (\$40,550 at 80%).

Since 30% of \$43,300 is \$12,990, according to the HUD definition any housing that costs \$12,990 or less per year is affordable (or \$1,083 per month). Most certainly, there are affordable rental properties in Franklin with monthly rents below \$1,000 assuming \$100 in monthly utility costs.

On the other hand, the Wisconsin Housing and Economic Development Authority (WHEDA) specializes in providing mortgages to first time homeowners. WHEDA sets a limit of 33% of household income to spend on housing which includes principal, interest, taxes and insurance (PITI). Researching for this report, most private lending agencies also follow the 33% rule. Applying the 33% rule to 80% of Milwaukee County median household income results in a maximum annual housing expenditure of \$14,289, or \$1,190 per month.

What does the 33% rule mean to homeownership in Franklin? The following table provides scenarios of mortgages from \$100,000 to \$200,000, assuming a 4.5% interest rate, for a mortgage calculator available on the WHEDA website. In Franklin, since property taxes vary by school district, an average of a total tax bill of \$2,000 per \$100,000 home value has been applied, and assuming a flat homeowner insurance cost of \$600 per year (\$50 per month). For simplification of presentation, the calculation does not assume a down payment.

Table 2. Home Ownership Costs with \$100,000, \$150,000 or \$200,000 Mortgages

Mortgage Amount	Principal and Interest per Month	Property Taxes per Month	Homeowners Insurance per Month	Total Monthly Housing Cost
\$100,000	\$506.69	\$166.67	\$50.00	\$723.36
\$150,000	\$760.03	\$250.00	\$50.00	\$1,060.03
\$200,000	\$1,013.37	\$333.33	\$50.00	\$1,396.70

Source: WHEDA and BK Planning Strategies

The data of Table 2 shows that a mortgage on a \$150,000 home is about at the affordable level for the 80% of 2018 median household income level in Milwaukee County.

Beyond the guidelines provided by HUD and WHEDA, research for this report yielded information from several real estate professionals that regularly market homes in Franklin. They consider affordably priced single family homes and condominiums to be at a maximum of \$200,000, based on their experience of working with new and move-up home buyers the past two years. In addition, the real estate professionals consider homes under \$200,000 to be appropriate for the typical work force family that has become, within the past several years, the dominant price range sector of home buyers. Simply, there is large cohort of home buyers seeking homes below \$200,000.

Therefore, for the purposes of this report, owner occupied homes (single family detached and condominium units) are considered to be reasonably priced at a value of below \$200,000. Rentals are considered to be reasonably priced at a monthly rent of less than \$1,000.

Single Family Detached Homes

There were 8,533 single family detached homes in the city as of January 1, 2018. Of those, 988, or 11.6% of the total, are valued below \$200,000. Table 3 presents the distribution of single-family homes across the range of values within each of the eight specific sections of the city. Please see attached Map 5 for a depiction of the city sections.

Consistent with the previously presented 2016 Median Occupied-Home Value of \$224,800, over half (52.3%) of the home values are within the range of \$200,000 to \$300,000. In addition, half (49.6%) of single-family homes are defined by the city assessor as ranch style homes, and those ranch style homes are the most reasonably priced homes in Franklin. Ranch homes in Franklin are predominantly in older subdivisions, many of which were the subdivisions originally on septic systems and then retrofitted with public sanitary sewer when it became available. The assessed value data shows that other home styles are generally more expensive, such as the 2,679 colonial style homes shown within the assessment data.

**Table 3. Range of Values of Single-Family Homes
Pursuant to 2018 Assessed Values**

Number of Homes In \$100,000's Per Section of City

In \$100,000	North- east	North Central	North West	East Central	Central	West Central	South- east	South	Totals of Value Ranges
Below 1	0	0	5	5	0	0	0	0	10
1 to 2	207	22	220	211	186	54	32	46	978
2 to 3	566	603	1,100	1,340	612	108	42	88	4,459
3 to 4	525	268	190	644	451	42	67	25	2,212
4 to 5	124	33	49	130	104	29	36	8	513
5 to 6	13	40	36	26	43	7	13	4	182
6 to 7	2	16	28	1	24	3	2	1	77
7 to 8	1	17	14	0	10	0	1	4	47
8 to 9	2	11	10	0	2	0	0	2	27
9 to \$1M	0	8	4	0	1	0	0	1	13
Above \$1M	1	2	9	1	1	0	0	1	15
Total in Section	1,441	1,020	1,665	2,358	1,434	243	193	179	8,533

Source: City of Franklin 2018 Reassessment and BK Planning Strategies

The above data includes 67 homes that exist on property considered as business sites. All of those homes are assessed at higher values, mostly in the \$300,000 to \$400,000 range, reflecting the business value of the land rather than the value of the home on the land.

The West Central, Southeast and South sections of the city remain predominantly rural as shown by their small total number of single-family homes. On the other hand, now with available sanitary sewer, approved and proposed residential developments are occurring, especially in the south section of the city.

Condominium Units

Condominium units are owner-occupied attached dwellings of various designs. Table 4 provides the distribution of condominium values in the city across the eight sections of the city. The highest rate of affordability of any housing type in Franklin lies with condominiums. Three out of every four of the total of 2,662 condominiums in the city are valued at less than \$200,000 (2,024 units, 76.0%). A total of 1,162 (43.7%) condominium units are valued below \$150,000, and 228 (8.6%) are valued below \$100,000. Overall, condominium living in Franklin is available to households of all income levels. The table also shows there are reasonably valued condominium units across all sections of the city, except for the Southeast and South sections recently serviced by sanitary sewer.

Table 4. Range of Values of Condominium Residential Units Pursuant to 2018 Assessed Values

Number of Condominiums In \$100,000's Per Section of City

In \$100,000	North-east	North Central	North West	East Central	Central	West Central	South-east	South	Totals of Value Ranges
Below 1	69	0	104	24	31	0	0	0	228
1 to 1.5	495	0	98	121	212	8	0	0	934
1.5 to 2	146	70	142	239	218	47	0	0	862
2 to 3	23	95	57	77	49	105	0	0	406
3 to 4	0	46	9	69	25	37	0	0	186
4 to 5	0	0	0	22	14	1	0	0	37
5 to 6	0	0	0	0	6	0	0	0	6
6 to 7	0	0	0	0	2	0	0	0	2
7 to 8	0	0	0	0	1	0	0	0	1
Total in Section	733	211	410	552	558	198	0	0	2,662

Source: City of Franklin 2018 Reassessment and BK Planning Strategies

Of course, reasonably priced condominium units are only available to home purchasers if placed on the market for sale. Table 5 shows 15 condominium units on the market as of September 28, 2018 under the listing price of \$200,000. Homes placed on the market for sale typically drops as the year progresses. Therefore, having 15 condominiums listed at the beginning of the fall season is a quality number.

**Table 5. Listing of Condominiums for Sale under \$200,000
As of September 28, 2018**

Address	List Price
10237 W. Whitnall Edge Drive #102	\$85,000
2955 W. Drexel Avenue #405	\$108,000
3935 W. College Avenue	\$116,900
3985 W. College Avenue	\$120,000
4037 W. College Avenue	\$124,900
7045 S. Riverwood Boulevard	\$139,900
2987 W. Drexel Avenue	\$144,900
7045 S. Riverwood Boulevard	\$145,000
2955 W. Drexel Avenue #413	\$169,900
10152 W. Whitnall Edge Drive	\$172,000
7883 S. Scepter Drive #5	\$179,900
9279 W. Elm Court	\$179,900
9128 W. Elm Court	\$180,000
7949 S. Scepter Drive #5	\$192,000
8186 S. Forest Hill Circle B	\$199,900

Source: Milwaukee Area Multiple Listing Service and Steve Wiedenfeld of Shorewest Realty

Two-Family and Other Housing Types with Multiple Units

2018 city assessment data identifies 147 buildings designed as side-by-side duplexes, for a total of 394 dwelling units. Another 60 residential buildings are occupied by two dwellings, and four buildings are occupied by three dwellings. Therefore, there are a total of 626 dwellings in the city within two-family or three-family buildings. It is assumed this style of housing typically is owner occupied by one unit in the building and the other unit, or units, are occupied by renters.

The assessed values of these buildings are mostly between \$200,000 and \$400,000, not reasonably priced for ownership. However, an on-line check of current two-family units available for rent in Franklin shows rents in the range of moderate (low \$1,000's per month) to high (\$1,500 per month). Buildings in this category of housing typically provide two or three bedrooms, an attached garage and use of patio and yard. Duplex units in Franklin serve a community need providing solid housing for families in transition, such as recent divorcees, a single adult head of household, or a family that cannot qualify for a mortgage.

Apartment Complexes

There were 2,639 dwelling units considered apartments in Franklin as of January 1, 2018, with 846 of those units dedicated to various styles of senior citizen living. Within Table 6 the major apartment complexes are shown with an index of affordability. A “Good” index means that monthly rents for one- and two-bedroom units are in the range between \$750 and \$1,000. There are 780 units indicated within Table 6 with a “good” index. A “Moderate” index means one-bedroom unit rents between \$900 and \$1,000, while two-bedroom units are above \$1,000 per month. A “High” index means the rents far exceed the affordable range, extending to around \$1,500 per month.

Table 6 includes apartments designed and rented for senior citizen living. All the identified senior apartments have either income limits and/or federal tax incentives to the complex owner to reduce rents.

Recently, the Milwaukee Business Journal published a ranking of average monthly rents of apartments within Milwaukee area zip codes. The source of the information is from Adobo, a Madison based apartment search firm. The Franklin zip code of 53132 was 20th highest at \$991. The highest ranked zip codes were 53217, the north shore suburbs at \$1,997, the Milwaukee zip codes of 53203 (\$1,886) and 53205 (\$1,567) and Brookfield zip code of 53005 (\$1,502). The Greendale zip code of 53219 was ranked 11th (\$1,237). At 20th, Franklin was ranked ahead of Milwaukee/Greenfield zip code of 53228 (\$981) and the Bay View zip code of 53207 (\$971).

Table 6. Affordability of Apartment Complexes in Franklin

Affordability Index	Name of Complex	General Location	Number of Units
Moderate	Bell Tower Place	S. 51 st St. north of Drexel Ave.	40
Good	*Brenwood Park Senior Apts	Forest Hill Ave. and Loomis Rd.	158
Good	*Clare Meadows Senior Apts	S. 51 st St. north of Drexel Ave.	135
Moderate	Fairway Meadows	S. 76 th St. and Drexel Ave.	50
Moderate	*Forest Hill Highlands	S. 88 th St. and Forest Hill Ave.	311
High	Forest View Apartment Homes	S. 60 th St. and Ryan Rd.	42
Good	Franklin Park Apts	College Ave. west of S. 35 th St.	128
Good	Kathleen Court Apts	S. 68 th St. and Drexel Ave.	72
Moderate	Manchester Oaks	Parkedge Cir. and Hwy. 100	256
Moderate	Mission Hills Apts	Drexel Ave. and Hwy. 100	271
High	Parkwood Lake Apts	S. 68 th St. and Loomis Rd.	88
High	Parkwood Village Townhomes	College Ave. west of S. 35 th St.	116
Good	Park Water Apts	S. 35 th St. south of College Ave.	64
Good	Ryan Green Apts	S. 41 st St. and Ryan Rd.	111
Moderate	*Sacred Heart At Monastery Lake	Rawson Ave. and Hwy. 100	130
Good	*The Woods at Cedar Village	College Ave. east of S. 35 th St.	112
Moderate	Whitnall Pointe	Cortez Cir. and Hwy. 100	450

*Senior Apartments

Source: City of Franklin Assessors Office and BK Planning Strategies

Community Based Residential Facilities

When the federal government required municipalities to accept Community Based Residential Facilities during the late 1980's, Franklin immediately changed its zoning laws to accept the facilities either as a permitted use or with special use approval consistent with the law. CBRF's house and provide 24/7 care to an array of citizens with special care needs, such as senior citizens with disabilities, Alzheimer patients and developmentally disabled persons.

Franklin now has 16 CBRF's of various sizes licensed by the Wisconsin Department of Health Services (please see Appendix A). The capacity of the licensed facilities range from five to 51, with the smaller five, six and eight capacity facilities all located within single family subdivisions. Many of the facilities are federally supported financially, but all of the facilities require substantial monthly fees ranging from \$3,000 to \$8,000.

Diversity of Recent Owner-Occupied Home Sales

This report presents the diversity of housing existing in Franklin from affordable rental properties, to owner-occupied housing attractive to first time home buyers and working families, to homes at the higher end of the cost spectrum. However, are homes available for purchase within all price ranges? The answer is yes.

The Sunday edition of the Milwaukee Journal Sentinel publishes recent sales of single-family homes, two-family homes and condominiums per community. Within the 10 editions between September 16, 2018 and November 18, 2018, there were listed 48 single-family sales, with 6 sales under \$200,000, or 12.5% of the total single family sales. Earlier this report indicates 11.6% of single family homes have a 2018 assessed value below \$200,000.

There were 27 condominium sales under \$200,000, or 74% of the total of condominium sales. Condominiums with 2018 assessed values under \$200,000 are 76% of the total amount of condominiums in Franklin.

While the ten week reporting period is a random snap-shot in time, it proves over time home sales in Franklin are reflective of the diversity of house values and costs. There were no two-family home sales reported during the 10 week period. Please see Appendix B for a detailed listing of the home sales.

IMPEDIMENTS TO NEW HOUSING AFFORDABILITY

The number of quality, reasonably priced housing in Franklin presented in the previous section of this report has a caveat. The caveat is housing costs at the affordable end of the scale are mostly older homes, especially under the listing of single-family homes. The main reason for this occurrence is the high cost to develop new residential developments. These high costs are an impediment to creating new affordable housing. Some of these costs lie outside the domain of city government, but others may be controlled by the city.

Without going into extensive detail, below is a listing of identified potential impediments to new housing affordability.

- Rising housing costs. Due to the robust national and local economy the past few years, housing costs have been typically rising 10% per year. According to realtors, single family and condominium homes in the \$200,000 range have been very much in demand; however, the law of supply and demand has caused prices to increase.
- Cost of raw land. Every property owner has the right in this country to receive fair market value for their land. In many cases if the land has been part of a farming operation, the farmer considers land as his or her retirement fund. A recent search of Zillow of large tracks of land for sale in Franklin yielded a per acre asking price of \$25,794 per acre for 12.6 acres, \$45,000 per acre for 15.5 acres, \$37,038 per acre for 48.2 acres and \$80,426 per acre for 51.6 acres. For comparison purposes, the typical cost of raw land in Franklin during the early 1990's was \$10,000 per acre; occasionally a developer would pay a premium of up to \$15,000 per acre for prime location land.
- Lack of good quality developable land. Large pieces of raw land without impediments, such as environmental features of floodplains, wetlands, woodlands and environmental corridors that must be protected, were developed many years ago. However, opening the south sections of the city for development with new sanitary sewer will somewhat ease this situation; although most of the large parcels within the south side of Franklin are encumbered by environmental features. Franklin is thought to have tough environmental laws placed on development by the development community but coupling local support for environmental protection with strong federal and state regulations, environmental controls in Franklin are the standard, not the exception.

- **Impacts Fees.** Resulting from the tax revolt meeting of 1992, the city adopted a required impact fee to be applied to each newly constructed residence. The first adopted impact fee was \$3,265 per single family home. Soon thereafter the impact fees were adjusted downward to comply with new state law regulating municipal impact fees. Today, the impact fees required by the city for each new single-family home or each unit on a two-family dwelling are \$8,291, and \$6,455 on each new multi-family unit. Many could argue that the original intent of Franklin institution of impact fees in 1992 has been achieved, which was to provide support to the cost of capital improvements to provide for new development. Certainly, impact fees have helped reduce city property tax levies, which assist in the affordability of existing housing in Franklin.
- **Developer’s desire to make money.** Basically, building larger homes provides a larger profit margin for developers and/or builders, fueled by the fact there are willing buyers at this time in the Milwaukee area in the position to afford larger homes. Most often, single family developers place deed restrictions on each lot requiring larger home sizes than the minimum required by the city. Very simply, the margin to developers and builders to construct a larger, more expensive home is greater.
- **Cost of Public Improvements.** The City of Franklin Engineering Department provided an analysis from a single-family developer comparing public improvement costs of a 54 lot subdivision in Franklin to a 43 lot subdivision in DeForest, WI, north of Madison. Public improvements include the total cost of construction to create lots, including grading, erosion control and installing storm water management facilities, extending public sanitary sewer and water mains to the lots in addition to extending other utilities, and installing the streets, curb and gutter and sidewalks. The developer submitted “rule of thumb” was that public improvements should be \$709 per linear feet of roadway, whereas in Franklin the cost was \$985 per linear foot, and in DeForest the cost was \$603 per linear foot. This large cost differential is not unique to Franklin; it is common across southeast Wisconsin. The leading cause of the situation is the simple rule of supply and demand—a tremendous amount of redevelopment and new development throughout all communities within the Milwaukee region along with many highway projects is placing a large amount of stress on qualified contractors and material suppliers. There are simply not enough contractors and suppliers to support the construction.

- **Zoning Requirements.** Franklin has eight single family zoning districts available for use throughout the city. Please see Appendix C for a list of the current residential zoning districts. The minimum required lots sizes within the eight districts range from 11,000 square feet in the R-6, Suburban Single-Family Residence District to 87,120 square feet in the Countryside/Estate Single Family Residence District. The R-6 district historically has been the prominent single-family zoning district for smaller lots while the R-3 district is the principal zoning district for the traditional 3-bedroom ranches on on-half lots in subdivisions originally constructed with on-site septic systems. In addition, the VR, Village Residence District, allowing a minimum lot size of 7,200 square feet is specific to the Village of St. Martens neighborhood (a small historic community within the Northwest section of the city). Both single family and multi-family is allowed within the R-1E Countryside/Estates district with a minimum lot size of 217,800 square feet. Lastly, the R-7, Two-Family Residence District (18,000 square foot minimum lot size), the R-8 Multi-Family Residence District and the RC-1 Conservation Residence District round out the available residential zoning districts. The R-8 district allows single family and two-family development at 6,000 square foot lot sizes and a net multi-family density of eight units per acre. Several of the aforementioned districts have options to allow smaller lot sizes via the special use process (also known as a conditional use). Each residential district has requirements of minimum lot width and minimum living area square footages.

RECOMMENDATIONS TO ASSIST WITH HOUSING AFFORDABILITY

The list of identified impediments creates challenges to city officials, but also provides an opportunity to continue developing a city of diversified housing styles and values. There are certainly factors out of the control of the city that greatly impacts construction of affordable, work force style housing. However, the following recommendations should be considered by the city.

- Review all development construction standards. The city should consider review of all development construction standards to determine if any standards can be reduced to reduce cost to the developer. An example is required street width. It is possible that a reduction of one-foot width could be a major cost reduction. However, any change of development construction standards must be coupled with public safety aspects, such as whether emergency vehicles can navigate through cars parked along a narrow street width. Another consideration could be narrowing the minimum required width of public right-of-ways in residential areas, and then requiring developers to place utilities in easements alongside the right-of-ways.
- Comprehensive Master Plan. Chapter 5 of the 2025 Comprehensive Master Plan provides a 2025 Future Land Use Map. The map identifies the planned land use for all parcels in the city allowing for the full range of land uses from residential to industrial and including environmentally sensitive lands. However, the planned land use only shows two residential land use categories; Residential and Residential—Multi-Family. Especially in the newly accessible south sections, the Comprehensive Master Plan should be amended to more clearly define where the variety of lot sizes and housing types allowed by the residential zoning districts should be located, instead of general categories. With general categories, as referenced earlier, developers will always want to build within the larger home zoning districts, and misinformed citizens will always desire the same.
- Zoning Standards. While a review of the residential district zoning standards for this report found the standards to be relatively compatible with the type of zoning district, such as minimum required lot width comparable to minimum lot size, as well as comparable required minimum living area square footage, the city should consider a review of all residential zoning district standards to provide incentives for developers to provide new reasonably priced housing. Perhaps the city could create overlay zones of where there would be reasonable maximum living area size as identified at specific locations by amendment to the Comprehensive Master Plan (see previous bullet point).

- **More Zoning Standards.** Several of the zoning districts allow smaller lot sizes through the special use hearing process (also known as a conditional use). Instead of requiring developers to go through the time-consuming process of obtaining a special use, the city should consider allowing smaller lot sizes as a permitted use with specified criteria.
- **Multi-family Dwelling Unit Density.** Currently and historically the maximum dwelling unit density (both apartments and condominiums) is eight dwelling units per acre. While the eight dwelling units per acre is a very low density, especially compared to densities of 50+ units per acre within mixed-use developments in neighboring communities of Oak Creek and Greenfield, it is a policy that has been greatly debated through the years but nonetheless has remained unchanged. The city should consider increasing the maximum multi-family density standard, but at a reasonable level to conform to long-standing community values of “garden style” development, protecting environmental features and open space.
- **Impact Fees.** The cost of impact fees placed upon each new residential unit is definitely an impeding factor toward providing housing affordability across all types of housing, from single family detached to senior housing. The city should consider preparing criteria of when impact fees can be reduced or eliminated when a residence meets a specifically stated objective toward increasing housing affordability, that will further other city objectives. For example, currently the city is pursuing increasing the non-residential tax base via the creation of more industrial/business park development. Providing workforce housing opportunities will greatly assist attraction of quality industrial businesses to the city. In addition, the city should consider including work force housing as an objective with its Economic Development Policies.
- **Public Education.** City officials must continually seek ways and opportunities to educate the citizens of Franklin regarding the benefits of a well-balanced housing supply, such as knowledge about city history and the need for work force housing. The city must be commended for posting Federal Fair Housing requirements at key locations throughout City Hall, and for publishing the fair housing requirements in the city newsletter. However, more can always be accomplished in this area.
- **Annual Analysis of Housing Data.** The city must monitor its housing stock status by annually updating data included in this report.

CONCLUSION

There are definitely pockets of affordable housing in the City of Franklin. The number of affordable homes; however, is not as great as exists in the first-tier suburbs of Milwaukee, but that is to be expected. Franklin’s history of development is very different from the City of Milwaukee and other surrounding suburbs.

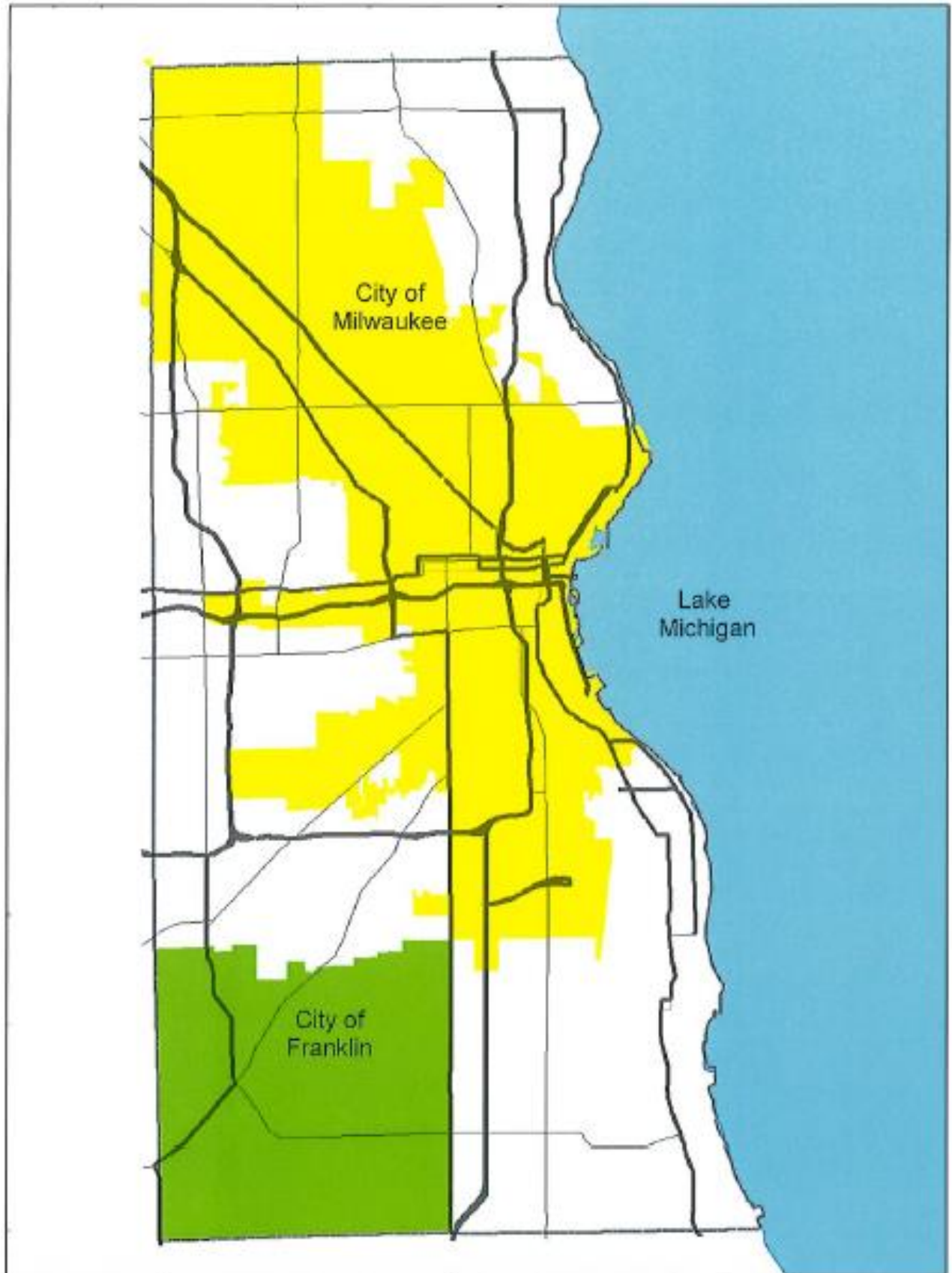
Based on 2018 assessed value data and other support information, there are a total of 14,636 dwellings in the city as of January 1, 2018. The total includes 8,533 single family homes, 2,639 apartment units, 2,662 condominium units, 626 two-family units, 160 mobile homes and 16 buildings housing residents in a Community Based Residential Facility setting. Of the total of 14,636 dwelling units, pursuant to criteria identified in this report, there are 3,952 dwelling units accessible to young and working-class families. Those units include 988 single-family homes, 780 apartment units, 2,024 condominium units and 160 mobile home units. Although as a second-tier suburb, the extreme depth and diversity of housing stock cannot compare to Milwaukee or first tier suburbs, Franklin’s development history from an agrarian township to an energetic community approaching 40,000 people allows for a diversity of housing prices and styles available of all sectors of the population.

The challenge for any growing municipality that is part of a dynamic metropolitan area is to balance the needs of all citizens. Public comment at various hearings for development issues consistently supports low density, open space, and preservation of the city’s natural resources. How can the City of Franklin effectively reach those goals and still provide reasonable work force housing? City officials must continually remain diligent in recognizing opportunities to provide a wide range of housing options for current and future citizens of Franklin, along with continually seeking opportunities to adjust city policies to that end, beyond the recommendations presented above.

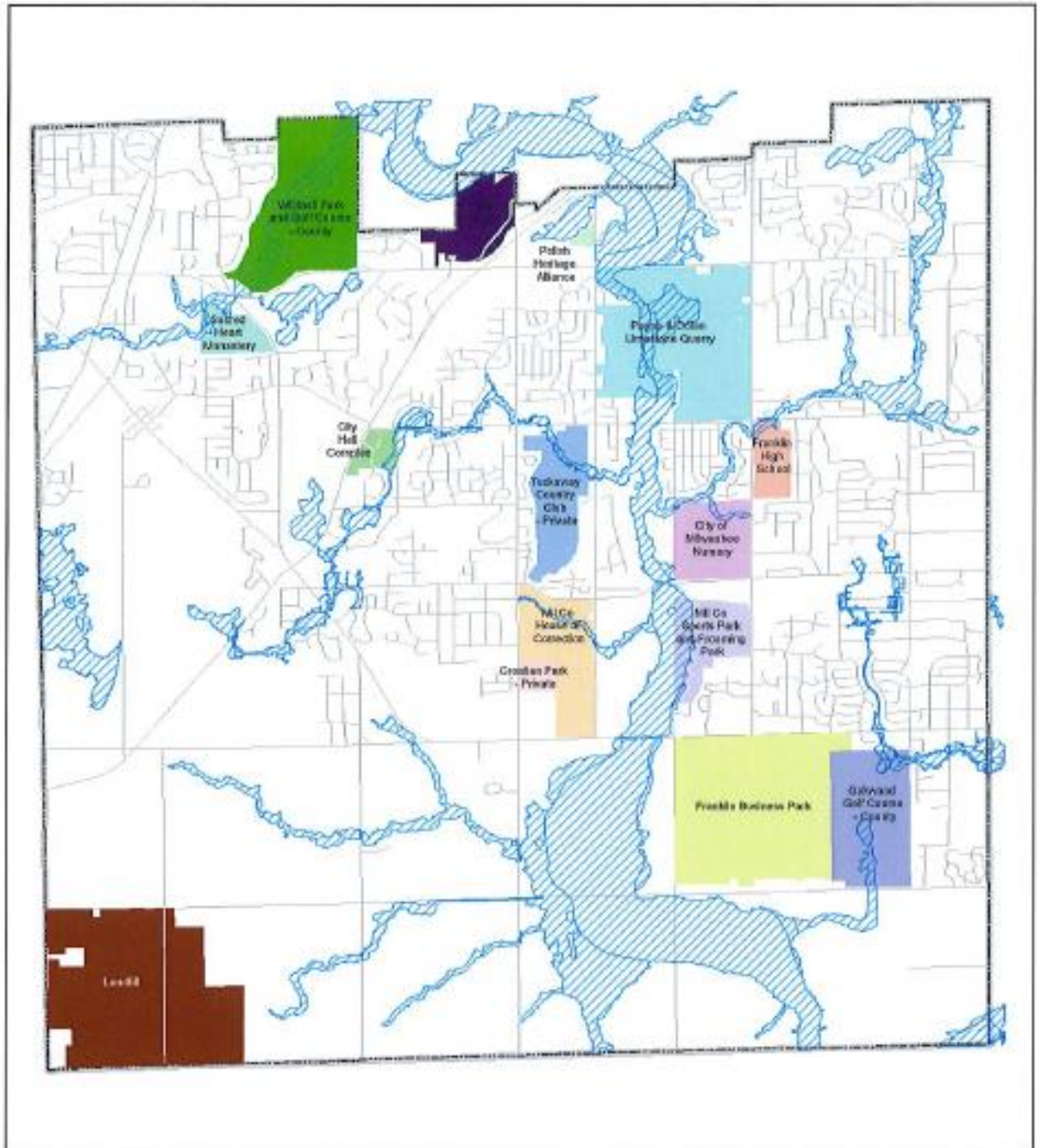
Prepared by Bruce S. Kaniewski, AICP

Maps

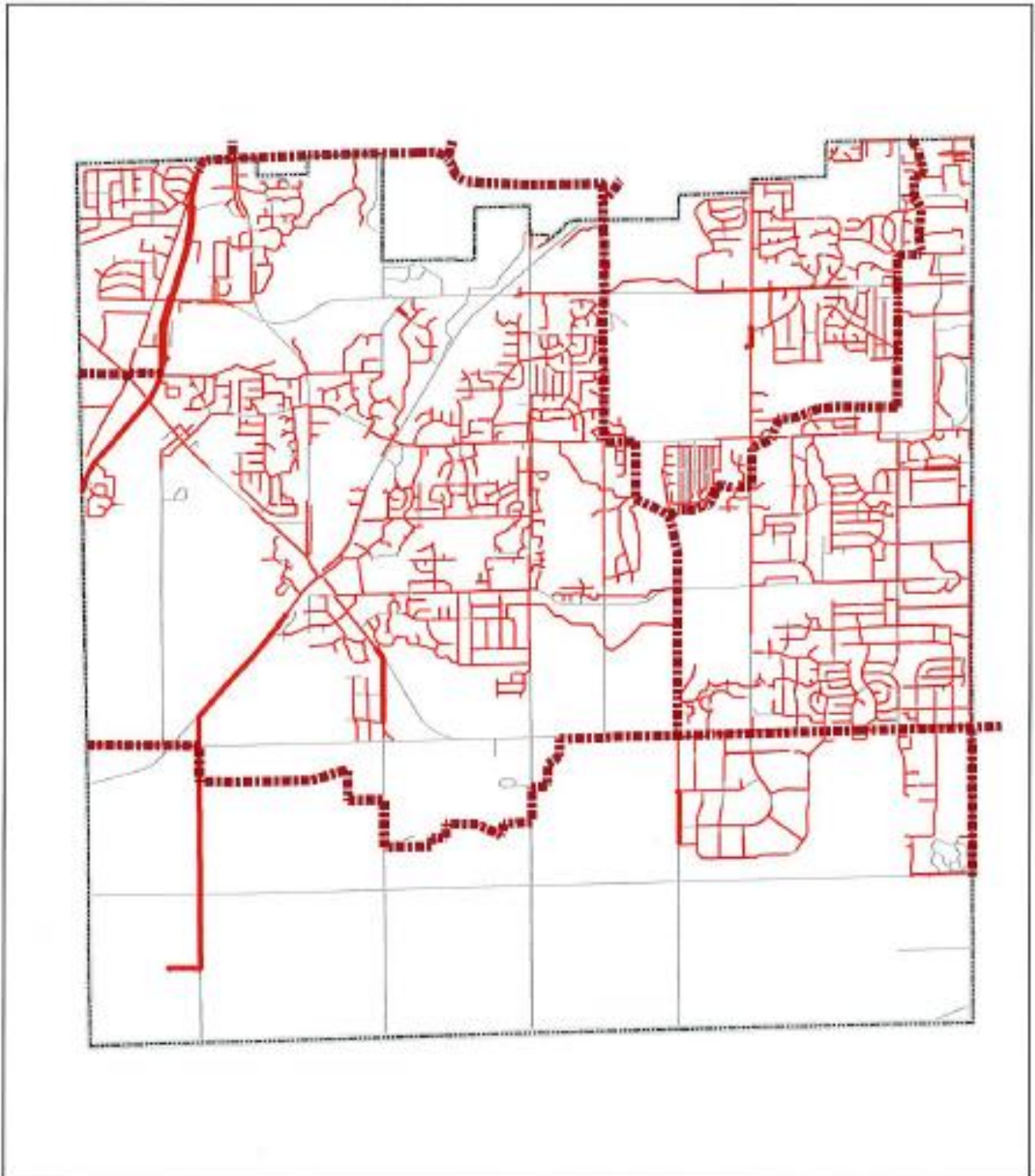
Map 1. Franklin Proximity in Milwaukee County



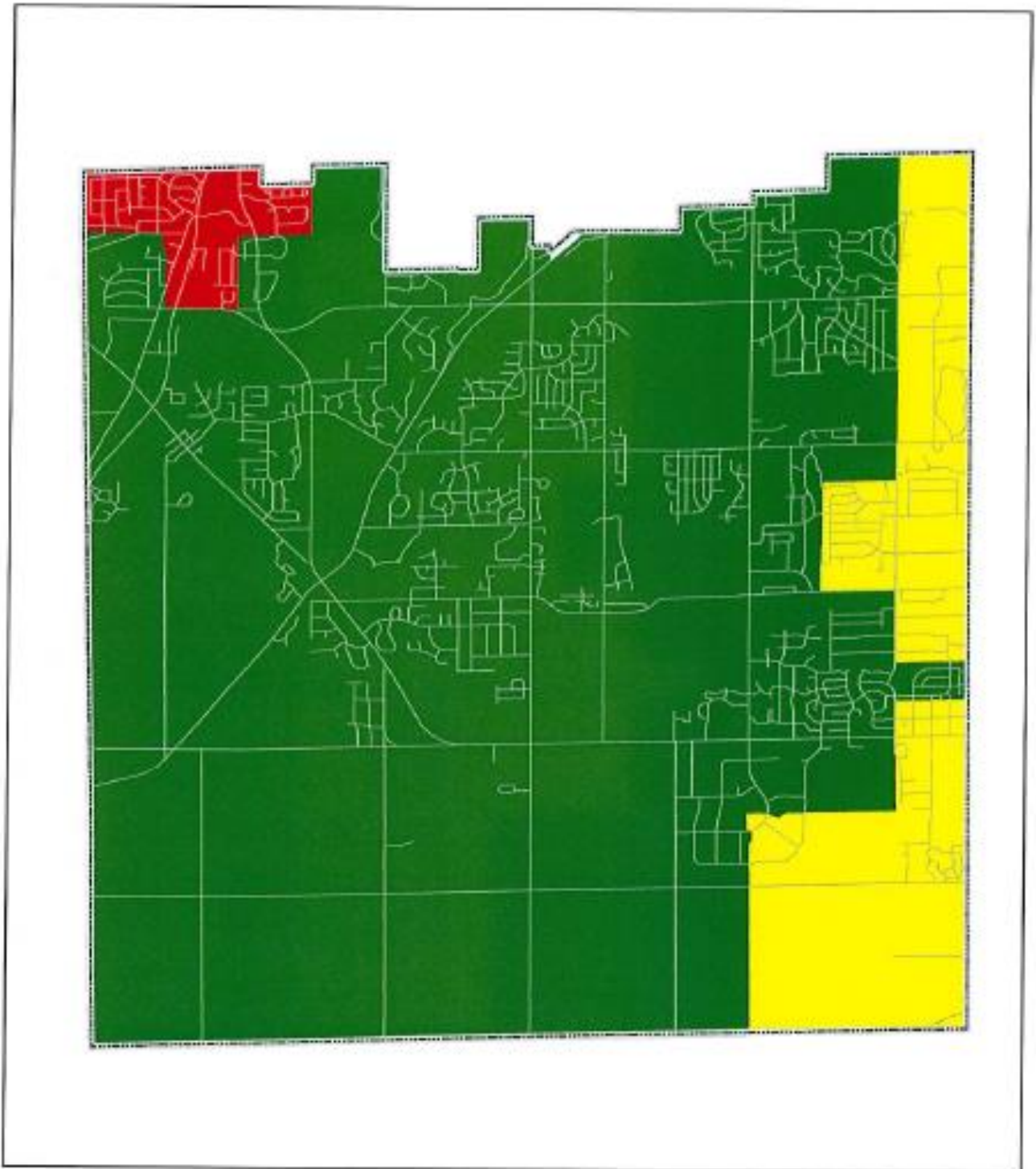
Map 2. Franklin Landmarks and Significant Sites



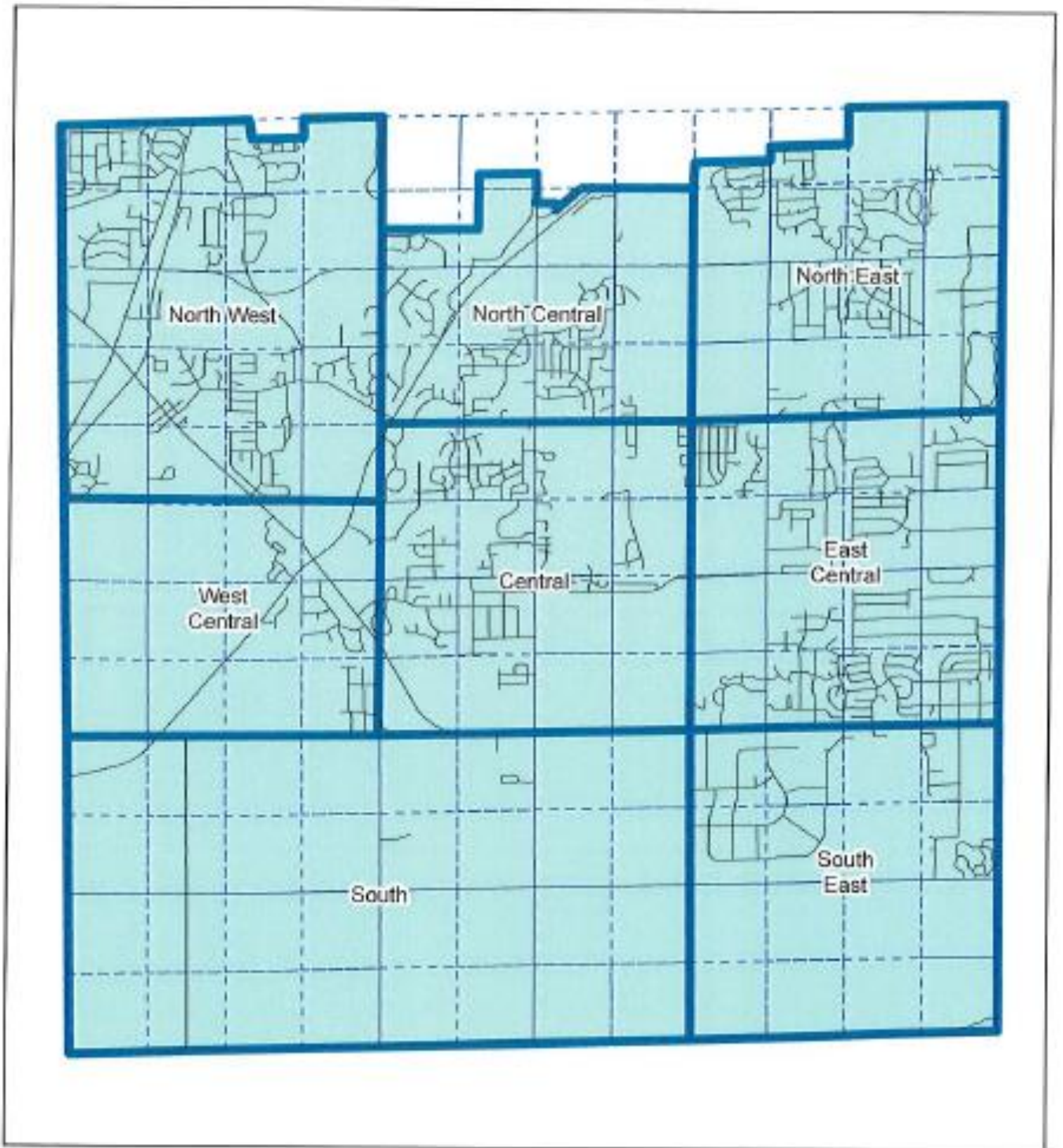
Map 3. Franklin Sewer Service Area 2018



Map 4 Franklin School Districts



Map 5. Franklin Housing Sections



Appendices

Appendix A - Community Based Residential Facilities

State of Wisconsin Licensed Facilities in Franklin

Name of Facility	Address	Licensed Capacity
Autumn Leaves of Franklin	9201 W. Drexel Avenue	51
Brenwood Park Assisted Living	9535 W. Loomis Road	50
Brotoloc Franklin	9460 S. 46 th Street	6
Clifden Court East	6751 S. 68 th Street	24
Clifden Court West	6771 S. 68 th Street	33
Elizabeth Residence North	9329 S. 48 th Street	33
Elizabeth Residence South	9355 S. 48 th Street	31
Foxcroft Crossing	7220 Foxcroft Court	8
Franklin House	9132 S. 92 nd Street	8
Hidden Terrace	3405 W. Sycamore Street	8
Lake Pointe Manor	8781 Travis Court	8
Next Step in Residential Services	8028 W. Coventry Drive	5
Pine Haven	6795 S. 51 st Street	12
REM Wisconsin II Inc. College	3177 W. College Avenue	6
Robinwood Manor	10520 W. Robinwood Lane	8
Sky Residential Franklin	8104 S. 35 th Street	6

Source: State of Wisconsin and BK Planning Strategies, LLC

Appendix B - Listing of Home Sales

From September 16 to November 18, 2018, As Reported in Milwaukee Journal Sentinel

Condominium Homes

Sale Price	Address	Publication Date
\$83,000	10237 W. Whitnall Edge Dr.	Nov. 4
\$104,000	4065 W. College Ave.	Oct. 7
\$106,000	2955 W. Drexel Ave.	Nov. 4
\$124,900	4037 W. College Ave.	Nov. 18
\$134,000	6955 S. Riverwood Blvd.	Sept. 23
\$137,600	6995 S. Riverwood Blvd.	Sept. 23
\$139,900	6795 S. Riverwood Blvd.	Sept. 30
\$140,000	2987 W. Drexel Ave.	Oct. 14
\$145,000	9436 W. Loomis Rd.	Sept. 16
\$149,900	7045 S. Riverwood Blvd.	Nov. 18
\$150,000	10330 W. Parkwood Dr.	Sept. 23
\$150,900	8219 S. Legend Dr.	Oct. 28
\$152,000	6955 S. Riverwood Blvd.	Nov. 18
\$165,000	3053 W. Drexel Ave.	Oct. 7
\$168,500	10152 W. Whitnall Edge Dr.	Nov. 4
\$177,000	9128 W. Elm Ct.	Nov. 18
\$178,000	9135 W. Elm Ct.	Sept.30
\$180,100	8142 S. Forest Hills Cir.	Sept. 30
\$182,000	9227 S. 51 st St.	Sept. 16
\$196,000	7949 S. Scepter Dr.	Oct. 28
\$200,000	9056 W. Elm Ct.	Nov. 18
\$228,000	9169 W. Elm Ct.	Sept. 30
\$268,900	7711 W. Maple Ridge Ct.	Nov. 11

Single Family Homes

Sale Price	Address	Publication Date
\$106,000	11223 W. Church St.	Sept. 30
\$162,000	11011 S. 92 nd St.	Sept. 23
\$170,000	3031 W. Forest Hill Ave.	Oct. 21
\$174,900	9170 S. 96 th St.	Sept. 30
\$180,000	2824 W. Franklin Terr.	Nov. 18
\$194,000	9341 S. 33 rd St.	Nov. 18
\$200,000	8860 S 84 th St.	Sept. 30
\$200,000	3917 W. Mary Ann Dr.	Nov. 4
\$221,500	9472 S. 96 th St.	Nov. 18
\$225,000	8010 W. Forest Hill Ave.	Sept. 23
\$225,000	9138 S. 29 th St.	Sept. 23
\$230,000	3932 W. Mary Ann Dr.	Sept. 16
\$235,000	9319 S. 35 th St.	Sept. 23
\$236,500	11921 W. Scherrei Dr.	Oct. 7
\$238,750	7121 S. Beachwood Ct.	Nov. 18
\$243,500	11521 W. Bel Mar Dr.	Nov. 4
\$260,000	4049 W. Sharon Dr.	Sept. 16
\$260,000	7606 W. Norwood Ln.	Sept. 30
\$261,000	7765 S. 66 th St.	Nov. 18
\$267,000	8754 S. Castle Ct.	Oct. 7
\$270,000	11126 W. Ryan Rd.	Sept. 16
\$272,500	7758 S. 83 rd St.	Oct. 21
\$279,000	7181 W. Scherrei Dr.	Oct. 28
\$282,000	8009 S. Mission Dr.	Nov. 11
\$285,000	7355 S. 39 th Ct.	Nov. 4
\$289,000	6624 S. 122 nd St.	Nov. 18
\$295,000	8725 S. 89 th St.	Oct. 7
\$325,000	4140 W. Lakeview Dr.	Sept. 23
\$330,000	8080 S. 85 th St.	Sept. 23
\$322,000	6432 S. 123 rd St.	Oct. 21
\$339,000	4007 W. Cypress Ln.	Sept. 30
\$341,000	4212 W. Fieldview Ct.	Nov. 11
\$348,000	7990 S. Lakeview Dr.	Oct. 7
\$350,000	8023 W. Bruss Ln.	Oct. 14
\$355,000	3320 W. Yorkshire Cir.	Nov. 11
\$359,000	8112 S. Country Club Cir.	Oct. 21
\$364,900	4924 W. Vanderheyden Dr.	Oct. 7
\$366,400	8120 S. 68 th St.	Oct. 14
\$368,900	8488 S. Deerwood Ln.	Nov. 4
\$369,900	4213 W. Madison Ave.	Sept. 23
\$380,000	8545 W. Woodfield Ct.	Sept. 16
\$381,000	4035 W. Anthony Dr.	Sept. 23
\$421,500	4966 W. Woodland Dr.	Sept. 30
\$447,000	5364 W. Harvard Dr.	Sept. 16
\$470,000	10066 S. 31 st St.	Nov. 11
\$495,000	7111 W. Woodbury Dr.	Oct. 14
\$523,000	5255 W. Princeton Dr.	Oct. 7
\$1.05 M	9965 W. Woelfel Rd.	Sept. 30

Appendix C City of Franklin Residential Zoning Districts

R-1 Countryside/Estate Single Family Residential District

Minimum Lot Size: 87,120 square feet
Special Use Lot Size Options: 40,000, 25,000 and 20,000 square feet

R-1E Countryside/Estate Single Family Multiple Residential Upon on Single Lot Estate District

Minimum Lot Size: 217,800 square feet

R-2 Estate Single Family Residence District

Minimum Lot Size: 40,000 square feet
Special Use Lot Size Options: 25,000, 20,000 and 16,000 square feet

R-3 Suburban/Estate Single Family Residence District

Minimum Lot Size: 20,000 square feet
Special Use Lot Size Options: 16,000 and 13,000 square feet

R-3E Suburban/Estate Single Family Residence District

Minimum Lot Size: 25,000 square feet
Special Use Lot Size Options: 20,000 and 16,000 square feet

R-4 Suburban Single Family Residence District

Minimum Lot Size: 16,000 square feet
Special Use Lot Size Options: 13,000 and 10,000 square feet

R-5 Suburban Single Family Residence District

Minimum Lot Size: 13,000 square feet
Special Use Lot Size Options: 12,000 and 10,000 square feet

R-6 Suburban Single Family Residence District

Minimum Lot Size: 11,000 square feet
Special Use Lot Size Options: 10,000 square feet

VR Village Residential

Minimum Lot Size: 7,200 square feet

R-7 Two-Family Residence District

Minimum Lot Size: 18,000 square feet
Special Use Lot Size Options: 15,000 square feet

R-8 Multi-Family Residential District

Maximum 8.0 Dwelling Units per Acre
Special Use Options for Single Family and Two-Family: 6,000 square feet

RC-1 Conservation Residence District

Minimum Lot Size for Single Family: 10,000 square feet
Special Use Option for Two-Family: 15,000 square feet
Special Use Option for Multi-Family: 43,560 square feet