

# **2016 Building Inspection Year End Report**

Completed By: Emily Grabenstein

January 4, 2017

The year 2016 marked a huge uptick in building construction activity in the Village of Kronenwetter. During 2016, the Village of Kronenwetter contracted with the Kevin Breit of Central Wisconsin Inspections to provide building inspection services. Kevin serves as the Village's building inspector, while Kronenwetter Staff continues to provide the building inspection administrative services to residents. In 2016, the Village issued a total of 228 building permits, which is a 14 percent increase from 2015 when 197 building permits were issued. This past year, more permits were taken out for single family homes than any other type of work. In all, 54 single family home permits were issued in 2016. Some of the other permits that were issued most often included those for accessory buildings (39), roofing (32), fences (23), and decks (11).

The Village experienced the construction of 54 single family homes in 2016, up 315 percent from the 13 single family residential home permits issued in 2015. This is the most new home construction the Village has experienced since 2006 when the Village saw 69 new homes built that year. The 2016 increase can be attributed to the development of the Sunny Meadows Subdivision Third Addition and the Everest Woods Subdivision, as well as the Village owned residential lots in the Timber Creek Crossing Subdivision. The Everest Woods Subdivision created 33 lots of which 20 lots have been filled. The Sunny Meadows Subdivision Third Addition created 22 lots of which 14 lots have been filled. This creation of new lots within the Village will increase property tax while the undeveloped lots will carry over to the single family home permits issued in 2017. The Forest Haven Subdivision Second Addition was approved in the spring of 2016 and the Fox Ridge Subdivision was approved by the Village Board in the fall of 2016. With new subdivision proposed to be constructed in 2017, the Village can continue to expect an increase of new single family residential homes in 2017 from this subdivision and the remaining vacant lots of other subdivisions.

The Village saw continued commercial construction activity growth in 2016. Commercial projects in the Village included MB Storage LLC, Village Crossing Convenience Store and Gas Station, and the SC Swiderski Spring Road Construction site. The Village Crossing site is the Village's first gas station and convenience store, opening in December of 2016. The Village put on a Request For Proposals for Lot 60, a 21.2 acre lot purchased with the Timber Creek Crossing Sheriffs Sale. Staff are working with a developer to sign a Developer's Agreement to move forward in the construction of a multifamily development on this property.

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 due to the ReACT project which was estimated at \$17.2 million. In 2015, total building cost was estimated at \$12.6 million. That number rose to \$18.6 million in 2016. This increase in building cost can be attributed to the increase in large development projects such as the two new subdivisions and new commercial development. The Village can continue to expect to see a similar estimated building cost over the next year as the Fox Ridge and Forest Haven Subdivisions begin and commercial construction activity continue onto the next phases.

According to the 2017 Dodge Construction Outlook, the Village can expect to see an increase in new construction starts for 2017. The Dodge Outlook predicts a moderate gain in construction for both single family housing and commercial and industrial buildings. Looking at specific construction market sectors, the 2017 Dodge Construction Outlook predicts that single family housing will grow by a 9% in units, thanks to continued employment growth and low mortgage rates. According to this outlook, commercial building will increase by 6%, continuing to rise from 2016.