

2015 Building Inspection Year End Report

Completed By: Emily Grabenstein

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The year 2015 marked another busy year for the Village of Kronenwetter in terms of construction activity. For most of 2015, Village of Kronenwetter contracted with the Village of Weston to provide building inspection services. Scott Tatro has served as the Village's building inspector for the past five years, while Kronenwetter Staff continues to provide the building inspection administrative services to residents. With the end of the building inspection contract with Weston, the Village began looking for alternative options, including potentially initiating a shared regional building inspection service. At the end of 2015, Kevin Breit became the new Village building inspector. In the past five years, the number of building permits has gradually increased each year. In 2015, the Village issued a total of 197 building permits, which is a 15 percent increase from 2011 when 171 permits were issued. This past year, more permits were taken out for roofing than any other type of work. In all, 41 roofing permits were issued. Some of the other permits that were issued most often include those for accessory buildings (37), fences (27), electrical work (23), and interior alterations (14).

The Village experienced the construction of 13 single family residential homes in 2015, up 44 percent from the previous year, though still slightly lower than the years before. In fact, 9 single family home permits were issued last year, while 20 permits were issued consecutively in 2012 and 2013. This increase can be the continued growth in the residential housing market. The Village of Kronenwetter purchased 40 single family home lots in the Timber Creek Crossing Subdivision in a Sheriffs Sale in August 2015 released the first six lots were released for bid with the terms that homes would be built within three years. The Everest Woods Subdivision was passed by the Village Board at the end of 2015. With the release of the rest of the Timber Creek Crossing lots and the Everest Woods homes, the Village should expect to see a surge of new single family residential homes in the next few years.

Commercial construction activity continued at a high inflow for permits in 2015. This continuation can be attributed the continuation of the Weston 3 ReACT project by Wisconsin Public Service. Another large commercial project for the Village was the beginning of the new Wausau Tile facility. The new facility will be completed in 2016. The remaining building permits were also issued for T & L Storage and various small businesses. In the Sheriffs Sale, the Village also purchase six light industrial lots. With the sale of these lots, the Village can anticipate to issue more commercial building permits in 2016.

Another measurement to show how construction has affected the Village can be seen by reviewing the estimated building cost of all the projects in each of the past several years. In 2013, total building cost was estimated at \$5.9 million. That number rose to \$25.9 million in 2014. In 2015, building costs were approximately \$12.6 million. This drop in building cost can be attributed by the decrease of large budget projects, such as the ReACT project which was estimate at \$17.2 million in 2014. Taking this project into consideration, the Village has shown an increasing trend in estimated building cost over the last few years.

According to the 2015 Dodge Construction Outlook, the Village can expect to see an increase in new construction starts for 2016. The Dodge Outlook predicts a rise in construction for commercial and industrial buildings and a moderate improvement for housing. Looking at specific construction market sectors, the 2016 Dodge Construction Outlook predicts that construction starts will rise six percent. Single family housing is forecasted to grow by a 16 percent in units. The access to home mortgage loans is improving and potential homebuyers are proceeding with more fervor due to continued employment growth. According to this outlook, commercial building will increase 11 percent, up from the four percent gain estimated from 2015.