Housing Needs Assessment
Dane County and Municipalities

January 2015

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Major changes from August 2014 draft: An earlier draft over-estimated the number of cost-burdened renter households by over 5000 households because we had not removed college students from the Madison numbers. This update fixes that problem. This update also adds building permit data updating construction activity through the end of 2013 (Table 5.1B), vacancy rates of existing rental housing from MG&E (Table 5.6), the relationship between selected employment categories and affordable workforce housing (Table 1.3), a map showing federally assisted housing locations in Dane County (Appendix), and a discussion of municipal tools for affordable housing (Section 12).

Author bio: Kurt Paulsen, PhD, AICP is an Associate Professor of Urban and Regional Planning at University of Wisconsin – Madison, where he teaches, researches and consults in the areas of housing policy, land use planning and public finance. He holds Master's degrees in agricultural and applied economics and policy and public administration from UW-Madison and a PhD in urban planning and policy from Rutgers University. His academic research has been published in top academic journals including *Land Economics*, *Regional Science and Urban Economics*, *Urban Studies*, *Journal of the American Planning Association*, and *Housing Policy Debate*. He is a former zoning board member and regional plan commissioner in Pennsylvania, and is currently a member of the Middleton Workforce Housing Committee. He is also currently an economic impact consultant to WHEDA, the Wisconsin Housing and Economic Development Authority.

Executive Summary.

This report presents data on the housing demand, housing supply, and housing needs for Dane County and each of its municipalities. The report builds on and complements a number of other recent housing reports from the City of Madison, Dane County, and the Capital Area Regional Planning Commission. The focus of the report is on the housing needs of lower income households and the supply of different housing opportunities across Dane County.

Dane County has a growing regional economy and housing market. Household income and housing construction have grown faster in Dane County than in the state of Wisconsin or the United States for the past 30 years. But housing prices and rents have also grown faster than either the state or the nation. Housing in Dane County is more relatively expensive than the rest of the nation, which makes providing housing opportunities for all households a continuing challenge.

In Dane County overall, there are 28,469 cost-burdened renter households and 36,057 cost-burdened owner households -- a total of 64,526 cost-burdened households or 32.8 percent of all households in the county. (Cost-burdened households spend more than 30 percent of their income on housing).

There are over 12,000 lower-income rental households in Dane County who are severely cost-burdened, paying more than 50 percent of their income on rent. There are over 2200 severely cost-burdened senior households, and over 1800 homeless students in the county's school districts.

This report assesses the housing needs for each municipality in Dane County, presenting information on demographics, housing demand, housing supply, senior housing, and the affordable housing and rental stock. This report also presents a number of possible scenarios to consider future needs for housing for all household types and income levels. The purpose of this report is to provide information and a number of alternative scenarios and strategies for municipal and county officials, developers, community members, non-profit housing providers and other partners.

There is a growing interest in and commitment by elected leaders, employers and citizens to begin to address some of our most pressing housing challenges. A range of tools and options are available to municipalities and the county to partner together in addressing housing needs.

How to use this report: This is a very data-heavy report with many tables. Information on housing conditions are reported for every municipality. Readers should feel free to skip around and skim the data tables. Each table contains a "table highlights" section outlining key findings.

Report Key Findings:

- The growing diversity of household types – including seniors and single-person households - requires a diverse housing supply in terms of unit sizes and locations.
- The variety of across communities in terms of demographics and income reflects the different types of housing units available in each community.

- Madison has less than 48 percent of the county's population, and houses 73 percent of the county's extremely low-income renter households.
- Madison and Dane County housing markets are relatively expensive compared to the rest of the state and the nation, but a robust housing supply means that price and rent changes are not out of line with economic fundamentals.
- Dane County has added thousands of new housing units since 2000; about 49 percent of which are single-family detached houses. Multifamily housing construction has been robust.
- From 2000 to 2013, there has been very little construction of 2-4 unit rental structures, even though this housing type is 22 percent of the overall county rental housing stock.
- Rental housing vacancy rates are extremely low as of the third quarter of 2014.
- Although Madison provides most of the county's affordable housing, it also has a disproportionate percentage of the county's affordable housing needs.
- The main rental housing affordability challenge is for very low income households (those defined as making 50 percent of area-median-income or less.
- Over 22,000 households with very low income (50 percent median income or less) pay more than 30 percent of their income in rent. Over 12,000 very low income households pay more than 50 percent of their income in rent. Of these 12,000 "severely cost burdened" households, over 2200 are senior households.
- 3.1 percent of all rental units in the county are overcrowded.
- Alternative scenarios for determining housing needs gaps for municipalities are presented in Section 10 and show a present need of anywhere between 7,000 and 27,000 affordable housing units needed, depending on which scenario is accepted.
- Forecasts of future affordable housing needs (Section 11) indicate that Dane County's need for affordable housing units could be somewhere between 16,000 and 31,000 in the next 26 years, or between 648 and 1209 affordable units each year.
- Municipalities have a variety of tools (Section 12) which they can use to partner together to increase housing opportunities.

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1. Introduction

In March 2012, the Board of Supervisors of Dane County recognized housing as a human right, and made provision of adequate and affordable shelter a priority. Access to adequate, stable, accessible and affordable housing for all families is essential for strong communities, economic development, and quality of life. When families spend too much of their income for housing, they often have difficulty paying for food, health care, transportation, education or school supplies. Stable, adequate housing helps children succeed in school, strengthens communities and neighborhoods, and fosters economic development through a stable workforce.

Dane County has a growing regional economy and housing market. Household income and housing construction have grown faster in Dane County than in the state of Wisconsin or the United States for the past 30 years. But housing prices and rents have also grown faster than either the state or the nation. (see Table 1.1)

Housing in Dane County is relatively expensive. This reflects a higher level of income, lower rates of unemployment and our extremely high quality of life in national rankings. But it also means that many households and families have difficulty finding or affording housing which fits their needs. First-time homebuyers. Young families just entering the workforce. Senior citizens on fixed incomes. Lower-income households struggling to find stable, affordable housing with good access to transportation and schools. Each of these families experience housing challenges in Dane County.

Table 1.1 Average annual growth rates for Dane County, 1980-2010. (Adjusted for inflation).

	DANE COUNTY	WISCONSIN	UNITED STATES
Number of Housing units	1.81%	1.15%	1.34%
Median household income	0.33%	-0.04%	0.11%
Median house value	1.19%	0.94%	0.98%
Median rent	0.84%	0.48%	0.45%

Source: US Census, various years. Inflation adjustment to 2010$ utilizes Consumer Price Index, all urban consumers (CPI-U).

Currently, nearly 65,000 households -- nearly 1/3rd of *all* households -- in Dane County live in housing which considered "unaffordable" because they spend more than 30 percent of income on housing. This includes 28,469 renter households and 36,057 owner households. In the 2012-2013 school year, there were over 1,800 students in Dane County school districts who were considered homeless; that is "lacking a fixed, adequate, and regular nighttime residence."[1]

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[1] Data reported by DPI – Department of Public Instruction. It is important here to note that this definition of homeless is required of school districts by federal law and the Department of Education. The definition differs somewhat from the definition HUD uses in its homelessness programs. Under the McKinney-Vento Act, local school districts designate homeless liasons, and students are tracked across school districts so as to avoid "double-counting" in the reported numbers. Under Dept. of Education rules, homeless students can include those whose families share the housing of other persons due to loss of housing; live in motels, trailer parks or camping grounds due to the lack of adequate accommodations. For more information on the definitions of homeless in HUD and Education programs, see: http://center.serve.org/nche/downloads/briefs/hud.pdf.

Purpose of this report: This report assesses the demand for and supply of housing in Dane County and its cities, towns and villages, with an emphasis on the housing challenges and needs of households in greater need. The purpose of this report is to provide information about housing needs to municipal and county officials, developers, community members, non-profit housing providers and other partners. This report presents data which has not generally been accessible at the municipal level. The housing needs assessment for each municipality includes information on demographics, demographics, housing demand, housing supply, senior housing, and the affordable housing and rental stock.

This report also presents a number of possible scenarios of future needs for affordable housing as well as an outline of tools and strategies which could be implemented to reduce affordable housing needs.

> ***"Affordable" Housing definition***:
>
> Regardless of income level, housing is considered "affordable" if households spend no more than **30 percent** of their income on housing costs.
>
> ***Housing costs for owners***: mortgage payments + real estate taxes + home insurance + utilities
>
> ***Housing costs for renters***: "gross rent" = rent paid + utilities (electricity, gas, water, and sewer).
>
> Income is pre-tax, post-transfer "money" income as per Census definitions.
>
> ***Affordable housing*** is measured at levels of income relative to Area Median Income (AMI). (see box on page 2).

This report builds on and complements a number of other recent reports in the area. Dane County recently updated its Housing and Community Development "Consolidated Plan" for 2010-2014.[2] As part of its Consolidated Plan, the County hired Maxfield Research to conduct an "Analysis of Impediments to Fair Housing Choice."[3] The Capital Area Regional Planning Commission (CARPC) recently released its draft "Fair Housing Equity Assessment."[4] The City of Madison Housing Strategy Committee recently released its "2014 City of Madison Housing Report: Affordable Housing Market."[5]

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[2] The Consolidated Plan is required of HUD grantees and outlines needs and priorities for expenditures in the areas of housing and community development. Dane County's Consolidated Plan can be found at: http://dane-econdev.org/documents/pdf/ConsolidatedPlanDraft2015-19.pdf
[3] The Analysis of Impediments to Fair Housing Choice can be found at: http://pdf.countyofdane.com/humanservices/cdbg/2011/analysis_of_impediments_to_fair_housing_choice_2011_final.pdf.
[4] The Fair Housing Equity Assessment of CARPC can be found at: http://danedocs.countyofdane.com/webdocs/PDF/capd/2014_Postings/FHEA%20Final/FHEA.pdf.
[5] Available at: https://madison.legistar.com/View.ashx?M=F&ID=3155817&GUID=1358631D-7EAD-4BA8-A327-176374B1A5E2.

The U.S. Department of Housing and Urban Development (HUD) calculates "median family income" for areas. Dane County (including Madison) is its own HUD median-family-income area.

Data are adjusted for different family sizes.

These data are referred to as "Area Median income" (AMI). Throughout this report we use the term "**AMI**" as a shorthand for area median income.

Data are reported at percentage-levels of AMI.

Adjusted for household size, households who make less than 30 percent of AMI are classified as "extremely low income," households who make below 50 percent of AMI are classified as "very low income," and households who make below 80 percent of AMI are classified as "low income."

All of these reports respond to a growing interest and concern about housing issues by elected officials, communities and citizens. They reflect and a renewed commitment to work together to address these issues.

This report builds on those reports and does not seek to duplicate work already done. For example, this report does not analyze homelessness issues – not because those issues are unimportant (in fact, just the opposite!) but because they have been addressed in Madison's Housing Strategy report. Likewise, this report does not focus on issues of fair housing – also important – because those are covered in CARPC's FHEA analysis and the county's Consolidated Plan. This report also does not emphasize the link between housing affordability and transportation access. Again, not because transportation is unimportant, but because this issue is well covered in CARPC's Report (see particularly section C).[6]

Instead, this report focuses on the regional distribution of housing needs and housing supply and how housing opportunities and needs are distributed across Dane County's communities.

Relationship between income and housing costs. "Affordability" is the relationship between a household's income and its housing costs. In the next three tables, we illustrate the relationship between a household's income and how much they can pay in housing costs for housing to still be considered "affordable." First, in Table 1.2, the most recent (FY14) income category cutoffs by HUD for different AMI (area median income) levels for Dane County (including Madison) are presented. In Table 1.3, these income levels are shown as "affordable" monthly housing costs (spending no more than 30 percent of income on "gross rent.") For example, a family of 3 people with income at 30-percent-of-AMI ($21,850) would need to find rental housing for $546 per month (including utilities) to be considered affordable.

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[6] This report also does not include data on housing for persons with disabilities. Housing for persons with disabilities is a very important issue. However, unfortunately, the data source used for this report (based on the Census American Community Survey) changed the definitions and survey questions on disabilities and therefore does not report data consistently for the time period studied. A further study should be undertaken with better data.

Table 1.2 Dane County (including Madison) FY 2014 Income Limits
Median Family Income (family of 4): $80,800

	Persons in Family					
	1	2	3	4	5	6
Low Income Limits (80% of AMI)	$44,750	$51,150	$57,550	$63,900	$69,050	$74,150
Very Low Income Limits (50% of AMI)	$28,300	$32,350	$36,400	$40,400	$43,650	$46,900
Extremely Low Income Limits (30% of AMI)	$17,000	$19,400	$21,850	$24,250	$27,910	$31,970

Source: HUD, Office of Policy Development and Resesarch, Income Limits Briefing Materials, FY 2014 at: http://www.huduser.org/portal/datasets/il.html
Additional data are released for family sizes larger than 6, but are not reported here for space considerations.

Table 1.3. Dane County (including Madison) FY 2014 "Monthly Affordable Housing Cost" Limits

	Persons in Family					
	1	2	3	4	5	6
Low Income Limits (80% of AMI)	$1,119	$1,279	$1,439	$1,598	$1,726	$1,854
Very Low Income Limits (50% of AMI)	$708	$809	$910	$1,010	$1,091	$1,173
Extremely Low Income Limits (30% of AMI)	$425	$485	$546	$606	$698	$799

Source: Author's calculations, based on data from HUD, Office of Policy Development and Resesarch

Workforce Housing: Another way to think about housing affordability is to examine the wages of different occupations in the Madison region and convert that into how much housing a household could "afford." In Table 1.4, we present data on the "starting" wages (10th percentile) and median (middle) wages for a number of selected occupations.[7] These occupations include categories such as teachers, police officers, nurses, retail workers, drivers, and construction and landscape workers. These occupations are just a sample of different types of occupations to illustrate the relationships between income and housing affordability. For each occupation, Table 1.4 shows the maximum affordable "gross rent" (rent + utility costs) for that wage level. It also shows the price of a house which that income level could potentially afford with an FHA mortgage (3 percent down-payment) with a 30-year fixed rate, with calculations and adjustments for property taxes and home insurance.

It is important to note that the house values in Table 1.4 really represent the "maximum" priced house a person of that income level could likely afford. That is because we calculate this based on the maximum monthly mortgage a person could potentially qualify for given a particular income. These calculations assume that households already have enough savings for down-payments and closing costs, even though many households find this difficult. Second, these calculations assume the household could qualify for the low FHA rates used in the calculations. In truth, mortgage credit is hard to get at present, and borrowers need reasonably high credit scores. For younger first time homebuyers, high levels of student debt, weaker credit ratings, or difficulty saving for a down-payment mean that even the houses listed as "affordable" on Table 1.4 are not available. Likewise, households who experienced unemployment or foreclosures in the recent recession may find even these houses out of reach due to lower credit scores. As discussed in section 12, one potential area where municipalities or the county could help first-time or lower-income homebuyers is with down-payment/closing-cost assistance programs.

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[7] This occupational data is for 2013 for the Madison Metropolitan Statistical Area.

Table 1.4 Income and Affordable Housing Cost Limits for Selected Occupations, Madison Metropolitan Area (2013)

Occupation (Standard Occupation Code)	"Starting" Wage (Annual)	Median Wage (Annual)	Maximum House Value, Starting Wage	Maximum House Value, Median Wage	Affordable Gross Rent, Starting Wage	Affordable Gross Rent, Median Wage
Waiters and Waitresses (353031)	$16,050	$18,660	$57,528	$68,747	$401	$467
Retail Salespersons (412031)	$16,480	$21,150	$59,376	$79,450	$412	$529
Childcare Workers (399011)	$17,030	$22,190	$61,740	$83,921	$426	$555
Landscaping and Groundskeeping Workers (373011)	$17,760	$27,990	$64,878	$108,852	$444	$700
Home Health Aides (311011)	$19,300	$23,730	$71,498	$90,540	$483	$593
Light Truck or Delivery Services Drivers (533033)	$21,120	$32,840	$79,321	$129,700	$528	$821
Construction Laborers (472061)	$21,850	$42,560	$82,459	$171,481	$546	$1,064
Child, Family, and School Social Workers (211021)	$30,550	$51,330	$119,856	$209,179	$764	$1,283
Postal Service Clerks (435051)	$30,970	$53,840	$121,662	$219,969	$774	$1,346
Elementary School Teachers (252021)	$33,840	$51,620	$133,998	$210,426	$846	$1,291
Police and Sheriff's Patrol Officers (333051)	$41,800	$55,260	$168,214	$226,072	$1,045	$1,382
Registered Nurses (291141)	$53,000	$71,270	$216,358	$294,892	$1,325	$1,782

Source: Occupational data from US Bureau of Labor Statistics. "Starting" wage is the 10th percentile of all wages for that occupation in the region. "Median" wage is the 50th percentile annual wage.

Notes: Affordable ownership values calculated based on current FHA mortgage rates as of 12/4/2014, 30-year fixed, 3.5% interest rate to determine maximum loan amount. Assumes 3-percent downpayment, or 97% LTV.

Calculation of affordable housing expenditure based on limiting Principal, Interest, Taxes and Insurance to no more than 30 percent of monthly income. Assumes closing costs and downpayment paid out of savings.

Estimation of property tax rates based on reports by Dane County Treasurer. Average city property tax rate is $18.37 per $1000 value; village average rate is $17.98 per $1000. This analysis uses $18 per $1000 in value

Estimation assumes homeowners insurance of $800 per year.

Data sources and methods:

The primary source of data for this report is a special tabulation of Census data published by the U.S. Department of Housing and Urban Development (HUD), known as the "Comprehensive Housing Affordability Strategy" (CHAS). These data are normally made available only to HUD grantees for planning purposes. However, these data are also available at HUD's website but not easily accessible.[8]

HUD's special tabulations provide more detailed information on housing costs, affordability and income levels than regular Census data. The most recent version of the CHAS data published by HUD available at the municipal level utilizes the American Community Survey (ACS) data covering the years 2006-2010. What the data add in terms of richness of detail, however they lack in terms of being almost 4 years old. In Table 5.1B we do try to update the housing unit production numbers through the end of 2013. However, nearly all the rest of the tables on housing needs and affordability are only through the end of 2010. This report should be updated every few years with more recent data. Even though the data is a few years old, the general trends and relationships are still valid and relevant.

Because the focus of this report is on all the municipalities in Dane County, some data for some municipalities with small populations is not available because of "margins-of-error." HUD or the Census simply do not report these data. In other cases, the data are rounded to protect confidentiality. These limitations are reflected in the relevant table source notes. The data presented in this report, like all sample data, is subject to sampling variation, expressed as the "margin of error." For simplicity of presentation in this report, we do not present the margins of error for each data point in each table.

Additional census data was collected, as identified in each of the tables. The City of Edgerton was removed from this analysis, because only a small sliver of the city is in Dane County.[9]

For formatting reasons (because all municipalities cannot fit on one table), each table is presented in 2 portions: one covering the cities and villages of Dane County, and a second one covering the towns. Generally, cities and villages are incorporated areas where urban services such as water supply and sewer service are available. As described below, multi-family housing developments (for example) may not be appropriate where urban services are not available.

Outline of Report:

We begin with basic demographic and income statistics, reported in sections 2 and 3. In section 4, data on housing costs are reported, including measures of housing costs for owners and renters. In section 5, we present detailed information on the housing supply of municipalities, including specific data on the ownership and rental housing stock. Section 6 examines the "affordable" housing stock. In sections 7 and 8, we examine the two most common "housing problems" – cost-burdens and

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[8] These data are very cumbersome to acquire and work with because of HUD's antiquated computer system and the format in which the data are available. The data were downloaded and compiled by graduate students in Prof. Paulsen's Housing and Public Policy course in the spring semester of 2014, and were carefully checked for errors and consistency.
[9] The Dane County portion of Edgerton was reported in the HUD data to have a population of only 38 people, 20 households, and 20 housing units.

overcrowding. Section 7 presents data on cost-burdened households while Section 8 examines overcrowded housing. Section 9 presents special data on senior housing issues. In section 10, we examine a number of alternative scenarios for calculating the gap between affordable housing supply and needs. In section 11, we present a number of alternative forecasts or projections of future affordable housing needs in the county. Section 12 discusses the municipal "tool box" of strategies, policies and financial tools to promote affordable housing development.

2. Demographics and housing demand.

We begin our analysis of housing conditions in Dane County by examining the changing demand for housing. The two main drivers of housing demand are household demographics (age, household size, household structure, children present, etc.) and household income. Section 2 focuses on demographics and section 3 examines income.

The demographic profile of any particular community reflects the demand characteristics of households and the available housing supply in each community. For example, if a community offers a less diverse housing supply without affordable units for larger families or single renters or seniors (for example), those households may not reside in that municipality, even if they would otherwise prefer to.

Therefore, it is important to note that differences in demographic characteristics between municipalities may not reflect only housing demand, but also housing-supply differences in the types, sizes and prices of housing communities permit.

Table 2.1 presents some basic demographics of each Dane County community, including homeownership rates and indicators of housing demand (over age 65, households with children present, and single-person households.)

Table 2.1 Basic Demographics: Indicators of Housing Demand

	Population	Households	Average Household Size	Homeownership Rate (percent)	Age 65+ (percent)	Households with Children (percent)	Single-person Households (percent)
DANE COUNTY (Total)	477,748	196,383	2.43	62%	10.0%	29.4%	31.4%
CITIES:							
Fitchburg	24,466	9,392	2.60	53%	7.5%	34.9%	24.7%
Madison	229,236	98,216	2.33	52%	9.4%	23.5%	37.4%
Middleton	17,164	7,756	2.21	61%	10.8%	26.4%	34.2%
Monona	7,598	3,872	1.96	61%	19.3%	19.1%	46.1%
Stoughton	12,599	5,121	2.46	66%	14.4%	33.0%	30.2%
Sun Prairie	27,808	10,941	2.54	64%	9.7%	35.9%	26.3%
Verona	10,033	3,919	2.56	74%	10.1%	40.5%	28.3%
Cities Total/Averages	**328,904**	**139,217**	**2.38**	**61.7%**	**11.6%**	**30.5%**	**32.5%**
VILLAGES:							
Belleville	1,853	804	2.30	73%	10.9%	34.2%	23.8%
Black Earth	1,258	540	2.33	81%	15.3%	25.9%	27.6%
Blue Mounds	700	287	2.44	92%	9.0%	34.8%	31.4%
Brooklyn	736	272	2.71	92%	4.5%	41.9%	17.3%
Cambridge	1,251	549	2.28	81%	18.9%	27.0%	31.1%
Cottage Grove	5,824	1,984	2.94	76%	9.3%	51.0%	18.5%
Cross Plains	3,465	1,363	2.54	70%	8.3%	44.6%	22.9%
Dane	1,183	380	3.11	79%	6.5%	50.0%	8.7%
Deerfield	2,048	781	2.62	76%	7.2%	46.1%	26.0%
DeForest	8,669	3,240	2.68	75%	7.2%	41.7%	20.8%
McFarland	7,574	3,046	2.49	75%	10.4%	36.3%	23.7%
Maple Bluff	1,352	549	2.46	85%	16.3%	31.3%	17.3%
Marshall	3,793	1,495	2.54	83%	10.3%	39.9%	21.1%
Mazomanie	1,503	575	2.61	72%	10.3%	41.0%	20.9%
Mount Horeb	6,807	2,698	2.52	66%	11.7%	43.0%	29.7%
Oregon	8,942	3,499	2.56	76%	9.8%	40.9%	24.9%
Rockdale	215	86	2.50	78%	9.8%	24.4%	20.9%
Shorewood Hills	1,593	628	2.54	91%	19.5%	3.7%	16.1%
Waunakee	11,557	4,267	2.71	77%	9.5%	45.7%	22.1%
Villages Total/Averages	**70,323**	**27,043**	**2.57**	**78.8%**	**10.8%**	**37.0%**	**22.3%**

Source: HUD-CHAS special tabulations based on 2006-2010 American Community Survey (ACS).

Table 2.1 (continued) Basic Demographics: Indicators of Housing Demand

	Population	Households	Average Household Size	Homeownership Rate (percent)	Age 65+ (percent)	Households with Children (percent)	Single-person Households (percent)
DANE COUNTY (Total)	477,748	196,383	2.43	62%	10.0%	29.4%	31.4%
TOWNS:							
Albion	2,035	768	2.65	85%	11.2%	34.1%	21.4%
Berry	1,212	483	2.51	93%	15.8%	25.7%	18.8%
Black Earth	536	201	2.67	86%	13.8%	34.3%	15.9%
Blooming Grove	1,729	797	2.17	73%	11.1%	17.4%	36.1%
Blue Mounds	1,190	437	2.72	71%	7.8%	44.6%	14.0%
Bristol	3,572	1,196	2.99	88%	6.5%	44.2%	10.1%
Burke	3,210	1,251	2.57	76%	10.3%	36.3%	20.4%
Christiana	1,325	506	2.62	82%	12.5%	33.8%	20.2%
Cottage Grove	3,868	1,509	2.56	91%	6.7%	34.1%	17.1%
Cross Plains	1,631	579	2.82	93%	15.1%	36.4%	15.4%
Dane	1,053	370	2.85	75%	10.5%	47.3%	14.6%
Deerfield	1,393	476	2.93	88%	6.5%	35.3%	15.3%
Dunkirk	1,985	820	2.42	81%	14.1%	28.2%	23.5%
Dunn	5,000	2,071	2.41	90%	12.8%	28.9%	23.9%
Madison	6,300	2,873	2.19	44%	4.7%	25.8%	53.0%
Mazomanie	1,124	409	2.75	91%	10.7%	37.2%	16.4%
Medina	1,434	483	2.97	89%	8.4%	39.5%	15.1%
Middleton	5,618	1,923	2.92	91%	8.3%	47.0%	10.3%
Montrose	947	384	2.47	83%	12.7%	24.0%	18.8%
Oregon	3,173	1,144	2.77	96%	8.4%	38.0%	11.1%
Perry	689	268	2.57	93%	13.8%	32.8%	15.3%
Pleasant Springs	3,134	1,126	2.78	93%	12.3%	32.2%	11.8%
Primrose	718	283	2.54	89%	20.5%	22.3%	14.5%
Roxbury	1,689	622	2.72	93%	11.5%	38.3%	16.6%
Rutland	1,985	806	2.46	92%	11.3%	31.3%	19.7%
Springdale	1,910	675	2.83	90%	10.2%	35.7%	12.3%
Springfield	2,739	931	2.94	89%	9.7%	37.7%	11.3%
Sun Prairie	2,296	793	2.90	85%	9.5%	43.5%	12.5%
Vermont	738	285	2.59	91%	12.1%	33.3%	9.5%
Verona	1,999	750	2.67	87%	8.9%	34.5%	15.9%
Vienna	1,470	560	2.63	87%	10.5%	30.5%	12.1%
Westport	3,900	1,761	2.21	74%	24.7%	20.7%	32.2%
Windsor	6,167	2,322	2.66	79%	11.0%	34.9%	23.2%
York	714	241	2.96	82%	10.9%	40.2%	14.9%
Towns Total/Averages	**78,483**	**30,103**	**2.66**	**85.0%**	**11.3%**	**34.1%**	**18.0%**

Source: HUD-CHAS special tabulations based on 2006-2010 American Community Survey (ACS).

Table highlights: - 84.6 percent of households live in cities and villages. Homeownership rates, on average, are higher in towns. Senior households are more prevalent in cities and towns. Single-person households are more concentrated in cities.

Table 2.2 reports data on the distribution of racial and ethnic categories across municipalities. This table focuses on three categories: non-Hispanic White, African-Americans (non-Hispanic) and persons of Hispanic or Latino origin. These categories are what is reported in HUD's data and may not reflect the full diversity of communities. Exclusion of other groups from this table (Asians,

Native Americans, etc.) is not at all intended to ignore those communities and their housing needs. Rather, it is to keep the tables manageable and to be consistent with other HUD reports. Data may not perfectly line up with other Census reports on racial and ethnic compositions because of how the HUD-CHAS special tabulations are reported. Decades of research have shown that land use regulations which limit the supply of a wide range of housing types and prices potentially may result in segregation of communities along racial, ethnic and income characteristics.[10] As municipalities continue to plan for their own housing needs and housing supply, these data may assist them in thinking about opportunities, regional balance, and housing equity.

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[10] See, for example, the review presented in Paulsen, K. 2012. "The Evolution of Suburban Relative Housing-Unit Diversity." Housing Policy Debate, 22(3): pp. 407-433.

Table 2.2 Basic Demographics: Racial and Ethnic Composition

	Non-Hispanic White (percent)	African American (percent)	Hispanic Origin (percent)
DANE COUNTY (Total)	82.8%	4.8%	5.5%
CITIES:			
Fitchburg	69.4%	7.9%	13.9%
Madison	76.6%	7.4%	6.3%
Middleton	83.2%	1.9%	5.0%
Monona	92.3%	1.1%	5.5%
Stoughton	93.3%	0.3%	2.3%
Sun Prairie	86.4%	3.9%	4.0%
Verona	90.5%	0.4%	3.8%
Cities Total/Averages	**78.6%**	**6.3%**	**6.4%**
VILLAGES:			
Belleville	97.1%	0.0%	1.6%
Black Earth	93.1%	0.0%	2.7%
Blue Mounds	98.0%	0.0%	0.6%
Brooklyn	93.6%	0.0%	5.8%
Cambridge	92.5%	0.9%	4.1%
Cottage Grove	88.7%	2.2%	2.4%
Cross Plains	99.8%	0.0%	0.0%
Dane	88.7%	0.0%	11.3%
Deerfield	88.9%	0.0%	7.3%
DeForest	95.5%	1.0%	1.8%
McFarland	94.7%	0.0%	2.2%
Maple Bluff	96.9%	0.7%	0.3%
Marshall	90.2%	0.0%	8.7%
Mazomanie	90.4%	2.1%	2.8%
Mount Horeb	94.3%	1.7%	2.2%
Oregon	95.0%	0.3%	1.9%
Rockdale	100.0%	0.0%	0.0%
Shorewood Hills	86.5%	1.1%	3.2%
Waunakee	94.8%	0.7%	2.2%
Villages Total/Averages	**93.8%**	**0.7%**	**2.7%**

Source: HUD-CHAS special tabulations based on 2006-2010 American Community Survey (ACS).

Table 2.2 (continued) Basic Demographics: Racial and Ethnic Composition

	Non-Hispanic White (percent)	African American (percent)	Hispanic Origin (percent)
DANE COUNTY (Total)	82.8%	4.8%	5.5%
TOWNS:			
Albion	92.3%	0.0%	3.2%
Berry	98.9%	0.0%	0.5%
Black Earth	98.1%	0.4%	0.4%
Blooming Grove	87.4%	1.9%	8.7%
Blue Mounds	97.4%	0.0%	0.6%
Bristol	96.2%	0.2%	1.6%
Burke	91.5%	2.1%	1.3%
Christiana	95.5%	1.7%	0.0%
Cottage Grove	96.6%	0.0%	1.5%
Cross Plains	98.2%	0.0%	0.0%
Dane	94.1%	0.0%	5.6%
Deerfield	92.5%	4.5%	0.6%
Dunkirk	96.3%	0.4%	0.7%
Dunn	88.8%	1.9%	5.5%
Madison	45.6%	17.7%	26.7%
Mazomanie	97.7%	0.0%	0.3%
Medina	89.7%	0.0%	3.8%
Middleton	93.0%	1.0%	2.9%
Montrose	98.0%	0.0%	0.5%
Oregon	96.4%	0.5%	2.5%
Perry	98.3%	0.0%	1.7%
Pleasant Springs	97.9%	0.0%	0.4%
Primrose	96.8%	0.0%	0.0%
Roxbury	99.5%	0.0%	0.0%
Rutland	97.3%	0.1%	1.6%
Springdale	97.0%	0.4%	1.3%
Springfield	90.5%	0.3%	6.9%
Sun Prairie	90.7%	2.2%	1.3%
Vermont	98.4%	0.0%	0.8%
Verona	95.4%	0.0%	0.5%
Vienna	95.4%	0.7%	2.4%
Westport	94.7%	0.0%	1.4%
Windsor	91.8%	0.8%	6.9%
York	99.0%	0.4%	0.6%
Towns Total/Averages	**90.4%**	**2.1%**	**4.5%**

Source: HUD-CHAS special tabulations based on 2006-2010 American Community Survey (ACS).

Table highlights: - racial and ethnic diversity differs widely across Dane County communities. More than 80 percent of all persons-of-color in the County reside in just 3 municipalities (Madison, T. of Madison, and Fitchburg.)

3. Household income.

Table 3.1 presents data on the distribution of household income for residents in each Dane County community. The table shows the percent of residents in each community at various income-levels relative to area median family income (AMI) (30%, 50% 80%, 100% and above 100-percent.

Households with income below 50 percent of AMI are most at risk of housing-cost burdens. Although the percentage of very low income households is bound to be higher in cities where other services and public transit are available, these numbers do indicate a broad need for affordable housing throughout the county, not just in central cities. Lower-income households reside in every municipality.

Table 3.1 Household Income: Distribution of Household Income by Municipality

	Median Household Income	Households with 0-30% AMI (percent)	Households with 30-50% AMI (percent)	Households with 50-80% AMI (percent)	Households with 80-100% AMI (percent)	Households with more than 100% AMI (percent)
DANE COUNTY (Total)	$60,519	12.0%	11.0%	17.1%	11.7%	48.3%
CITIES:						
Fitchburg	$63,050	9.5%	10.8%	18.9%	11.1%	49.7%
Madison	$52,550	16.5%	12.2%	17.5%	11.2%	42.6%
Middleton	$60,243	7.3%	11.9%	20.0%	10.4%	50.5%
Monona	$52,204	14.6%	11.9%	16.5%	15.6%	41.4%
Stoughton	$61,235	8.7%	14.5%	19.3%	12.1%	45.4%
Sun Prairie	$65,652	8.3%	10.6%	15.8%	14.0%	51.3%
Verona	$78,456	6.3%	8.0%	14.4%	10.2%	61.1%
Cities Averages		**14.2%**	**11.9%**	**17.6%**	**11.5%**	**44.8%**
VILLAGES:						
Belleville	$60,263	5.6%	13.7%	16.1%	17.4%	47.2%
Black Earth	$58,306	10.2%	10.2%	20.4%	17.6%	41.7%
Blue Mounds	$54,375	12.3%	14.0%	17.5%	14.0%	42.1%
Brooklyn	$68,750	9.3%	3.7%	18.5%	13.0%	55.6%
Cambridge	$63,466	8.3%	11.9%	16.5%	15.6%	47.7%
Cottage Grove	$75,833	8.3%	6.1%	14.6%	11.6%	59.3%
Cross Plains	$66,615	10.3%	8.1%	12.8%	22.3%	46.5%
Dane	$80,357	1.1%	14.5%	11.9%	11.9%	60.7%
Deerfield	$64,861	9.6%	10.3%	14.1%	16.0%	50.0%
DeForest	$68,786	2.9%	7.4%	25.6%	11.4%	52.6%
McFarland	$73,814	4.9%	6.9%	13.4%	12.1%	62.6%
Maple Bluff	$138,750	4.5%	7.3%	7.3%	4.5%	76.4%
Marshall	$53,457	9.0%	11.3%	21.3%	25.0%	33.3%
Mazomanie	$54,514	10.5%	12.3%	21.9%	15.8%	39.5%
Mount Horeb	$60,764	8.1%	10.0%	22.8%	11.9%	47.2%
Oregon	$79,517	7.7%	5.7%	16.9%	7.0%	62.7%
Rockdale	$53,929	4.8%	4.8%	36.1%	12.0%	42.2%
Shorewood Hills	$131,848	11.8%	8.8%	32.4%	23.5%	23.5%
Waunakee	$80,166	4.2%	8.8%	16.0%	12.2%	58.8%
Villages Averages		**6.6%**	**8.4%**	**17.9%**	**13.0%**	**54.1%**

Source: HUD-CHAS special tabulations based on 2006-2010 American Community Survey (ACS).

Table 3.1 (continued) Household Income: Distribution of Household Income by Municipality

	Median Household Income	Households with 0-30% AMI (percent)	Households with 30-50% AMI (percent)	Households with 50-80% AMI (percent)	Households with 80-100% AMI (percent)	Households with more than 100% AMI (percent)
DANE COUNTY (Total)	$60,519	12.0%	11.0%	17.1%	11.7%	48.3%
TOWNS:						
Albion	$59,571	9.7%	13.6%	19.5%	11.0%	46.1%
Berry	$80,982	0.8%	6.3%	13.6%	16.7%	62.6%
Black Earth	$73,750	5.0%	10.0%	7.5%	15.0%	62.5%
Blooming Grove	$53,775	6.3%	9.4%	25.2%	17.6%	41.5%
Blue Mounds	$75,302	8.0%	4.5%	15.9%	12.5%	59.1%
Bristol	$93,229	2.5%	4.6%	7.9%	11.3%	73.6%
Burke	$66,673	2.5%	7.4%	21.8%	16.0%	52.3%
Christiana	$57,500	6.9%	10.8%	22.5%	15.7%	44.1%
Cottage Grove	$85,581	1.7%	7.3%	9.6%	11.6%	69.9%
Cross Plains	$94,145	5.2%	4.3%	7.8%	12.1%	70.7%
Dane	$80,625	2.7%	8.1%	18.9%	10.8%	59.5%
Deerfield	$86,944	4.2%	2.1%	13.7%	12.6%	67.4%
Dunkirk	$66,957	8.6%	9.2%	14.7%	14.1%	53.4%
Dunn	$72,480	2.4%	7.2%	18.3%	9.4%	62.7%
Madison	$29,766	23.8%	28.3%	21.2%	7.7%	19.0%
Mazomanie	$76,250	3.7%	7.3%	15.9%	13.4%	59.8%
Medina	$88,594	5.2%	8.2%	9.3%	12.4%	64.9%
Middleton	$113,942	2.3%	2.9%	6.5%	10.4%	77.9%
Montrose	$75,357	6.5%	6.5%	14.3%	15.6%	57.1%
Oregon	$99,167	2.6%	4.4%	8.7%	9.6%	74.7%
Perry	$67,500	5.7%	3.8%	22.6%	13.2%	54.7%
Pleasant Springs	$84,563	2.7%	4.4%	12.0%	10.2%	70.7%
Primrose	$65,417	3.5%	5.3%	21.1%	19.3%	50.9%
Roxbury	$76,458	3.2%	11.3%	13.7%	12.9%	58.9%
Rutland	$75,375	2.5%	6.3%	13.8%	19.4%	58.1%
Springdale	$87,303	2.9%	10.3%	10.3%	9.6%	66.9%
Springfield	$96,553	4.3%	6.5%	7.5%	10.8%	71.0%
Sun Prairie	$70,438	6.3%	11.9%	13.8%	16.4%	51.6%
Vermont	$78,456	7.0%	3.5%	14.0%	17.5%	57.9%
Verona	$100,750	6.0%	5.3%	14.0%	4.7%	70.0%
Vienna	$81,528	4.5%	7.2%	13.5%	9.9%	64.9%
Westport	$82,008	6.2%	10.8%	10.8%	7.6%	64.6%
Windsor	$73,103	9.7%	7.5%	15.7%	8.8%	58.3%
York	$67,813	4.2%	14.6%	10.4%	22.9%	47.9%
Towns Averages		**6.4%**	**9.2%**	**14.3%**	**11.4%**	**58.6%**

Source: HUD-CHAS special tabulations based on 2006-2010 American Community Survey (ACS).

Table highlights*: - Distribution of incomes shows high variability across municipalities. Lower income households (below 50 percent AMI) are more concentrated in cities. Highest concentration of below-50-percent-AMI households in Madison, Fitchburg and Monona. Highest median incomes in villages of Maple Bluff and Shorewood Hills and town of Middleton.*

Table 3.2 focuses on those households more likely to have housing affordability concerns. The measures of potential need include households at or below the federal poverty line (FPL), and households at 30 and 50 percent of area median income, respectively. Rather than reporting raw numbers, Table 3.2 indicates each municipality's percent of the county's overall population in each category. The relative balance of lower-income households across communities reflects the availability of a range of housing choices of types, sizes and prices. The type of analysis shown in Table 3.2 is used in other states to examine what can be called "regional balance" or "fair share."

Table 3.2 Household Income: Relative Distribution of Lower-Income Households, by Municipality

	Percent of County's Population	Percent of County's Persons in Poverty	Percent of County's Households below 30% AMI	Percent of County's Renter Households below 30% AMI	Percent of County's Households below 50% AMI	Percent of County's Renter Households below 50% AMI
CITIES:						
Fitchburg	5.12%	4.56%	3.80%	4.23%	4.23%	4.64%
Madison	47.98%	72.88%	68.80%	73.86%	62.36%	68.23%
Middleton	3.59%	1.60%	2.40%	2.20%	3.29%	3.20%
Monona	1.59%	1.18%	2.40%	2.41%	2.27%	2.13%
Stoughton	2.64%	2.15%	1.89%	1.84%	2.63%	2.53%
Sun Prairie	5.82%	3.81%	3.85%	3.35%	4.58%	4.49%
Verona	2.10%	0.46%	1.04%	1.06%	1.24%	1.29%
Cities Total	**68.84%**	**86.66%**	**84.19%**	**88.95%**	**80.60%**	**86.51%**
VILLAGES:						
Belleville	0.39%	0.12%	0.19%	0.13%	0.34%	0.25%
Black Earth	0.26%	0.08%	0.23%	0.10%	0.24%	0.12%
Blue Mounds	0.15%	0.04%	0.15%	0.00%	0.17%	0.03%
Brooklyn	0.15%	0.08%	0.11%	0.05%	0.08%	0.03%
Cambridge	0.26%	0.10%	0.19%	0.13%	0.24%	0.19%
Cottage Grove	1.22%	0.40%	0.70%	0.52%	0.63%	0.55%
Cross Plains	0.73%	0.45%	0.60%	0.44%	0.55%	0.46%
Dane	0.25%	0.05%	0.02%	0.00%	0.13%	0.06%
Deerfield	0.43%	0.25%	0.32%	0.29%	0.34%	0.30%
DeForest	1.81%	0.49%	0.40%	1.50%	0.74%	1.23%
McFarland	1.59%	0.53%	0.64%	0.62%	0.80%	0.84%
Maple Bluff	0.28%	0.06%	0.11%	0.05%	0.14%	0.10%
Marshall	0.79%	0.28%	0.57%	0.16%	0.68%	0.22%
Mazomanie	0.31%	0.17%	0.26%	0.26%	0.29%	0.21%
Mount Horeb	1.42%	0.87%	0.94%	0.54%	1.09%	0.78%
Oregon	1.87%	0.86%	1.15%	0.99%	1.04%	0.93%
Rockdale	0.05%	0.03%	0.02%	0.00%	0.02%	0.01%
Shorewood Hills	0.33%	0.06%	0.09%	0.02%	0.08%	0.02%
Waunakee	2.42%	0.79%	0.77%	0.26%	1.23%	0.93%
Villages Total	**14.72%**	**5.70%**	**7.43%**	**6.06%**	**8.83%**	**7.28%**

Source: HUD-CHAS special tabulations based on 2006-2010 American Community Survey (ACS).

Table 3.2 (continued) Household Income: Relative Distribution of Lower-Income Households, by Municipality

	Percent of County's Population	Percent of County's Persons in Poverty	Percent of County's Households below 30% AMI	Percent of County's Renter Households below 30% AMI	Percent of County's Households below 50% AMI	Percent of County's Renter Households below 50% AMI
TOWNS:						
Albion	0.43%	0.23%	0.32%	0.10%	0.40%	0.13%
Berry	0.25%	0.02%	0.02%	0.00%	0.08%	0.01%
Black Earth	0.11%	0.04%	0.04%	0.05%	0.07%	0.04%
Blooming Grove	0.36%	0.22%	0.21%	0.08%	0.28%	0.16%
Blue Mounds	0.25%	0.08%	0.15%	0.10%	0.12%	0.10%
Bristol	0.75%	0.21%	0.13%	0.00%	0.19%	0.00%
Burke	0.67%	0.16%	0.13%	0.26%	0.27%	0.31%
Christiana	0.28%	0.16%	0.15%	0.02%	0.20%	0.04%
Cottage Grove	0.81%	0.04%	0.11%	0.00%	0.30%	0.03%
Cross Plains	0.34%	0.09%	0.13%	0.02%	0.12%	0.02%
Dane	0.22%	0.03%	0.04%	0.02%	0.09%	0.09%
Deerfield	0.29%	0.10%	0.09%	0.02%	0.07%	0.01%
Dunkirk	0.42%	0.43%	0.30%	0.29%	0.32%	0.22%
Dunn	1.05%	0.05%	0.21%	0.00%	0.44%	0.18%
Madison	1.32%	2.95%	2.91%	3.09%	3.32%	3.14%
Mazomanie	0.24%	0.08%	0.06%	0.02%	0.10%	0.02%
Medina	0.30%	0.04%	0.11%	0.02%	0.14%	0.06%
Middleton	1.18%	0.13%	0.19%	0.05%	0.22%	0.15%
Montrose	0.20%	0.07%	0.11%	0.10%	0.11%	0.09%
Oregon	0.66%	0.28%	0.13%	0.08%	0.18%	0.04%
Perry	0.14%	0.06%	0.06%	0.02%	0.06%	0.02%
Pleasant Springs	0.66%	0.17%	0.13%	0.00%	0.18%	0.00%
Primrose	0.15%	0.06%	0.04%	0.02%	0.06%	0.04%
Roxbury	0.35%	0.06%	0.09%	0.02%	0.20%	0.06%
Rutland	0.42%	0.08%	0.09%	0.02%	0.16%	0.04%
Springdale	0.40%	0.05%	0.09%	0.05%	0.20%	0.07%
Springfield	0.57%	0.09%	0.17%	0.02%	0.22%	0.10%
Sun Prairie	0.48%	0.35%	0.21%	0.00%	0.32%	0.07%
Vermont	0.15%	0.05%	0.09%	0.05%	0.07%	0.03%
Verona	0.42%	0.07%	0.19%	0.13%	0.19%	0.09%
Vienna	0.31%	0.07%	0.11%	0.05%	0.14%	0.07%
Westport	0.82%	0.18%	0.47%	0.44%	0.66%	0.52%
Windsor	1.29%	0.87%	0.96%	0.88%	0.89%	0.78%
York	0.15%	0.08%	0.04%	0.00%	0.10%	0.07%
Towns Total	**16.43%**	**7.64%**	**8.24%**	**6.04%**	**10.45%**	**6.87%**

Source: HUD-CHAS special tabulations based on 2006-2010 American Community Survey (ACS).

Table highlights: *- The cities collectively have about 69 percent of the county population, but provide housing for 87 percent of the county's poor and 89 percent of the county's extremely low income (below 30 percent AMI) rental households. Madison has less than 48 percent of the county's population but itself houses 73 percent of the county's poor and 73 percent of the county's extremely low income renter households and 68 percent of the county's very low income renter households.*

4. Housing costs.

For most households, the cost of housing is the single largest component of their household budget. When households pay too much in housing, their ability to afford decent food, health care, transportation and educational expenses becomes stressed.

News media regularly report a number of "housing price" indices. However, it is important to be precise and careful when talking about housing "costs."

Housing in Dane County is comparatively more expensive than housing in other parts of the Midwest and the US. This reflects both the higher quality of life and the lower rates of unemployment in our area. Construction costs in Madison are about the national average.[11]

According to the most recent sales data from the National Association of Realtors for the end of 2013, the median sales price of an existing single-family home in the Madison MSA (metropolitan statistical area)[12] was $218,500. This makes the Madison MSA the 37th most expensive metro for median house prices out of 172 metro regions in the National Realtors survey.[13]

In terms of rental housing costs, we collected data on "gross rents" for all 366 metropolitan areas in the United States for 2012, the most recent data available. The Madison MSA (metropolitan statistical area) median gross rent was $850, making our region the 107th most expensive metro rental market out of 366 – the top third of rental markets.

However, unlike many coastal metros where land available for development of housing is low, recent research shows that the relatively high housing costs in Dane County are more reflective of economic fundamentals (incomes, land costs, construction costs, etc.) rather than overly restrictive supply constraints.[14]

Median house price and median rent data, however, may be misleading because these do not adjust for *quality* or *size* of housing units. Since new housing is more likely to be at the higher end of its category, the median rent or median house price can increase even though the average renter or homeowner does not face increased costs. Instead, increases in median prices often reflect larger or more expensive homes being built. Therefore, to truly understand changes in housing costs, we need to use data sources that adjust for size and quality of housing units.

The Federal Housing Finance Agency (FHFA) publishes a "constant-quality" House Price Index (HPI) which is the most widely used measure of true ownership-housing prices in the U.S.[15] Figure 4.1 shows the constant-quality house price indices for the Madison area MSA, compared to the State of Wisconsin, and the US overall. The index is scaled to be equal to the value of 100 in 1995. When we scale an index to 100 that means, for example, that a score of 120 means a 20 percent increase.

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[11] In a 2011 report by R.S. Means, Madison area residential constructions costs were at 98 percent of the national average.
[12] The Madison area Metropolitan Statistical Area includes Columbia, Dane and Iowa counties.
[13] http://www.realtor.org/topics/metropolitan-median-area-prices-and-affordability/data.
[14] See the report by Prof. Paulsen to the Capital Area Regional Planning Commission: "Evaluation of CARPC's Policies on Housing Prices in Dane County."
[15] Available at: http://www.fhfa.gov/DataTools/Downloads/pages/house-price-index.aspx.

The chart shows that from 1995 until about 2008/2009, Madison area house prices moved similarly to house prices in Wisconsin overall. Neither Madison nor Wisconsin experienced as drastic an upswing in house prices during the "bubble" years of 2003 through 2007, and also did not experience as sharp a decline in house prices after 2007. Differences between Madison and the state of Wisconsin from 2009 forward represent the relative strength of the Dane County market relative to the rest of the state – Madison's market has remained strong while there has been some weakness in the rest of the state. These data show that, while the Dane County market has remained relatively strong, there has not been dramatic increases in housing prices over the past few years. However, housing conditions in Dane County should be monitored carefully. Currently, rental and owner vacancy rates are quite low in historic terms, which could put upward pressure on prices.

Figure 4.1
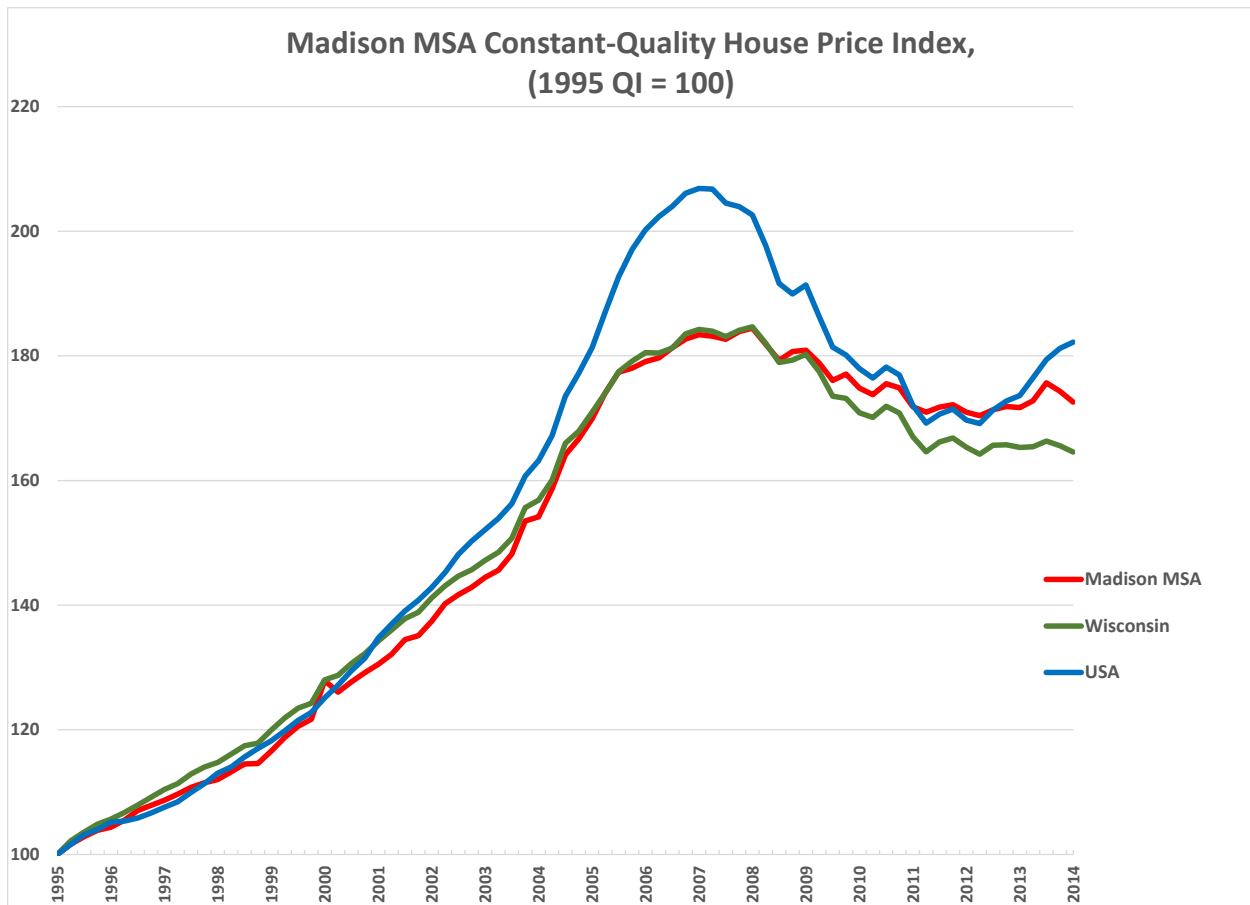
The Census report of "median gross rent" can likewise be misleading, because this measure also does not adjust for unit size and quality. Increases may reflect higher end rental units being built which do not affect the prices average households face to acquire rental housing. As a better source, we present data from HUD which calculates the "fair market rent" for every housing market and for every year. While the "fair market rent" is produced for payments under the Section 8 voucher program, the data are also useful for representing real changes in rental market conditions because of how they are calculated. The fair market rent is calculated as that 2-bedroom unit which rents at

the 40th percentile of 2-bedroom units in the area rental market. It thus adjusts partially for rental unit size and is a better reflection of the true housing conditions faced by households.[16]

Table 4.1 presents HUD's Fair Market Rents for 2-bedroom units in Dane County from 1990 through 2014, both in nominal dollar amounts (top row) and adjusted for inflation (bottom row). These data show that, in inflation adjusted terms, this measure of rents in Dane County has only increased 6.3 percent over these 23 years.

Table 4.1 Dane County, "Fair Market Rent" (2-Bedroom unit)

	1990	1995	2000	2005	2010	2011	2012	2013	2014	Change 1990-2014	Change 2000-2014
Fair Market Rent (nominal)	$474	$603	$667	$746	$899	$877	$867	$889	$898	89.5%	34.6%
Fair Market Rent (in 2010$)	$791	$863	$844	$833	$899	$850	$823	$832	$841	6.3%	-0.4%

Source: HUD, Office of Policy Development and Research.
Note: Fair Market Rent is HUD's estimate of the 40th percentile gross rent (contract rent + utilities), adjusted for unit size (numebr of bedrooms).
Note: Adjustment for inflation to 2010$ utilizes the Consumer Price Index for all urban consumers, CPI-U

These constant-quality house price indices and the fair-market rent data are the best historically consistent measures of housing cost changes, and present an overall picture of housing costs in Dane County. Even though housing in Dane County is relatively more expensive than other regions of the country, the rate of growth of housing costs does not seem excessive.

However, these measures are not available down to the municipal level. Therefore, the data which is available are reported in Table 4.2. The reader should be reminded that the housing cost data in Table 4.2 reflects only through the year 2010 because of the data source.

[16] Academic research indicates that the HUD fair market rent is a very accurate measure of true housing costs in an area. See Easton, T. (2012). "Optimal Housing Cost Estimates for 177 U.S. Metropolitan Areas." Journal of Regional Science 52(3): 469-485.

Table 4.2 Housing Costs: Median House Prices and Rents, by Municipality

	Median Value of Owner-Occupied Housing	Median Contract Rent (all rented units)
DANE COUNTY (Total)	$230,800	$747
CITIES:		
Fitchburg	$270,800	$729
Madison	$220,200	$768
Middleton	$262,900	$720
Monona	$213,100	$622
Stoughton	$191,800	$660
Sun Prairie	$213,400	$760
Verona	$253,600	$795
VILLAGES:		
Belleville	$173,200	$594
Black Earth	$173,500	$566
Blue Mounds	$155,700	$632
Brooklyn	$186,000	$1,031
Cambridge	$177,600	$609
Cottage Grove	$251,900	$954
Cross Plains	$235,800	$694
Dane	$217,300	$680
Deerfield	$183,000	$666
DeForest	$193,700	$753
McFarland	$230,000	$663
Maple Bluff	$482,400	$698
Marshall	$169,800	$668
Mazomanie	$179,800	$648
Mount Horeb	$230,700	$640
Oregon	$225,800	$692
Rockdale	$177,500	$625
Shorewood Hills	$548,100	$1,338
Waunakee	$307,500	$727

Source: HUD-CHAS special tabulations based on 2006-2010 American Community Survey (ACS).

Table 4.2 (continued) Housing Costs: Median House Prices and Rents

	Median Value of Owner-Occupied Housing	Median Contract Rent
DANE COUNTY (Total)	$230,800	$747
TOWNS:		
Albion	$210,500	$610
Berry	$291,100	$825
Black Earth	$314,000	$630
Blooming Grove	$210,000	$625
Blue Mounds	$335,700	$1,066
Bristol	$289,400	$606
Burke	$244,400	$873
Christiana	$245,300	$663
Cottage Grove	$236,800	$904
Cross Plains	$369,600	$725
Dane	$289,000	$605
Deerfield	$273,100	$725
Dunkirk	$227,400	$724
Dunn	$286,200	$697
Madison	$142,700	$590
Mazomanie	$244,600	$671
Medina	$267,900	$925
Middleton	$401,500	$973
Montrose	$246,600	$610
Oregon	$287,400	**
Perry	$279,500	$750
Pleasant Springs	$258,100	$1,064
Primrose	$326,300	$843
Roxbury	$264,800	$725
Rutland	$270,200	$628
Springdale	$373,800	$860
Springfield	$343,900	$805
Sun Prairie	$239,000	$808
Vermont	$388,100	$608
Verona	$374,300	$734
Vienna	$275,000	$729
Westport	$293,100	$684
Windsor	$233,200	$760
York	$285,100	$520

Source: HUD-CHAS special tabulations based on 2006-2010 American Community Survey (ACS).
** data missing. HUD reports the median rent at $99, which is obviously not correct.

Table highlights: *- Highest median house prices in Shorewood Hills, Maple Bluff, and Town of Middleton. High median rent values in towns probably represents rented single-family homes rather than apartments. Lowest median rents in Town of York, and villages of Black Earth and Belleville.*

5. Housing supply.

A general principle of housing economics is that when housing demand increases (new households or increases in income) or when housing prices are higher than construction costs, developers respond by building more housing units. Developers' ability to produce a range of housing units of various sizes, types, and prices is influenced by the availability of developable land with urban services available and by the various zoning and land development policies of each municipality.

In this section, we examine the housing supply (housing stock) for each of Dane County's municipalities, with information on the growth of the housing stock from 2000-2010 and 2010-2013, the composition of the housing stock by housing type, followed by specific information on the ownership and rental stock of each municipality.

From 2000 to 2010, Dane County added over 32,000 net new housing units, a 10-year growth rate of over 18 percent. From 2010 through end of 2013, over 7600 units were authorized by building permits. Table 5.1 shows the housing unit growth in each of Dane County's municipalities from 2000 to 2010. The fastest rates of growth were seen in the communities of Verona and Sun Prairie (cities) and Blue Mounds and Black Earth (towns). Only 49 percent of the new housing units in the county were single-family detached units. This robust housing supply response which produced a variety of housing units (not just detached housing) is one of the reasons housing costs in Dane County have not risen as rapidly as in other parts of the country.

Table 5.1 Housing Supply: New Housing Units Built, 2000-2010

	Total Housing Units: 2000	Total Housing Units: 2010	New Housing Units Added (2000-2010)	Housing Growth Rate (2000-2010)	New Single-Family Detached Units (2000-2010)	Percent of New Units (2000-2010) Single-Family Detached
DANE COUNTY (Total)	180,385	213,140	32,755	18.2%	16,045	49.0%
CITIES:						
Fitchburg	8,662	10,631	1,969	22.7%	861	43.7%
Madison	92,353	107,523	15,170	16.4%	5,434	35.8%
Middleton	7,327	8,727	1,400	19.1%	469	33.5%
Monona	3,937	4,261	324	8.2%	126	38.9%
Stoughton	4,920	5,403	483	9.8%	29	6.0%
Sun Prairie	8,115	11,674	3,559	43.9%	1,645	46.2%
Verona	2,651	4,122	1,471	55.5%	778	52.9%
Cities Total/Averages	**127,965**	**152,341**	**24,376**	**19.0%**	**9,342**	**38.3%**
VILLAGES:						
Belleville	733	822	89	12.1%	50	56.2%
Black Earth	533	582	49	9.2%	60	100%*
Blue Mounds	304	305	**	**	**	**
Brooklyn	184	282	98	53.3%	84	85.7%
Cambridge	449	581	132	29.4%	97	73.5%
Cottage Grove	1,447	2,060	613	42.4%	466	76.0%
Cross Plains	1,222	1,445	223	18.2%	192	86.1%
Dane	293	391	98	33.4%	93	94.9%
Deerfield	770	791	21	2.7%	38	100%*
DeForest	2,725	3,325	600	22.0%	275	45.8%
McFarland	2,477	3,158	681	27.5%	533	78.3%
Maple Bluff	557	596	39	7.0%	**	**
Marshall	1,313	1,660	347	26.4%	275	79.3%
Mazomanie	619	622	**	**	**	**
Mount Horeb	2,315	2,868	553	23.9%	458	82.8%
Oregon	2,915	3,665	750	25.7%	397	52.9%
Rockdale	95	101	6	6.3%	10	100%*
Shorewood Hills	696	644	**	**	**	84.6%
Waunakee	3,271	4,502	1,231	37.6%	1,068	86.8%
Villages Total/Averages	**22,918**	**28,400**	**5,482**	**23.9%**	**4,096**	**74.7%**

Source: US Census, American Community Surveym 2006-2010 data and 2000 SF3 data.

* percentages greater than 100 have been rounded down. ** negative numbers or numbers within the margin of error are not reported to avoid confusion.

Table 5.1 (contined) Housing Supply: New Housing Units Built, 2000-2010

	Total Housing Units: 2000	Total Housing Units: 2010	New Housing Units Added (2000-2010)	Housing Growth Rate (2000-2010)	New Single-Family Detached Units (2000-2010)	Percent of New Units (2000-2010) Single-Family Detached
DANE COUNTY (Total)	180,385	213,140	32,755	18.2%	16,045	49.0%
TOWNS:						
Albion	879	945	66	7.5%	65	98.5%
Berry	428	532	104	24.3%	106	100%*
Black Earth	151	208	57	37.7%	44	77.2%
Blooming Grove	792	818	26	3.3%	**	**
Blue Mounds	294	449	155	52.7%	106	68.4%
Bristol	956	1,305	349	36.5%	238	68.2%
Burke	1,203	1,394	191	15.9%	147	77.0%
Christiana	480	521	41	8.5%	46	100%*
Cottage Grove	1,348	1,538	190	14.1%	173	91.1%
Cross Plains	515	592	77	15.0%	107	100%*
Dane	334	381	47	14.1%	43	91.5%
Deerfield	486	515	29	6.0%	23	79.3%
Dunkirk	738	835	97	13.1%	50	51.5%
Dunn	2,266	2,355	89	3.9%	80	89.9%
Madison	3,478	3,396	**	**	**	**
Mazomanie	480	465	**	**	**	**
Medina	445	492	47	10.6%	34	72.3%
Middleton	1,608	1,957	349	21.7%	337	96.6%
Montrose	447	397	**	**	**	**
Oregon	1,063	1,160	97	9.1%	121	100%*
Perry	270	288	18	6.7%	25	100%*
Pleasant Springs	1,230	1,290	60	4.9%	51	85.0%
Primrose	247	305	58	23.5%	60	100%*
Roxbury	648	691	43	6.6%	32	74.4%
Rutland	700	819	119	17.0%	121	100%*
Springdale	584	715	131	22.4%	130	99.2%
Springfield	1,013	931	**	**	**	**
Sun Prairie	866	817	**	**	**	**
Vermont	302	332	30	9.9%	38	100%*
Verona	804	773	**	**	**	**
Vienna	469	560	91	19.4%	91	100%*
Westport	1,753	2,026	273	15.6%	223	81.7%
Windsor	1,957	2,339	382	19.5%	36	9.4%
York	268	258	**	**	**	**
Towns Total/Averages	**29,502**	**32,399**	**2,897**	**9.8%**	**2,527**	**87.2%**

Source: US Census, American Community Surveym 2006-2010 data and 2000 SF3 data.

* percentages greater than 100 have been rounded down. ** negative numbers or numbers within the margin of error are not reported to avoid confusion.

Table highlights: *- Less than 40 percent of new housing units constructed in the cities are single-family, detached. 91 percent of net new housing units in county (2000-2010) were built in incorporated areas (cities and villages). Nearly half of the county's net new housing units were added in the City of Madison. Fastest average growth rate was in villages.*

Readers should be reminded that Table 5.1 from HUD data only covers through 2010. As such, it does not reflect the significant construction activity in the county since that time. In order to bring the information up to date, Table 5.1B presents information on building permits issued from the beginning of 2010 through the end of 2013. Building permits data are only available for the cities

and villages, however, with all of the towns being combined together. Building permits count the number of housing units authorized, by structure type.

Table 5.1B New Housing Units Authorized by Building Permits, 2010-2013

	Total Building Permits	Building Permits for Single-Family Units	Building Permits for Units in 2-4 Unit Structures	Building Permits for Units in 5+ Unit Multifamily Structures	Single-Family Units as Percent of Building Permits
DANE COUNTY (Total)	**7,637**	**3,203**	**248**	**4,186**	**41.9%**
CITIES:					
Fitchburg	599	114	27	458	19.0%
Madison	3,590	741	71	2,778	20.6%
Middleton	332	217	0	115	65.4%
Monona	73	17	4	52	23.3%
Stoughton	69	36	0	33	52.2%
Sun Prairie	613	247	30	336	40.3%
Verona	446	234	18	194	52.5%
Cities Total	**5,722**	**1,606**	**150**	**3,966**	**28.1%**
VILLAGES:					
Belleville	2	2	0	0	100.0%
Black Earth	13	13	0	0	100.0%
Blue Mounds	27	27	0	0	100.0%
Brooklyn	9	7	2	0	77.8%
Cambridge	3	3	0	0	100.0%
Cottage Grove	49	49	0	0	100.0%
Cross Plains	59	15	4	40	25.4%
Dane	31	31	0	0	100.0%
Deerfield	51	49	2	0	96.1%
DeForest	118	118	0	0	100.0%
McFarland	77	35	42	0	45.5%
Maple Bluff	3	3	0	0	100.0%
Marshall	5	5	0	0	100.0%
Mazomanie	12	12	0	0	100.0%
Mount Horeb	50	42	8	0	84.0%
Oregon	133	127	6	0	95.5%
Rockdale	0	0	0	0	**
Shorewood Hills	184	4	0	180	2.2%
Waunakee	232	232	0	0	100.0%
Villages Total	**1,058**	**774**	**64**	**220**	**73.2%**
Towns Total	**857**	**823**	**34**	**0**	**96.0%**

Source: US Dept. Housing and Urban Development: State of the Cities Database. Series: Annual building permit data
Note: Data for towns is not reported seperately. Data is summarized by Census/HUD as "Dane County unincorporated areas."

Table highlights*: Over 2700 multifamily units were authorized by building permits in Madison from 2010-2013. County wide, 41 percent of new housing units were single-family units. Significant multifamily construction activity in villages of Shorewood Hills and Cross Plains. Very little construction of 2-4 unit structures in this time period – only 3 percent of new units, perhaps indicating difficulty of access to financing. 89 percent of building permit activity was in incorporated (cities and villages) areas.*

Households of different sizes and income levels demand different types and sizes of housing. The availability of these different housing options across communities in Dane County is important for people's ability to find affordable and suitable housing. Not all housing types are available equally in each municipality.

Table 5.2 shows the composition of the housing stock within each municipality as of 2010.[17] For simplicity of presentation, housing units are collapsed into a smaller number of categories:

- 1-unit detached housing
- 1-unit attached housing (such as row houses or town houses),
- 2-4 unit houses, and
- multifamily housing (5 or more units in structure).

Further, 1-unit attached and 2-4 units in structure are combined in some of the analyses. These data describe the physical characteristics of the housing units, not the tenure of the households (ownership or rental.) For example, condominiums can be "ownership" units but in multifamily (5+ units) structures.

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[17] The Census variable used to analyze the physical housing stock is "units in structure."

Table 5.2 Housing Supply: Housing Stock (units in structure), by Municipality, as of 2010

	1-unit, detached	1-unit, attached	2-4 units	Multi-family (5+ units)	Percent 1-unit detached	Percent 1-attached to 4-units	Percent Multi-family (5+ units)
DANE COUNTY (Total)	114,701	16,706	21,694	59,995	53.8%	18.0%	28.2%
CITIES:							
Fitchburg	4,474	1,037	697	4,423	42.1%	16.3%	41.6%
Madison	46,472	7,187	13,789	40,039	43.2%	19.5%	37.3%
Middleton	3,694	781	719	3,533	42.3%	17.2%	40.5%
Monona	2,493	91	206	1,471	58.5%	7.0%	34.5%
Stoughton	2,985	555	788	1,075	55.2%	24.9%	19.9%
Sun Prairie	6,016	1,804	1,353	2,501	51.5%	27.0%	21.4%
Verona	2,470	625	232	795	59.9%	20.8%	19.3%
Cities Total/Averages	**68,604**	**12,080**	**17,784**	**53,837**	**45.0%**	**19.6%**	**35.3%**
VILLAGES:							
Belleville	582	94	77	69	70.8%	20.8%	8.4%
Black Earth	456	24	66	36	78.4%	15.5%	6.2%
Blue Mounds	287	0	15	3	94.1%	4.9%	1.0%
Brooklyn	241	35	6	0	85.5%	14.5%	0.0%
Cambridge	368	115	83	15	63.3%	34.1%	2.6%
Cottage Grove	1,384	386	200	90	67.2%	28.4%	4.4%
Cross Plains	967	44	119	315	66.9%	11.3%	21.8%
Dane	296	48	31	16	75.7%	20.2%	4.1%
Deerfield	582	87	82	40	73.6%	21.4%	5.1%
DeForest	1,937	578	491	319	58.3%	32.2%	9.6%
McFarland	2,287	293	186	392	72.4%	15.2%	12.4%
Maple Bluff	541	9	0	46	90.8%	1.5%	7.7%
Marshall	1,284	140	86	150	77.3%	13.6%	9.0%
Mazomanie	478	31	54	59	76.8%	13.7%	9.5%
Mount Horeb	1,829	227	473	339	63.8%	24.4%	11.8%
Oregon	2,372	560	247	486	64.7%	22.0%	13.3%
Rockdale	84	7	8	2	83.2%	14.9%	2.0%
Shorewood Hills	615	8	0	21	95.5%	1.2%	3.3%
Waunakee	3,054	437	295	716	67.8%	16.3%	15.9%
Villages Total/Averages	**19,644**	**3,123**	**2,519**	**3,114**	**69.2%**	**19.9%**	**11.0%**

Source: US Census, 2010 Census.

Table 5.2 (contined) Housing Supply: Housing Stock (units in structure), by Municipality, as of 2010

	1-unit, detached	1-unit, attached	2-4 units	Multi-family (5+ units)	Percent 1-unit detached	Percent 1-attached to 4-units	Percent Multi-family (5+ units)
DANE COUNTY (Total)	114,701	16,706	21,694	59,995	53.8%	18.0%	28.2%
TOWNS:							
Albion	898	0	31	16	95.0%	3.3%	1.7%
Berry	523	6	0	0	98.9%	1.1%	0.0%
Black Earth	197	0	11	0	94.7%	5.3%	0.0%
Blooming Grove	578	68	92	80	70.7%	19.6%	9.8%
Blue Mounds	393	44	4	8	87.5%	10.7%	1.8%
Bristol	1,171	76	58	0	89.7%	10.3%	0.0%
Burke	1,112	30	53	199	79.8%	6.0%	14.3%
Christiana	501	6	14	0	96.2%	3.8%	0.0%
Cottage Grove	1,425	23	79	11	92.7%	6.6%	0.7%
Cross Plains	586	3	3	0	99.0%	1.0%	0.0%
Dane	364	6	11	0	95.5%	4.5%	0.0%
Deerfield	477	3	35	0	92.6%	7.4%	0.0%
Dunkirk	740	15	43	37	88.6%	6.9%	4.4%
Dunn	2,080	141	80	54	88.3%	9.4%	2.3%
Madison	916	262	399	1,819	27.0%	19.5%	53.6%
Mazomanie	455	7	3	0	97.8%	2.2%	0.0%
Medina	469	17	6	0	95.3%	4.7%	0.0%
Middleton	1,762	20	69	106	90.0%	4.5%	5.4%
Montrose	362	3	16	11	92.3%	4.8%	2.8%
Oregon	1,144	16	0	0	98.6%	1.4%	0.0%
Perry	285	0	3	0	99.0%	1.0%	0.0%
Pleasant Springs	1,262	12	16	0	97.8%	2.2%	0.0%
Primrose	295	0	10	0	96.7%	3.3%	0.0%
Roxbury	684	3	4	0	99.0%	1.0%	0.0%
Rutland	808	5	6	0	98.7%	1.3%	0.0%
Springdale	679	11	25	0	95.0%	5.0%	0.0%
Springfield	883	35	13	0	94.8%	5.2%	0.0%
Sun Prairie	702	74	41	0	85.9%	14.1%	0.0%
Vermont	332	0	0	0	100.0%	0.0%	0.0%
Verona	701	17	41	14	90.7%	7.5%	1.8%
Vienna	522	18	20	0	93.2%	6.8%	0.0%
Westport	1,239	271	82	434	61.2%	17.4%	21.4%
Windsor	1,660	311	113	255	71.0%	18.1%	10.9%
York	248	0	10	0	96.1%	3.9%	0.0%
Towns Total/Averages	**26,453**	**1,503**	**1,391**	**3,044**	**81.7%**	**8.9%**	**9.4%**

Source: US Census, 2010 Census.

Table highlights: the three cities with the most units of multifamily housing (Madison, Fitchburg, and Middleton) together have 80 percent of the county's multifamily stock. Limited supply of multifamily dwellings in villages.

In the next tables, we present information on the different composition of the ownership-housing stock and the rental-housing stock. Not all of the ownership stock is in single-family detached housing, nor is all of the rental stock in multifamily buildings.

Table 5.3 first shows the composition of the ownership-housing stock by municipality, indicating what percent of ownership units are in each type of structure. When it comes to providing affordable options for homeownership, smaller units such as townhouses or duplexes may play an important role, as only 83 percent of the county's ownership-housing stock is in detached housing units.

Table 5.3 Housing Supply: Owner-occupied Housing Stock (units in structure), by Municipality

	Homeownership Rate	% Owner-occupied units 1-unit, detached	% Owner-occupied units 1-unit, attached	% Owner-occupied units, 2-4 units	% Owner-occupied units, 5+ units	% Owner-occupied units, other (mobile home, RV, etc.)
DANE COUNTY (Total)	62%	83.6%	8.2%	2.7%	4.1%	1.3%
CITIES:						
Fitchburg	53%	81.6%	12.9%	1.0%	4.5%	0.0%
Madison	52%	80.5%	8.0%	3.4%	6.8%	1.2%
Middleton	61%	72.0%	13.3%	5.7%	8.2%	0.8%
Monona	61%	91.3%	1.2%	1.1%	5.4%	1.1%
Stoughton	66%	81.4%	10.1%	7.2%	1.3%	0.0%
Sun Prairie	64%	79.6%	16.0%	3.8%	0.6%	0.0%
Verona	74%	81.2%	13.8%	1.4%	3.6%	0.0%
Cities Total/Averages	**62%**	**80.4%**	**9.5%**	**3.5%**	**5.8%**	**0.9%**
VILLAGES:						
Belleville	73%	89.1%	6.3%	2.9%	0.0%	1.7%
Black Earth	81%	93.4%	2.1%	4.6%	0.0%	0.0%
Blue Mounds	92%	60.8%	0.0%	0.0%	0.0%	39.2%
Brooklyn	92%	88.4%	10.4%	1.2%	0.0%	0.0%
Cambridge	81%	74.9%	21.3%	3.8%	0.0%	0.0%
Cottage Grove	76%	88.7%	9.3%	1.9%	0.0%	0.0%
Cross Plains	70%	92.4%	3.4%	0.9%	2.2%	1.0%
Dane	79%	94.0%	3.7%	2.3%	0.0%	0.0%
Deerfield	76%	92.4%	6.3%	1.4%	0.0%	0.0%
DeForest	75%	76.9%	19.6%	3.2%	0.3%	0.0%
McFarland	75%	90.2%	7.7%	2.2%	0.0%	0.0%
Maple Bluff	85%	98.5%	0.9%	0.0%	0.6%	0.0%
Marshall	83%	68.5%	5.3%	2.2%	0.0%	23.9%
Mazomanie	72%	95.4%	1.7%	2.9%	0.0%	0.0%
Mount Horeb	66%	93.5%	2.9%	0.7%	2.8%	0.0%
Oregon	76%	85.2%	11.5%	1.7%	1.6%	0.0%
Rockdale	78%	100.0%	0.0%	0.0%	0.0%	0.0%
Shorewood Hills	91%	96.7%	1.0%	0.0%	2.3%	0.0%
Waunakee	77%	89.5%	8.4%	0.2%	1.9%	0.0%
Villages Total/Averages	**79%**	**86.7%**	**8.6%**	**1.7%**	**1.0%**	**2.0%**

Source: HUD-CHAS special tabulations based on 2006-2010 American Community Survey (ACS).

Table 5.3 (continued) Housing Supply: Owner-occupied Housing Stock (units in structure), by Municipality

	Homeownership Rate	% Owner-occupied units 1-unit, detached	% Owner-occupied units 1-unit, attached	% Owner-occupied units, 2-4 units	% Owner-occupied units, 5+ units	% Owner-occupied units, other (mobile home, RV, etc.)
DANE COUNTY (Total)	62%	83.6%	8.2%	2.7%	4.1%	1.3%
TOWNS:						
Albion	85%	97.9%	0.0%	1.7%	0.0%	0.5%
Berry	93%	98.7%	0.7%	0.0%	0.0%	0.7%
Black Earth	86%	100.0%	0.0%	0.0%	0.0%	0.0%
Blooming Grove	73%	87.7%	10.1%	1.4%	0.5%	0.3%
Blue Mounds	71%	100.0%	0.0%	0.0%	0.0%	0.0%
Bristol	88%	98.5%	1.0%	0.0%	0.0%	0.5%
Burke	76%	96.6%	0.0%	1.0%	2.4%	0.0%
Christiana	82%	93.0%	1.4%	1.9%	0.0%	3.6%
Cottage Grove	91%	96.5%	1.7%	1.0%	0.8%	0.0%
Cross Plains	93%	99.4%	0.6%	0.0%	0.0%	0.0%
Dane	75%	96.8%	1.1%	1.1%	0.0%	1.1%
Deerfield	88%	97.9%	0.0%	2.1%	0.0%	0.0%
Dunkirk	81%	100.0%	0.0%	0.0%	0.0%	0.0%
Dunn	90%	85.7%	5.8%	1.7%	0.0%	6.8%
Madison	44%	43.0%	17.8%	6.3%	17.1%	15.8%
Mazomanie	91%	88.5%	0.8%	0.0%	0.0%	10.7%
Medina	89%	97.2%	0.7%	0.0%	0.0%	2.1%
Middleton	91%	98.4%	0.0%	1.6%	0.0%	0.0%
Montrose	83%	95.3%	0.9%	3.1%	0.0%	0.6%
Oregon	96%	98.0%	1.5%	0.0%	0.0%	0.5%
Perry	93%	97.2%	0.0%	0.0%	0.0%	2.8%
Pleasant Springs	93%	98.5%	0.6%	1.0%	0.0%	0.0%
Primrose	89%	98.0%	0.0%	1.2%	0.0%	0.8%
Roxbury	93%	95.2%	0.5%	0.0%	0.0%	4.3%
Rutland	92%	98.9%	0.7%	0.4%	0.0%	0.0%
Springdale	90%	95.2%	1.3%	3.5%	0.0%	0.0%
Springfield	89%	95.3%	2.1%	0.0%	0.0%	2.7%
Sun Prairie	85%	93.6%	3.2%	2.2%	0.0%	0.9%
Vermont	91%	100.0%	0.0%	0.0%	0.0%	0.0%
Verona	87%	95.9%	1.5%	2.6%	0.0%	0.0%
Vienna	87%	97.5%	1.2%	1.2%	0.0%	0.0%
Westport	74%	73.6%	17.3%	1.2%	7.9%	0.0%
Windsor	79%	86.3%	10.6%	0.0%	3.1%	0.0%
York	82%	97.0%	0.0%	3.0%	0.0%	0.0%
Towns Total/Averages	**85%**	**91.2%**	**3.9%**	**1.3%**	**1.7%**	**1.9%**

Source: HUD-CHAS special tabulations based on 2006-2010 American Community Survey (ACS).

Table 5.4 describes the rental housing stock in each municipality. Almost 40 percent of the county's rental stock is *not* in multifamily (5+ units in structure) buildings. Nearly 22 percent of the rental stock is in 2-4 unit buildings. When rental housing is scattered across the county in a number of different places and types, this provides a greater range of choices for renting households to acquire housing. However, this also poses challenges for the long term quality and affordability of the rental stock. According to recently published research on rental-housing supply, "smaller [rental] buildings face more difficult access to financial capital, face more administrative and financial challenges, and may lack economies of scale in terms of management and tenant selection. Many suburban areas face the challenge of an aging [smaller] rental stock in need of investment and rehabilitation, and smaller buildings' reduced capital access may be problematic [for upkeep and reinvestment]."[18]

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[18] Paulsen, K. 2012. "The Evolution of Suburban Relative Housing-Unit Diversity." Housing Policy Debate, 22(3): pp. 407-433.

Table 5.4 Housing Supply: Renter-occupied Housing Stock (units in structure), by Municipality

	% Renter-occupied units 1-unit, detached	% Renter-occupied units 1-unit, attached	% Renter-occupied units, 2-4 units	% Renter-occupied units, 5+ units	% Renter-occupied units, other (mobile home, RV, etc.)
DANE COUNTY (Total)	9.7%	7.7%	21.8%	60.4%	0.4%
CITIES:					
Fitchburg	7.3%	4.9%	12.8%	74.5%	0.4%
Madison	7.4%	5.7%	22.4%	64.3%	0.2%
Middleton	4.6%	5.0%	12.8%	77.7%	0.0%
Monona	7.5%	4.2%	12.1%	76.3%	0.0%
Stoughton	6.8%	10.5%	29.5%	53.2%	0.0%
Sun Prairie	7.8%	16.6%	26.4%	49.2%	0.0%
Verona	8.2%	14.1%	15.2%	62.5%	0.0%
Cities Total/Averages	**7.3%**	**6.5%**	**21.3%**	**64.7%**	**0.2%**
VILLAGES:					
Belleville	13.5%	26.5%	27.9%	32.1%	0.0%
Black Earth	21.4%	14.6%	36.9%	27.2%	0.0%
Blue Mounds	25.0%	0.0%	29.2%	12.5%	33.3%
Brooklyn	42.9%	42.9%	14.3%	0.0%	0.0%
Cambridge	13.1%	11.2%	61.7%	14.0%	0.0%
Cottage Grove	4.9%	50.7%	25.8%	18.6%	0.0%
Cross Plains	17.8%	2.7%	20.2%	59.3%	0.0%
Dane	4.9%	45.7%	29.6%	19.8%	0.0%
Deerfield	17.4%	26.3%	33.7%	21.1%	1.6%
DeForest	7.3%	8.4%	48.6%	35.7%	0.0%
McFarland	19.3%	15.4%	17.8%	47.5%	0.0%
Maple Bluff	56.1%	6.1%	0.0%	37.8%	0.0%
Marshall	26.9%	29.7%	17.7%	25.7%	0.0%
Mazomanie	32.1%	15.1%	21.4%	31.4%	0.0%
Mount Horeb	7.1%	18.9%	44.8%	29.2%	0.0%
Oregon	8.5%	17.4%	24.5%	49.6%	0.0%
Rockdale	42.1%	36.8%	10.5%	10.5%	0.0%
Shorewood Hills	91.1%	3.6%	0.0%	5.4%	0.0%
Waunakee	2.8%	16.5%	22.2%	58.6%	0.0%
Villages Total/Averages	**12.4%**	**18.7%**	**29.4%**	**39.3%**	**0.2%**

Source: HUD-CHAS special tabulations based on 2006-2010 American Community Survey (ACS).

Table 5.4 (continued) Housing Supply: Renter-occupied Housing Stock (units in structure), by Municipality

	% Renter-occupied units 1-unit, detached	% Renter-occupied units 1-unit, attached	% Renter-occupied units, 2-4 units	% Renter-occupied units, 5+ units	% Renter-occupied units, other (mobile home, RV, etc.)
DANE COUNTY (Total)	9.7%	7.7%	21.8%	60.4%	0.4%
TOWNS:					
Albion	70.4%	0.0%	9.6%	13.9%	6.1%
Berry	91.4%	8.6%	0.0%	0.0%	0.0%
Black Earth	41.4%	0.0%	37.9%	0.0%	20.7%
Blooming Grove	23.1%	4.2%	36.3%	36.3%	0.0%
Blue Mounds	48.0%	34.6%	3.1%	6.3%	7.9%
Bristol	69.3%	6.4%	20.7%	0.0%	3.6%
Burke	29.1%	9.8%	3.6%	57.5%	0.0%
Christiana	76.9%	0.0%	6.6%	0.0%	16.5%
Cottage Grove	53.9%	0.0%	46.1%	0.0%	0.0%
Cross Plains	92.3%	0.0%	7.7%	0.0%	0.0%
Dane	73.1%	3.2%	8.6%	0.0%	15.1%
Deerfield	64.3%	5.4%	30.4%	0.0%	0.0%
Dunkirk	37.9%	9.8%	28.1%	24.2%	0.0%
Dunn	83.4%	16.6%	0.0%	0.0%	0.0%
Madison	5.1%	2.2%	20.0%	69.9%	2.8%
Mazomanie	34.3%	11.4%	8.6%	0.0%	45.7%
Medina	56.9%	27.5%	11.8%	0.0%	3.9%
Middleton	21.3%	11.8%	24.3%	42.6%	0.0%
Montrose	65.6%	0.0%	9.4%	17.2%	7.8%
Oregon	100.0%	0.0%	0.0%	0.0%	0.0%
Perry	85.0%	0.0%	15.0%	0.0%	0.0%
Pleasant Springs	83.8%	8.1%	8.1%	0.0%	0.0%
Primrose	76.7%	0.0%	23.3%	0.0%	0.0%
Roxbury	83.7%	0.0%	9.3%	0.0%	7.0%
Rutland	90.5%	0.0%	4.8%	0.0%	4.8%
Springdale	89.9%	4.3%	5.8%	0.0%	0.0%
Springfield	56.2%	17.1%	12.4%	0.0%	14.3%
Sun Prairie	29.3%	44.8%	22.4%	0.0%	3.4%
Vermont	88.5%	0.0%	0.0%	0.0%	11.5%
Verona	50.5%	7.4%	25.3%	14.7%	2.1%
Vienna	56.2%	16.4%	19.2%	0.0%	8.2%
Westport	25.6%	2.4%	14.2%	57.8%	0.0%
Windsor	14.6%	24.2%	23.6%	37.6%	0.0%
York	90.9%	0.0%	9.1%	0.0%	0.0%
Towns Total/Averages	**34.6%**	**8.3%**	**17.6%**	**36.6%**	**3.0%**

Source: HUD-CHAS special tabulations based on 2006-2010 American Community Survey (ACS).

Table highlights: *- 21 percent of the rental stock in cities and 29 percent of the rental stock in villages is in 2-4 unit buildings. Cities with the highest percentage of their rental stock available in multifamily buildings are Middleton, Monona and Fitchburg. Nearly 35 percent of the rental stock in towns is single-family homes.*

When households seek rental housing, the number of bedrooms in the unit may be as important as the location of the unit or the price. National research has identified an undersupply of larger rental units (3 or more bedrooms) which might serve larger families, and an undersupply of smaller rental units (1 or fewer bedrooms) which might better serve one-person and/or senior households.[19]

Table 5.5 presents data on the number of bedrooms for the rental housing stock in Dane County's municipalities. Because a larger proportion of the rental stock in the villages and towns is located in single-family detached houses, the villages and towns have a greater proportion of larger rental units (3 or more bedrooms.)

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[19] Paulsen, K. 2012. "The Evolution of Suburban Relative Housing-Unit Diversity." Housing Policy Debate, 22(3): pp. 407-433.

Table 5.5 Housing Supply: Renter-occupied Housing Stock, unit size by Municipality

	Percent Rental Housing Stock, 0-1 Bedroom(s)	Percent Rental Housing Stock, 2 Bedrooms	Percent Rental Housing Stock, 3+ Bedrooms
DANE COUNTY (Total)	**36.9%**	**42.5%**	**20.7%**
CITIES:			
Fitchburg	36.8%	46.5%	16.8%
Madison	39.3%	42.1%	18.6%
Middleton	52.5%	35.4%	12.1%
Monona	58.1%	33.0%	8.9%
Stoughton	29.7%	47.6%	22.7%
Sun Prairie	26.0%	44.7%	29.3%
Verona	29.4%	55.8%	14.8%
Cities Total/Averages	**39.0%**	**42.4%**	**18.6%**
VILLAGES:			
Belleville	10.2%	80.9%	8.8%
Black Earth	38.8%	36.9%	24.3%
Blue Mounds	25.0%	29.2%	45.8%
Brooklyn	0.0%	0.0%	100.0%
Cambridge	40.2%	46.7%	13.1%
Cottage Grove	7.0%	50.5%	42.5%
Cross Plains	19.5%	56.5%	24.0%
Dane	0.0%	54.3%	45.7%
Deerfield	30.0%	38.4%	31.6%
DeForest	25.5%	51.8%	22.7%
McFarland	29.8%	53.3%	16.9%
Maple Bluff	29.3%	18.3%	52.4%
Marshall	0.0%	69.9%	30.1%
Mazomanie	23.9%	47.8%	28.3%
Mount Horeb	32.0%	45.6%	22.4%
Oregon	27.3%	38.5%	34.1%
Rockdale	10.5%	78.9%	10.5%
Shorewood Hills	8.9%	41.1%	50.0%
Waunakee	33.2%	42.5%	24.3%
Villages Total/Averages	**26.7%**	**36.4%**	**36.9%**

Source: HUD-CHAS special tabulations based on 2006-2010 American Community Survey (ACS).

Table 5.5 (continued) Housing Supply: Renter-occupied Housing Stock, unit size by Municipality

	Percent Rental Housing Stock, 0-1 Bedroom(s)	Percent Rental Housing Stock, 2 Bedrooms	Percent Rental Housing Stock, 3+ Bedrooms
DANE COUNTY (Total)	**36.9%**	**42.5%**	**20.7%**
TOWNS:			
Albion	20.0%	30.4%	49.6%
Berry	0.0%	11.4%	88.6%
Black Earth	37.9%	27.6%	34.5%
Blooming Grove	56.1%	30.2%	13.7%
Blue Mounds	6.3%	10.2%	83.5%
Bristol	0.0%	22.9%	77.1%
Burke	29.1%	50.7%	20.3%
Christiana	4.4%	42.9%	52.7%
Cottage Grove	2.8%	48.2%	48.9%
Cross Plains	7.7%	7.7%	84.6%
Dane	3.2%	22.6%	74.2%
Deerfield	0.0%	19.6%	80.4%
Dunkirk	24.2%	32.7%	43.1%
Dunn	6.5%	40.7%	52.8%
Madison	45.4%	38.3%	16.4%
Mazomanie	0.0%	45.7%	54.3%
Medina	0.0%	25.5%	74.5%
Middleton	28.4%	21.3%	50.3%
Montrose	21.9%	26.6%	51.6%
Oregon	0.0%	14.0%	86.0%
Perry	0.0%	15.0%	85.0%
Pleasant Springs	0.0%	23.0%	77.0%
Primrose	13.3%	10.0%	76.7%
Roxbury	14.0%	14.0%	72.1%
Rutland	0.0%	41.3%	58.7%
Springdale	14.5%	21.7%	63.8%
Springfield	0.0%	17.1%	82.9%
Sun Prairie	0.0%	48.3%	51.7%
Vermont	0.0%	46.2%	53.8%
Verona	8.4%	45.3%	46.3%
Vienna	0.0%	54.8%	45.2%
Westport	47.4%	39.0%	13.6%
Windsor	18.8%	53.9%	27.3%
York	0.0%	9.1%	90.9%
Towns Total/Averages	**25.1%**	**48.4%**	**26.5%**

Source: HUD-CHAS special tabulations based on 2006-2010 American Community Survey (ACS).

Table highlights: - More than 50 percent of the rental stock is in small units (0-1 bedrooms) in Monona, Middleton, and Blooming Grove. Most prevalent rental unit in county is a 2-bedroom unit. Lowest percentage of rental stock with 3+ bedrooms in Monona, Rockdale, and Middleton.

Even though Dane County has added thousands of housing units since 2000 and continues a robust supply of new multifamily construction, rental vacancy rates remain extremely low.

Vacancy rates are considered low when they are below "normal" or "recommended" levels (somewhere between 4 to 7 percent, depending on market conditions).[20] When combined with the higher cost of housing in Dane County, low vacancy rates for rental housing present at least four problems:

1. Households most at risk of housing-related problems may find searching for an affordable and accessible rental unit quite difficult, with competition for scarce units.
2. Second, low vacancy rates can lead to potential rent and housing price acceleration.
3. Low vacancy rates can lead to housing instability for lower-income families. As property owners increase rents, existing households may have to move.
4. In tight rental markets, landlords may increase screening criteria, which may make it harder for households with challenging credit reports or work histories to find adequate housing.

Table 5.6 presents estimates by Madison Gas and Electric (MGE) of most recent rental housing vacancy rates in its service area.

Table 5.6. Rental housing vacancy rates, by zip code, MG&E service area. (Third Quarter, 2014)

City/Zip Code	Total Rental Units	Total Vacant Units	Percent Vacant Units
Servive Area (Total)	55,442	1,572	2.8%
Cross Plains (53528)	316	3	0.95%
Middleton (53562)	3,699	45	1.22%
Oregon (53575)	71	1	1.41%
Waunakee (53597)	381	8	2.10%
Madison (53703)	11,777	289	2.45%
Madison (53704)	8,318	202	2.43%
Madison (53705)	5,702	244	4.28%
Madison/ Fitchburg (53711)	6,216	175	2.82%
Madison (53713)	6,563	244	3.72%
Madison (53714)	2,036	88	4.32%
Madison (53715)	2,989	140	4.68%
Madison/Monona (53716)	1,758	44	2.50%
Madison (53717)	1,090	21	1.93%
Madison (53718)	1,772	15	0.85%
Madison (53719)	1,390	39	2.81%
Madison (53726)	1,364	14	1.03%

Source: MG&E

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[20] Nelson, A. 2004. Planner's Estimating Guide: Projecting Land-Use and Facility Needs. American Planning Association.

6. Affordable housing stock.

This section focuses special attention on the housing stock which is affordable for lower income households. One advantage of the data source used in this report is the detail on housing costs, household income, and family size which allows more precise calculations on housing affordability. Because HUD's special tabulation includes household specific data (not generally available) we can figure out which housing units are affordable to households at various income levels.

In Table 6.1, we show the percentage of ownership and rental units within each community that would be affordable to households making 50, 80 and 100 percent of AMI (for ownership units) or households making 30, 50 or 80 percent of AMI for rental units.

To illustrate these calculations,

> 1. Consider a renter household with 3 persons making exactly 50 percent of area median income ($36,400), and currently living in municipality X.
> 2. Convert annual income to monthly income: $3,033.33.
> 3. Calculate affordable rent expenditure at 30-percent-of-income: $910.
> 4. Estimate percentage of rental units in current resident's municipality X which have rents less than $910.

In interpreting the data, three important considerations must be kept in mind. First, the affordability is calculated at *exactly* 30 or 50 or 80 percent of AMI, even though most people who would fall in any one of these particular income categories make less than the top income amount for that category. In other words, people categorized as making between 30 and 50 percent of AMI do not all have incomes exactly at 50 percent of AMI. So these data overstate the number of units affordable to households in a particular category. Second, these data only reflect *actual* existing units in each particular municipality. If a municipality does not have any rental units which are affordable to a household making 50 percent of AMI, it might not actually have any households with incomes at 50 percent of AMI living in that municipality. Third, for many of the towns and smaller villages, the data is not reported here because of margins of error in the original data. Any numbers less than 10 are suppressed for this reason.

Table 6.1 shows the percentage of ownership and rental units in each municipality which are affordable at different income levels. Focusing on the main income levels for affordability concerns (80 percent of AMI for ownership units and 50 percent of AMI for rental units), we see:

> • 13 percent of ownership units in the county are affordable to households making 80 percent of median[21], and
> • 30 percent of rental units are affordable to households making 50 percent of median.

Recall from Table 3.1 that 23 percent of county households make below 50 percent of AMI and 40 percent make below 80 percent AMI.

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[21] These calculations were performed by HUD for the data and the method of calculating the mortgage payment is not readily transparent.

Table 6.1 Affordable Housing Supply: Units Affordable for Various Income Levels

	Percent Ownerhip Units Affordable for Households at 50% AMI	Percent Ownerhip Units Affordable for Households at 80% AMI	Percent Ownerhip Units Affordable for Households at 100% AMI	Percent Rental Units Affordable for Households at 30% AMI	Percent Rental Units Affordable for Households at 50% AMI	Percent Rental Units Affordable for Households at 80% AMI
DANE COUNTY (Total)	2.1%	13.2%	27.5%	5.0%	30.1%	71.3%
CITIES:						
Fitchburg	0.4%	4.8%	16.6%	2.3%	31.3%	77.2%
Madison	2.0%	14.2%	29.8%	5.4%	29.0%	71.5%
Middleton	3.7%	12.2%	26.6%	4.3%	34.8%	78.1%
Monona	1.1%	17.1%	35.4%	9.7%	47.7%	75.3%
Stoughton	2.9%	21.4%	37.7%	8.4%	46.0%	80.1%
Sun Prairie	0.9%	13.7%	30.7%	2.7%	27.8%	66.1%
Verona	0.0%	8.3%	21.8%	4.8%	25.1%	64.1%
Cities Total/Averages	**1.8%**	**13.6%**	**29.1%**	**5.1%**	**30.2%**	**72.1%**
VILLAGES:						
Belleville	5.1%	25.5%	37.9%	1.9%	20.0%	56.7%
Black Earth	2.7%	25.2%	51.5%	0.0%	37.9%	89.3%
Blue Mounds	18.6%	36.5%	52.1%	0.0%	41.7%	75.0%
Brooklyn	0.0%	18.3%	40.2%	0.0%	0.0%	66.7%
Cambridge	0.9%	21.7%	38.7%	9.3%	35.5%	86.0%
Cottage Grove	0.7%	7.7%	19.7%	0.0%	11.3%	55.7%
Cross Plains	0.0%	10.4%	28.2%	7.4%	43.2%	77.5%
Dane	4.0%	17.4%	28.4%	0.0%	4.9%	48.1%
Deerfield	1.4%	13.5%	37.9%	10.5%	44.2%	72.6%
DeForest	1.0%	23.1%	36.0%	3.8%	14.4%	62.8%
McFarland	0.7%	6.8%	21.9%	3.9%	22.8%	52.7%
Maple Bluff	0.9%	1.7%	4.3%	0.0%	41.5%	53.7%
Marshall	16.5%	40.9%	64.6%	0.0%	30.1%	62.2%
Mazomanie	2.9%	16.8%	38.9%	6.3%	40.3%	82.4%
Mount Horeb	3.7%	12.7%	26.2%	6.5%	17.8%	70.6%
Oregon	0.9%	13.6%	24.7%	7.9%	34.6%	63.2%
Rockdale	11.9%	44.8%	56.7%	0.0%	21.1%	94.7%
Shorewood Hills	1.4%	2.1%	5.6%	0.0%	7.1%	55.4%
Waunakee	2.0%	8.5%	19.1%	3.6%	19.5%	63.1%
Villages Total/Averages	**2.7%**	**14.9%**	**28.8%**	**4.5%**	**24.0%**	**64.3%**

Source: HUD-CHAS special tabulations based on 2006-2010 American Community Survey (ACS).

Table 6.1 (continued) Affordable Housing Supply: Units Affordable for Various Income Levels

	Percent Ownerhip Units Affordable for Households at 50% AMI	Percent Ownerhip Units Affordable for Households at 80% AMI	Percent Ownerhip Units Affordable for Households at 100% AMI	Percent Rental Units Affordable for Households at 30% AMI	Percent Rental Units Affordable for Households at 50% AMI	Percent Rental Units Affordable for Households at 80% AMI
DANE COUNTY (Total)	2.1%	13.2%	27.5%	5.0%	30.1%	71.3%
TOWNS:						
Albion	10.4%	25.3%	44.7%	0.0%	33.9%	53.9%
Berry	1.8%	10.0%	21.2%	0.0%	11.4%	51.4%
Black Earth	2.3%	9.3%	25.6%	0.0%	34.5%	62.1%
Blooming Grove	3.4%	19.1%	33.3%	1.9%	13.7%	69.8%
Blue Mounds	1.3%	5.8%	14.5%	7.9%	14.2%	63.8%
Bristol	1.1%	6.1%	18.1%	0.0%	21.4%	60.0%
Burke	0.4%	8.7%	21.8%	0.0%	9.2%	54.9%
Christiana	4.3%	17.3%	33.5%	4.4%	19.8%	51.6%
Cottage Grove	0.7%	9.9%	19.7%	0.0%	7.1%	24.8%
Cross Plains	0.0%	2.2%	10.0%	0.0%	20.5%	41.0%
Dane	0.0%	5.8%	15.9%	4.3%	24.7%	59.1%
Deerfield	1.9%	7.6%	16.2%	7.1%	7.1%	50.0%
Dunkirk	0.6%	11.8%	32.2%	2.6%	44.4%	72.5%
Dunn	0.5%	9.1%	18.2%	0.0%	15.1%	55.3%
Madison	18.8%	42.9%	58.6%	7.5%	70.5%	99.3%
Mazomanie	3.7%	12.3%	25.4%	40.0%	51.4%	74.3%
Medina	2.3%	9.0%	18.8%	0.0%	7.8%	52.9%
Middleton	0.0%	1.4%	3.4%	0.0%	23.7%	41.4%
Montrose	2.5%	13.4%	26.6%	6.3%	28.1%	46.9%
Oregon	0.4%	2.8%	11.5%	34.9%	34.9%	34.9%
Perry	3.2%	21.8%	33.9%	0.0%	40.0%	80.0%
Pleasant Springs	1.0%	8.8%	20.1%	0.0%	0.0%	13.5%
Primrose	1.6%	6.3%	24.9%	13.3%	46.7%	73.3%
Roxbury	7.3%	13.5%	28.3%	0.0%	18.6%	55.8%
Rutland	1.6%	5.7%	22.5%	0.0%	22.2%	54.0%
Springdale	3.1%	9.9%	15.2%	0.0%	11.6%	37.7%
Springfield	1.2%	4.6%	15.1%	0.0%	3.8%	31.4%
Sun Prairie	4.4%	12.9%	27.2%	0.0%	12.9%	68.1%
Vermont	0.0%	7.9%	14.2%	15.4%	69.2%	100.0%
Verona	0.6%	1.8%	8.1%	15.8%	34.7%	57.9%
Vienna	0.8%	6.2%	18.9%	5.5%	30.1%	63.0%
Westport	2.3%	8.8%	16.0%	0.0%	18.3%	72.2%
Windsor	0.5%	10.9%	19.8%	3.1%	34.4%	66.8%
York	7.1%	14.2%	22.3%	0.0%	56.8%	56.8%
Towns Total/Averages	**2.6%**	**10.6%**	**21.4%**	**4.2%**	**36.3%**	**70.2%**

Source: HUD-CHAS special tabulations based on 2006-2010 American Community Survey (ACS).

Table highlights: *Rental housing affordability gap is largest for households making 50 percent of median or lower. Only 27 percent of all ownership units are affordable to households making the median income. For ownership units, the communities with the smallest percentage of units affordable for median-income households are the Town of Middleton and the villages of Maple Bluff and Shorewood Hills.*

The communities with the highest percentage of ownership units affordable to median-income households are Marshall, Town of Madison, and Rockdale. Looking only at cities and villages, the communities with the highest percentage of rental units affordable to households making 50 percent of AMI are the Monona, Stoughton, and Deerfield. The cities or villages with the lowest percentage of rental units affordable for households with income at 50 percent of AMI are Brooklyn, Dane and Shorewood Hills.[22]

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[22] It is important to note that data for Shorewood Hills ends at 2010. Shorewood Hills, however, has approved construction of a number of affordable multifamily units between 2010 and 2013, as shown in Table 5.1B.

Another way to present the information from Table 6.1 is to examine the "gap" between the number of rental units in each municipality affordable at various income levels compared to the number of households of those income levels *who already reside in each municipality*.

In Table 6.2 we present this "affordable needs gap" for each municipality in the county. (As above, this calculation only examines the actual number of households at 30 or 50 percent of AMI already residing in each municipality, not the broader number of 30 and 50 percent AMI households in the county who would otherwise want to live in each community if additional housing opportunities was available.)

However, before we present this information, we need to adjust the City of Madison numbers reported by HUD to remove college student households.[23] Even though college students are awesome and important to the city, they should not be included in calculations of affordable housing needs.

For the county as a whole, there is a gap of over 11,000 affordable rental units compared to the number of households with incomes at 30 percent of AMI or below, and a gap of 5,800 units affordable to households with incomes at 50 percent of AMI or below.

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[23] This is the methodology to identify how many households in Madison classified by HUD as "low-income cost-burdened renter households" are most likely student households. These households need to be removed from the analysis because they will skew the results. First, 8 census tracts near campus and downtown are identified which are likely home to a number of students. Screening criteria were the percent of renter households, and the age distribution of the occupants of the census tract (predominantly age 18-24 year olds). These 8 census tracts have a homeownership rate of only 4 percent and over 75 percent of the population is between the ages of 18-24. Within these census tracts, there are 4285 cost-burdened extremely low income (below 30 percent AMI) renter households which have a family classification by HUD as "other." Likewise, there are 1065 cost-burdened very low income (between 30 and 50 percent AMI) renter households are classified by HUD as having a family status of "other." It seems a reasonable estimate to conclude that these 5,350 households are a conservative estimate of the number of renter student households in Madison. These households are removed from analysis in calculating affordable housing need. These estimates are about 1000 student rental households lower than estimated in the City of Madison 2014 Housing Report.

Table 6.2 Affordable Housing Supply: Affordable Units Available vs. Eligible Households

	Rental Units Affordable for Households at 30% AMI	Number of Renter-Households 0-30% AMI	Gap (Households minus affordable units)	Rental Units Affordable for Households at 50% AMI	Number of Renter-Households 0-50% AMI	Gap (Households minus affordable units)
DANE COUNTY (Total)	3,725	19,280	11,414	22,425	33,395	5,800
CITIES:						
Fitchburg	100	815	715	1,375	1,550	175
Madison	2,530	9,955	7,425	13,640	17,435	3,795
Middleton	130	425	295	1,055	1,070	15
Monona	145	465	320	715	710	5
Stoughton	145	355	210	795	845	50
Sun Prairie	105	645	540	1,090	1,500	410
Verona	50	205	155	260	430	170
Cities Total			**9,660**			**4,620**
VILLAGES:						
Belleville	*	25	21	43	85	42
Black Earth	*	20	20	39	40	*
Blue Mounds	*	*	*	*	*	*
Brooklyn	*	10	10	*	*	*
Cambridge	10	25	15	38	65	27
Cottage Grove	*	100	100	55	185	130
Cross Plains	30	85	55	175	155	*
Dane	*	*	*	*	*	*
Deerfield	20	55	35	84	100	16
DeForest	30	290	260	115	410	295
McFarland	30	120	90	175	280	105
Maple Bluff	*	10	10	34	35	*
Marshall	*	30	30	75	75	*
Mazomanie	10	50	40	64	70	*
Mount Horeb	60	105	45	165	260	95
Oregon	65	190	125	285	310	25
Rockdale	*	*	*	*	*	*
Shorewood Hills	*	*	*	*	*	*
Waunakee	35	50	15	190	310	120
Villages Total			**871**			**835**

Source: HUD-CHAS special tabulations based on 2006-2010 American Community Survey (ACS).

* Numbers less than 10 are not reported. In HUD's data, numbers 1-7 are rounded to 4 and numbers 8-13 are rounded to 10, to ensure confidentiality and reflect margins of error.

Table 6.2 (continued) Affordable Housing Supply: Affordable Units Available vs. Eligible Households

	Rental Units Affordable for Households at 30% AMI	Number of Renter-Households 0-30% AMI	Gap (Households minus affordable units)	Rental Units Affordable for Households at 50% AMI	Number of Renter-Households 0-50% AMI	Gap (Households minus affordable units)
DANE COUNTY (Total)	3,725	19,280	11,414	22,425	33,395	5,800
TOWNS:						
Albion	*	20	20	39	45	*
Berry	*	*	*	*	*	*
Black Earth	*	10	10	10	14	*
Blooming Grove	*	15	11	29	55	26
Blue Mounds	*	20	10	18	35	17
Bristol	*	*	*	30	*	*
Burke	*	50	50	28	105	77
Christiana	*	*	*	18	14	*
Cottage Grove	*	*	*	*	*	*
Cross Plains	*	*	*	*	*	*
Dane	*	*	*	23	29	*
Deerfield	*	*	*	*	*	*
Dunkirk	*	55	51	68	75	*
Dunn	*	*	*	30	60	30
Madison	120	595	475	1,125	1,050	*
Mazomanie	14	*	*	*	*	*
Medina	*	*	*	*	19	15
Middleton	*	*	*	40	50	*
Montrose	*	20	16	18	30	12
Oregon	15	15	*	15	15	*
Perry	*	*	*	*	*	*
Pleasant Springs	*	*	*	*	*	*
Primrose	*	*	*	14	14	*
Roxbury	*	*	*	*	19	11
Rutland	*	*	*	14	14	*
Springdale	*	*	*	*	25	17
Springfield	*	*	*	*	34	30
Sun Prairie	*	*	*	15	25	*
Vermont	*	*	*	18	10	*
Verona	15	25	*	33	29	*
Vienna	*	*	*	22	25	*
Westport	*	85	85	85	175	90
Windsor	15	170	155	165	260	95
York	*	*	*	25	25	*
Towns Total			**883**			**345**

Source: HUD-CHAS special tabulations based on 2006-2010 American Community Survey (ACS).

* Numbers less than 10 are not reported. In HUD's data, numbers 1-7 are rounded to 4 and numbers 8-13 are rounded to 10, to ensure confidentiality and reflect margins of error.

Table highlights: - Madison provides the vast majority of the affordable rental housing in the County, but also has 65 percent of the total county gap for 30-percent-AMI households and 65 percent of the total county gap for 50-percent-AMI households. Outside of Madison, the largest gaps at the 30 percent AMI level are in Fitchburg, Sun Prairie, and the town of Madison.

7. Cost-burdened renter households.

When families pay more than 30 percent of their income for housing, this means that other important household expenditures such as for food, health care, education, and transportation are negatively impacted. In housing needs analyses, households who pay more than 30 percent of their income for housing are called "cost-burdened" households.

In Dane County overall, there are 28,469 cost-burdened renter households and 36,057 cost-burdened owner households -- a total of 64,526 cost-burdened households -- 32.8 percent of all households in the county.[24] Of the 28,469 cost-burdened renter households, 22,356 (or 78.5 percent) have incomes at 50 percent AMI or below.

In this section, we focus particular attention on the cost burdens of lower-income rental households, the population often with the greater housing needs. Table 7.1 shows the number and percentage, by municipality, of households with income 30 and 50 percent of AMI who currently pay more than 30 percent of their income on housing costs (= "cost burdened").

80.4 percent of households with incomes below 30 percent of median income are cost-burdened, while 78.6 percent of those with incomes 30-50 percent AMI are cost-burdened.

Over 12,000 renter households with incomes at 50 percent of AMI-or-below are "severely cost-burdened" – paying 50 percent or more of income on rent. This is over 44 percent of all renter households with incomes 50 percent of AMI-or-below.

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[24] Student households have been eliminated from this calculation, as above.

Table 7.1 Cost Burdened Renter Households

	Number of Cost-Burdened Renter-Households with Incomes 0-30 % AMI	Percent of Renter-Households with Incomes 0-30% AMI Cost-Burdened	Number of Cost-Burdened Renter-Households with Incomes 30-50% AMI	Percent of Renter-Households with Incomes 30-50% AMI Cost-Burdened
DANE COUNTY (Total)	12,063	80.4%	10,293	78.9%
CITIES:				
Fitchburg	740	90.8%	665	90.5%
Madison	7,855	78.9%	5,790	77.4%
Middleton	305	71.8%	490	76.0%
Monona	355	76.3%	185	75.5%
Stoughton	280	78.9%	395	80.6%
Sun Prairie	535	82.9%	720	84.2%
Verona	165	80.5%	149	66.2%
Cities Total	**10,235**	**79.6%**	**8,394**	**78.6%**
VILLAGES:				
Belleville	18	72.0%	44	73.3%
Black Earth	27	100.0%	14	70.0%
Blue Mounds	*	*	20	100.0%
Brooklyn	14	100.0%	*	*
Cambridge	14	56.0%	33	82.5%
Cottage Grove	105	100.0%	85	100.0%
Cross Plains	70	82.4%	55	78.6%
Dane	*	*	20	100.0%
Deerfield	40	72.7%	47	100.0%
DeForest	50	17.2%	110	91.7%
McFarland	115	95.8%	165	100.0%
Maple Bluff	*	*	14	56.0%
Marshall	30	100.0%	45	100.0%
Mazomanie	42	84.0%	16	80.0%
Mount Horeb	90	85.7%	155	100.0%
Oregon	160	84.2%	70	58.3%
Rockdale	*	*	*	*
Shorewood Hills	*	*	*	*
Waunakee	14	28.0%	210	80.8%
Villages Total	**803**	**68.7%**	**1,115**	**88.3%**

Source: HUD-CHAS special tabulations based on 2006-2010 American Community Survey (ACS).

* Numbers less than 10 are not reported. In HUD's data, numbers 1-7 are rounded to 4 and numbers 8-13 are rounded to 10, to ensure confidentiality and reflect margins of error.

Table 7.1 (continued) Cost Burdened Renter Households

	Number of Cost-Burdened Renter-Households with Incomes 0-30 % AMI	Percent of Renter-Households with Incomes 0-30% AMI Cost-Burdened	Number of Cost-Burdened Renter-Households with Incomes 30-50% AMI	Percent of Renter-Households with Incomes 30-50% AMI Cost-Burdened
DANE COUNTY (Total)	16,340	84.8%	11,320	80.2%
TOWNS:				
Albion	18	90.0%	*	*
Berry	*	*	*	*
Black Earth	*	*	*	*
Blooming Grove	18	100.0%	44	100.0%
Blue Mounds	14	70.0%	14	93.3%
Bristol	*	*	*	*
Burke	49	98.0%	39	70.9%
Christiana	*	*	14	100.0%
Cottage Grove	*	*	*	*
Cross Plains	*	*	*	*
Dane	*	*	12	48.0%
Deerfield	*	*	*	*
Dunkirk	55	100.0%	18	90.0%
Dunn	*	*	45	75.0%
Madison	534	89.7%	305	67.0%
Mazomanie	*	*	*	*
Medina	*	*	14	93.3%
Middleton	*	*	40	100.0%
Montrose	*	*	*	*
Oregon	*	*	*	*
Perry	*	*	*	*
Pleasant Springs	*	*	*	*
Primrose	*	*	*	*
Roxbury	*	*	*	*
Rutland	*	*	*	*
Springdale	*	*	12	80.0%
Springfield	*	*	25	83.3%
Sun Prairie	*	*	18	72.0%
Vermont	*	*	*	*
Verona	15	60.0%	*	*
Vienna	*	*	*	*
Westport	85	100.0%	80	88.9%
Windsor	155	91.2%	40	44.4%
York	*	*	*	*
Towns Total	**1,025**	**88.1%**	**784**	**69.4%**

Source: HUD-CHAS special tabulations based on 2006-2010 American Community Survey (ACS).

* Numbers less than 10 are not reported. In HUD's data, numbers 1-7 are rounded to 4 and numbers 8-13 are rounded to 10, to ensure confidentiality and reflect margins of error.

Table highlights: 18,629 cost-burdened lower-income renter households reside in the cities of Dane County. Outside of the City of Madison, the communities with the highest number of cost-burdened very low income renter households are the Town of Madison, Fitchburg, Middleton, and Stoughton.

The analysis of housing needs typically focus attention on renter households with incomes 50 percent of AMI-or-below, because these families are often the most vulnerable to housing related problems. Table 7.2 provides more specific data on cost-burdened very-low income (50% AMI or below) households, indicating the percentage distribution by family size and whether the household has any person over age 65.[25] Over 50 percent of the cost-burdened very low income households in

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[25] In HUD's data, any household containing at least one person over age 65 is considered an "elderly" household.

the county are in the "other household" category of being non-elderly and non-family.[26] More specific information on senior housing issues is located in Section 9 of this report.

Table 7.2 Very Low-Income Cost Burdened Renter Households

	Total Cost-Burdened Renter Houshehold with Incomes 0-50% AMI	Percent of Cost-Burdened Renter Households (0-50% AMI), small family (2-4 related persons)	Percent of Cost-Burdened Renter Households (0-50% AMI), large family (5+ related persons)	Percent of Cost-Burdened Renter Households (0-50% AMI), elderly	Percent of Cost-Burdened Renter Households (0-50% AMI), other (non-elderly, non-family)
DANE COUNTY (Total)	22,356	28.4%	4.4%	17.0%	50.2%
CITIES:					
Fitchburg	1,405	45.9%	6.8%	6.4%	40.9%
Madison	13,645	27.7%	3.7%	12.5%	56.1%
Middleton	795	15.1%	3.1%	14.5%	67.3%
Monona	540	9.3%	0.0%	44.4%	46.3%
Stoughton	675	28.1%	4.4%	34.1%	33.3%
Sun Prairie	1,255	34.3%	7.6%	21.5%	36.7%
Verona	314	49.4%	0.0%	39.8%	10.8%
Cities Total	**18,629**	**22.4%**	**3.1%**	**11.6%**	**62.9%**
VILLAGES:					
Belleville	62	46.8%	0.0%	53.2%	0.0%
Black Earth	41	9.8%	0.0%	29.3%	61.0%
Blue Mounds	20	50.0%	50.0%	0.0%	0.0%
Brooklyn	14	71.4%	28.6%	0.0%	0.0%
Cambridge	47	31.9%	0.0%	38.3%	29.8%
Cottage Grove	190	28.9%	10.5%	52.6%	7.9%
Cross Plains	125	20.0%	16.0%	20.0%	44.0%
Dane	20	40.0%	0.0%	40.0%	20.0%
Deerfield	87	46.0%	0.0%	20.7%	33.3%
DeForest	160	37.5%	6.3%	6.3%	50.0%
McFarland	280	42.9%	0.0%	37.5%	19.6%
Maple Bluff	24	41.7%	0.0%	0.0%	58.3%
Marshall	75	26.7%	0.0%	0.0%	73.3%
Mazomanie	58	13.8%	17.2%	48.3%	20.7%
Mount Horeb	245	18.4%	18.4%	51.0%	12.2%
Oregon	230	28.3%	0.0%	47.8%	23.9%
Rockdale	*	*	*	*	*
Shorewood Hills	*	*	*	*	*
Waunakee	224	15.6%	0.0%	75.9%	8.5%
Villages Total	**1,918**	**29.1%**	**6.2%**	**40.1%**	**24.5%**

Source: HUD-CHAS special tabulations based on 2006-2010 American Community Survey (ACS). Student households in Madison removed from analysis.
* Numbers less than 10 are not reported. In HUD's data, numbers 1-7 are rounded to 4 and numbers 8-13 are rounded to 10, to ensure confidentiality and reflect margins of error.

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[26] And this is after removing college students from the analysis.

Table 7.2 (continued) Very Low-Income Cost Burdened Renter Households

	Total Cost-Burdened Renter Housheholds with Incomes 0-50% AMI	Percent of Cost-Burdened Renter Households (0-50% AMI), small family (2-4 related persons)	Percent of Cost-Burdened Renter Households (0-50% AMI), large family (5+ related persons)	Percent of Cost-Burdened Renter Households (0-50% AMI), elderly	Percent of Cost-Burdened Renter Households (0-50% AMI), other (non-elderly, non-family)
DANE COUNTY (Total)	22,356	28.4%	4.4%	17.0%	50.2%
TOWNS:					
Albion	26	30.8%	15.4%	0.0%	53.8%
Berry	*	*	*	*	*
Black Earth	18	22.2%	0.0%	22.2%	55.6%
Blooming Grove	62	6.5%	0.0%	46.8%	46.8%
Blue Mounds	28	35.7%	0.0%	0.0%	64.3%
Bristol	*	*	*	*	*
Burke	88	4.5%	4.5%	56.8%	34.1%
Christiana	22	63.6%	0.0%	18.2%	18.2%
Cottage Grove	*	0.0%	0.0%	0.0%	100.0%
Cross Plains	*	0.0%	0.0%	50.0%	50.0%
Dane	16	25.0%	0.0%	25.0%	50.0%
Deerfield	*	*	*	*	*
Dunkirk	73	75.3%	0.0%	11.0%	13.7%
Dunn	45	33.3%	0.0%	33.3%	33.3%
Madison	839	17.3%	9.5%	4.6%	68.5%
Mazomanie	*	*	*	*	*
Medina	18	55.6%	0.0%	44.4%	0.0%
Middleton	40	75.0%	0.0%	0.0%	25.0%
Montrose	14	0.0%	28.6%	0.0%	71.4%
Oregon	*	*	*	*	*
Perry	*	*	*	*	*
Pleasant Springs	*	*	*	*	*
Primrose	*	*	*	*	*
Roxbury	*	*	*	*	*
Rutland	*	*	*	*	*
Springdale	22	0.0%	0.0%	18.2%	81.8%
Springfield	29	0.0%	86.2%	0.0%	13.8%
Sun Prairie	18	0.0%	22.2%	0.0%	77.8%
Vermont	*	*	*	*	*
Verona	15	0.0%	0.0%	0.0%	100.0%
Vienna	*	*	*	*	*
Westport	165	6.1%	0.0%	24.2%	69.7%
Windsor	195	48.7%	0.0%	25.6%	25.6%
York	*	*	*	*	*
Towns Total	**1,809**	**23.7%**	**6.9%**	**14.5%**	**54.9%**

Source: HUD-CHAS special tabulations based on 2006-2010 American Community Survey (ACS). Student households in Madison removed from analysis.
* Numbers less than 10 are not reported. In HUD's data, numbers 1-7 are rounded to 4 and numbers 8-13 are rounded to 10, to ensure confidentiality and reflect margins of error.

Table highlights: *17 percent of all cost-burdened very-low-income renter households in Dane County are elderly households. 40 percent of all cost-burdened very-low-income renter households in the villages are elderly households. Municipalities with the highest percentage of cost-burdened households which are elderly are Waunakee, Christiana, and Belleville. Communities with the highest percentage of cost-burdened households as large families are Springfield, Blue Mounds, Brooklyn and Montrose.*

Recent reports, such as the Race to Equity Report[27] or CARPC's Fair Housing Equity Assessment have drawn attention and conversation to racial disparities in Dane County.[28] In this section, we present data on the racial and ethnic distribution of households with housing problems such as unaffordability (this chapter) or overcrowding (next chapter). Table 7.3 presents information on the number of households in each racial and income category who are classified by HUD as having any 1 out the 4 identified "housing problems." Housing problems, according to HUD, would include inadequate physical structure (lacks adequate kitchen or bathroom facilities), is overcrowded (more than 1 person per room, see Section 8 of this report), or is cost-burdened (pays more than 30 percent of income in rent.)

It is important to recall the racial categories used in the HUD data in this report (see Table 2.2) are non-Hispanic White, non-Hispanic African American, and of Hispanic origin (of any race.) Data on other races and ethnic groups is available, but is not presented here for the same reasons listed in Section 2. It is also important to note that these data are not available only for cost-burdened households and are not available at the municipal level, only at the county level.[29] This is because the margins-of-error for each sub-sub group for each municipality would be too large for reliable estimates. As above, these data have been calculated to remove college students.

Table 7.3 Number of Renter Households (by race, income level) with any of HUD's 4 "Housing Problems"

	0-30 % AMI Households	30-50 % AMI Households	50-80 % AMI Households	Total
Non-Hispanic White	7,228	8,049	5,050	20,327
African American	2,191	1,053	230	3,474
Hispanic Origin	846	724	330	1,900
Total	10,265	9,826	5,610	

Source: author's calculations based on HUD-CHAS data, 2006-2010. Adjustments by author to remove students.

In order to put Table 7.3 in perspective, we present the same information, however this time expressed as the percent of all renter households in each race and income category, in Table 7.4.

Table 7.4 Percent of Renter Households (by race, income level) with any of HUD's 4 "Housing Problems"

	0-30 % AMI Households	30-50 % AMI Households	50-80 % AMI Households	Average
Non-Hispanic White	85.86%	82.77%	35.09%	62.48%
African American	97.33%	70.77%	23.35%	73.54%
Hispanic Origin	96.03%	88.40%	22.07%	59.47%
Average	88.87%	81.67%	33.25%	

Source: author's calculations based on HUD-CHAS data, 2006-2010. Adjustments by author to remove students.

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[27] http://racetoequity.net/dev/wp-content/uploads/WCCF-R2E-Report.pdf.
[28] See also: http://host.madison.com/news/local/city-life/justified-anger-rev-alex-gee-says-madison-is-failing-its/article_14f6126c-fc1c-55aa-a6a3-6c3d00a4424c.html#ixzz356YFmq8i or http://host.madison.com/ct/news/opinion/column/kurt-paulsen-let-s-set-goal-to-cut-county-s/article_ce685cff-2bf8-5a91-8580-08901b2bfb24.html.
[29] Even data at the county level is generally not available, but can only be calculated carefully from CHAS data files.

8. Overcrowded housing.

HUD classifies a housing unit to be "overcrowded" if there is more than one occupant per room in and "severely overcrowded" if there are more than 1.5 occupants per room.[30] When households are overcrowded, this may indicate a lack of affordable larger units or may indicate households doubling-up due to difficult financial circumstances. Table 8.1 shows the percent of rental units in each municipality which are considered to be overcrowded. In Dane County, 3.1 percent of all rental units are considered to be overcrowded. 539 households (or 0.72 percent) are considered to be "severely overcrowded."

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[30] Data on overcrowded housing likely under-estimates the true number of overcrowded households. These data are self-reported in the census, and households may have a number of reasons to underreport the true number of persons residing at a particular address. These reasons could include persons not formally on the lease, concerns about immigration status, fears of domestic violence, etc. As well, many households or individuals experiencing temporary housing difficulties may "double up" with friends or relatives, leading to temporary overcrowding.

Table 8.1 Overcrowded Rental Housing

	Percent of Renter Households Overcrowded
DANE COUNTY (Total)	3.1%
CITIES:	
Fitchburg	5.7%
Madison	3.2%
Middleton	1.2%
Monona	2.6%
Stoughton	3.3%
Sun Prairie	3.2%
Verona	2.9%
Cities Total/Averages	**3.3%**
VILLAGES:	
Belleville	0.0%
Black Earth	3.8%
Blue Mounds	0.0%
Brooklyn	0.0%
Cambridge	0.0%
Cottage Grove	0.0%
Cross Plains	4.4%
Dane	20.0%
Deerfield	2.1%
DeForest	1.1%
McFarland	1.9%
Maple Bluff	0.0%
Marshall	5.6%
Mazomanie	7.5%
Mount Horeb	0.0%
Oregon	2.5%
Rockdale	0.0%
Shorewood Hills	0.0%
Waunakee	0.0%
Villages Total/Averages	**1.7%**

Source: HUD-CHAS special tabulations based on 2006-2010 American Community Survey (ACS).

Table 8.1 (continued) Overcrowded Rental Housing

	Percent of Renter Households Overcrowded
DANE COUNTY (Total)	3.1%
TOWNS:	
Albion	25.7%
Berry	0.0%
Black Earth	0.0%
Blooming Grove	0.0%
Blue Mounds	0.0%
Bristol	0.0%
Burke	0.0%
Christiana	0.0%
Cottage Grove	0.0%
Cross Plains	0.0%
Dane	14.7%
Deerfield	0.0%
Dunkirk	5.8%
Dunn	0.0%
Madison	0.8%
Mazomanie	8.6%
Medina	0.0%
Middleton	0.0%
Montrose	4.6%
Oregon	0.0%
Perry	0.0%
Pleasant Springs	0.0%
Primrose	0.0%
Roxbury	0.0%
Rutland	0.0%
Springdale	0.0%
Springfield	0.0%
Sun Prairie	6.1%
Vermont	0.0%
Verona	0.0%
Vienna	0.0%
Westport	0.0%
Windsor	21.0%
York	0.0%
Towns Total/Averages	**2.9%**

Source: HUD-CHAS special tabulations based on 2006-2010
American Community Survey (ACS).

9. Housing cost burdens for seniors.

Housing issues for seniors will continue to grow as the population ages and Baby Boomers retire. There are many complex issues involved in ensuring affordable housing for seniors, including support for "aging in place" (helping seniors to remain in their own homes) or construction of smaller affordable units for seniors to downsize, or construction of a range of housing with on-site support services. Issues of senior housing deserve a full report on their own, and this report only can provide limited information on existing housing needs of seniors. In this section, we focus on lower-income seniors with significant needs in terms of affordable housing. In Table 9.1 we show the number of cost burdened lower-income senior households (both renters and owners) in each municipality. Recall the households who pay more than 30 percent of their income on housing costs are considered "cost-burdened" while households who pay more than 50 percent of their income on housing are considered "severely cost-burdened." These data only represent those households who currently reside in each municipality.

Table 9.1 Cost-burdened Lower-Income Senior Households, by Municipality

	Cost-burdened Senior Renter Households with incomes below 50% AMI	Severely Cost-burdened Senior Renter Households with incomes below 50% AMI	Cost-burdened Senior Owner Households with incomes below 80% AMI	Severely Cost-burdened Senior Owner Households with incomes below 80% AMI
DANE COUNTY (Total)	**3795**	**2255**	**5630**	**2615**
CITIES:				
Fitchburg	90	55	155	60
Madison	1705	1035	2710	1345
Middleton	115	55	219	105
Monona	240	145	165	65
Stoughton	230	140	110	25
Sun Prairie	270	215	320	110
Verona	125	60	85	30
Cities Total/Averages	**2775**	**1705**	**3764**	**1740**
VILLAGES:				
Belleville	33	18	31	16
Black Earth	12	*	34	*
Blue Mounds	*	*	23	*
Brooklyn	*	*	12	*
Cambridge	18	14	24	12
Cottage Grove	100	60	20	*
Cross Plains	25	25	30	*
Dane	*	*	20	*
Deerfield	18	14	24	*
DeForest	*	*	75	*
McFarland	105	40	75	30
Maple Bluff	*	*	36	28
Marshall	*	*	110	80
Mazomanie	28	14	20	*
Mount Horeb	125	45	100	75
Oregon	110	90	155	55
Rockdale	*	*	*	*
Shorewood Hills	*	*	30	16
Waunakee	170	45	105	55
Villages Total/Averages	**770**	**387**	**928**	**419**

Source: HUD-CHAS special tabulations based on 2006-2010 American Community Survey (ACS).

* Numbers less than 10 are not reported. In HUD's data, numbers 1-7 are rounded to 4 and numbers 8-13 are rounded to 10.

Table 9.1 (continued) Cost-burdened Lower-Income Senior Households, by Municipality

	Cost-burdened Senior Renter Households with incomes below 50% AMI	Severely Cost-burdened Senior Renter Households with incomes below 50% AMI	Cost-burdened Senior Owner Households with incomes below 80% AMI	Severely Cost-burdened Senior Owner Households with incomes below 80% AMI
DANE COUNTY (Total)	**3795**	**2255**	**5630**	**2615**
TOWNS:				
Albion	*	*	28	12
Berry	*	*	16	*
Black Earth	*	*	*	*
Blooming Grove	29	19	18	*
Blue Mounds	*	*	*	*
Bristol	*	*	20	*
Burke	50	40	26	18
Christiana	*	*	31	19
Cottage Grove	*	*	35	15
Cross Plains	*	*	12	12
Dane	*	*	12	*
Deerfield	*	*	24	16
Dunkirk	*	*	47	28
Dunn	15	*	95	55
Madison	39	20	44	34
Mazomanie	*	*	12	*
Medina	*	*	26	18
Middleton	*	*	20	*
Montrose	*	*	20	*
Oregon	*	*	18	14
Perry	*	*	*	*
Pleasant Springs	*	*	41	*
Primrose	*	*	12	*
Roxbury	*	*	12	*
Rutland	*	*	51	12
Springdale	*	*	22	*
Springfield	*	*	26	18
Sun Prairie	*	*	29	19
Vermont	*	*	12	*
Verona	*	*	45	23
Vienna	*	*	30	18
Westport	40	15	59	14
Windsor	50	50	70	15
York	*	*	12	*
Towns Total/Averages	**263**	**168**	**949**	**464**

Source: HUD-CHAS special tabulations based on 2006-2010 American Community Survey (ACS).
* Numbers less than 10 are not reported. In HUD's data, numbers 1-7 are rounded to 4 and numbers 8-13 are rounded to 10.

Table highlights: Communities with the largest number of severely cost-burdened senior rental households are Madison, Sun Prairie, Monona and Stoughton. In the County at large, there are 3795 cost-burdened very-low-income senior rental households (income 50 percent AMI and below) and 5630 cost-burdened low-income senior owner households (income 80 percent AMI or below).

10. Alternative scenarios: Estimating existing affordable housing "needs."

One purposes of the information in this report is to assist community leaders understand the different affordable housing needs across their communities. As communities revise and update comprehensive plans and other development goals, this information can help communities achieve their affordable housing obligations. Wisconsin's Comprehensive Planning Law requires all communities to "provide an adequate housing supply that meets existing and forecasted housing demand … and provide a range of housing choices that meet the needs of persons of all income levels and of all age groups and persons with special needs, … and promote the availability of land for the development or redevelopment of low–income and moderate–income housing …" (Wis. Stat. § 66.1001(2)(b))

There is no universally accepted "best practice" approach to calculating a particular community's "affordable housing need" or "regional fair share." Practice varies across the country. The purpose of this section is to provide a range of possible scenarios for calculating existing and future affordable housing needs. These scenarios reflect strategies and methods adopted in different regions of the country.

The four scenarios presented in this section only consider existing affordable housing needs, not future needs. These numbers represent the potential number of units which would need to be made affordable to remedy *existing* affordable housing needs. Forecasts for future affordable housing needs in section 11. It is also important to note that producing a unit of "affordable" housing would not necessarily involve construction of new units. Rather, many affordable housing program provide funding for existing units.

The first scenario presented in Table 10.1 reconsiders the income distribution data from Table 3.2. There, we presented data showing for each community its percentage of the county's overall population and its percentage of the county's households with income less than 50 percent of AMI. In scenario 1, we calculate how many additional housing units affordable to 50-perecent-AMI-households would be need to be constructed in each community so that its share of the county's under-50-percent-AMI households would be proportional to its share of the county's population. This is one way to calculate "regional balance" or "fair share." Negative numbers are not reported, because they indicate that a particular community already has a greater percentage of the county's under-50-percent-AMI households than its proportion of the population. In this scenario, 7,740 additional units in the county would need to be made affordable to 50-percent-AMI or below households to provide for a regionally balanced population.

Scenario 2 focuses instead on housing supply, and considers what a more regionally balanced housing supply would look like. If we take Dane County as a whole as a single housing market, we see that the distribution of county housing types (from Table 5.2) is 18 percent 1-4 units and 28 percent in 5+ unit structures. Assuming that the construction of more attached and multifamily housing provides more opportunities for affordable housing, Scenario 2 calculates how many additional 1-4 units and how many additional multifamily units would need to be constructed in each municipality to balance the county's overall distribution of housing unit types. As before, negative numbers are not reported. We also do not report estimates of multifamily units for towns because construction of multifamily units is not feasible outside of urban service areas.

Under Scenario 2, over 4,000 units of housing in 1-4 unit structures and nearly 6,500 units of multifamily housing would be needed to be constructed to achieve a more regionally balanced housing supply.

Scenario 3 repeats the analysis from Table 6.2 and may represent one of the most simplistic measures of affordable housing needs assessment. For each municipality, we calculate the number of rental units which are affordable for households at 50 percent of AMI, and the number of renter households *currently residing in the municipality* who make 50 percent of AMI or below. The difference or gap is a measure of the number of affordable units which could need to be supplied in each community to meet the needs of lower-income households who already reside in that community. Scenario 3, however, does not consider regional balance in affordable housing needs. Adding up over the whole county, Scenario 3 indicates a present gap of about 5890 units.

Scenario 4 represents a more aggressive estimate of the number of affordable housing units needed within the county, seeking to remedy the housing needs of all currently cost-burdened very-low-income households. Scenario 4 is simply calculated as the number of currently cost-burdened very low income renter households in each municipality. This simple measure indicates the number of affordable units which would need to be produced to meet the needs of existing households. Under this analysis, the county overall would have a present affordable housing need of 22,356 units.

Each scenario represents one possible way of expanding the diverse supply of housing units to meet the needs of persons of all income levels, ages and needs. Each scenario represents how "fair share" or "affordable need" is calculated in some part of the country.

However, each scenario has advantages and disadvantages in their implication for affordable housing needs and regional balance. For example, in scenarios 1 and 2, cities like Madison show no need for additional affordable units because, from a regional perspective, they are already doing more than their "fair share." However, under scenarios 3 and 4, Madison alone represents more than 50 percent of the county's overall present affordable housing needs. These scenarios are thus presented to provide information for discussion among policy makers, community leaders, and stakeholders regarding how best to meet the affordable housing needs of all families in the county.

Table 10.1 Alternative Scenarios, Existing: Balanced Housing Supply and Affordable Needs Gap

	Scenario 1 (balanced population 0-50% AMI)	Scenario 2 (balanced housing supply proportion, 1-attached to 4 units)	Scenario 2 (balanced housing supply, multifamily units)	Scenario 3 (Gap between households with incomes 0-50% AMI and affordable units)	Scenario 4 (# of cost-burdened renter households, 0-50 % AMI)
DANE COUNTY (Total)	7,740	4,360	6,479	5,890	22,356
CITIES:					
Fitchburg	401	182	*	175	1,405
Madison	*	*	*	3,795	13,645
Middleton	136	73	*	15	795
Monona	*	471	*	*	540
Stoughton	*	*	446	50	675
Sun Prairie	562	*	786	410	1,255
Verona	388	*	366	170	314
Cities Total	**1,487**	**725**	**1,597**	**4,615**	**18,629**
VILLAGES:					
Belleville	20	*	162	42	62
Black Earth	*	15	128	*	41
Blue Mounds	*	40	83	*	20
Brooklyn	35	*	79	*	14
Cambridge	*	*	149	27	47
Cottage Grove	265	*	490	130	190
Cross Plains	77	97	92	*	125
Dane	53	*	94	*	20
Deerfield	38	*	183	16	87
DeForest	484	*	617	295	160
McFarland	355	90	497	105	280
Maple Bluff	63	98	122	*	24
Marshall	53	73	317	*	75
Mazomanie	12	27	116	*	58
Mount Horeb	153	*	468	95	245
Oregon	375	*	546	25	230
Rockdale	12	*	26	*	*
Shorewood Hills	115	108	160	*	*
Waunakee	537	79	551	120	224
Villages Total	**2,648**	**628**	**4,882**	**855**	**1,918**

Source: Author's calculations based on HUD-CHAS special tabulations based on 2006-2010 American Community Survey (ACS).

* Negative numbers are not reported. Numbers less than 10 are not reported due to rounding.

Table 10.1 (continued) Alternative Scenarios, Existing: Balanced Housing Supply and Affordable Needs Gap

	Scenario 1 (balanced population 0-50% AMI)	Scenario 2 (balanced housing supply proportion, 1-attached to 4 units)	Scenario 2 (balanced housing supply, multifamily units)	Scenario 3 (Gap between households with incomes 0-50% AMI and affordable units)	Scenario 4 (# of cost-burdened renter households, 0-50 % AMI)
DANE COUNTY (Total)	7,740	4,360	6,479	5,890	22,356
TOWNS:					
Albion	12	139	**	*	26
Berry	80	89	**	*	*
Black Earth	21	26	**	*	18
Blooming Grove	38	*	**	26	62
Blue Mounds	57	33	**	17	28
Bristol	252	101	**	*	*
Burke	183	168	**	77	88
Christiana	35	74	**	*	22
Cottage Grove	230	175	**	*	*
Cross Plains	99	101	**	*	*
Dane	59	52	**	*	16
Deerfield	102	55	**	*	*
Dunkirk	43	92	**	*	73
Dunn	272	203	**	30	45
Madison	*	*	**	*	839
Mazomanie	61	74	**	*	*
Medina	70	66	**	15	18
Middleton	431	264	**	*	40
Montrose	39	52	**	12	14
Oregon	220	193	**	*	*
Perry	40	49	**	*	*
Pleasant Springs	216	204	**	*	*
Primrose	43	45	**	*	*
Roxbury	70	118	**	11	*
Rutland	118	137	**	*	*
Springdale	90	93	**	17	22
Springfield	159	120	**	30	29
Sun Prairie	72	32	**	*	18
Vermont	40	60	**	*	*
Verona	104	81	**	*	15
Vienna	74	63	**	*	*
Westport	68	12	**	90	165
Windsor	183	*	**	95	195
York	22	36	**	*	*
Towns Total	**3,605**	**3,007**	**	**420**	**1,809**

Source: Author's calculations based on HUD-CHAS special tabulations based on 2006-2010 American Community Survey (ACS).

* Negative numbers are not reported. Numbers less than 10 are not reported due to rounding.

** Multifamily units are not reported for towns because (often) lack of urban services makes multifamily not appropriate.

11. Planning for future affordable housing needs.

As a region, we need to think not only about taking care of our existing housing needs, but also anticipate what future needs might look like. In this section, we present different forecasts or future scenarios which describe likely needs for additional affordable housing.

The Wisconsin Department of Administration, Demographic Services Bureau produces official county (and municipal) forecasts of households. The current round of forecasts cover from the 2010 census through the year 2040, a 30-year forecast window. These official county forecasts are used, for example, by CARPC in determining future land demand for urban service areas for Dane County.[31] Like all forecasts, these numbers should not be thought to be exactly precise, but rather represent the most likely scenario of the magnitude of future household growth in the county. The Demographic Services Bureau revises its 30-year forecasts in 5-year increments as actual population data becomes available, and so these number should also be updated as additional data becomes available.

Table 11.1 shows the likely number of future households in Dane County. In order to approximate the likely number of future households at various income levels (30, 50, 80 percent AMI, etc.) I assume that the percentage distribution of future households will be the same as the percentage distribution of current households. Obviously, this is a strong assumption, but neither DOA nor any other agency reports estimates of likely future household income distribution. I also estimate the probability that a household in each income category will own or rents from the existing probability of owner-occupancy within existing income categories. However, the desirability of ownership or renting may change in the future for different income and age groups. Despite these caveats, the data presented in Table 11.1 indicate the magnitude of likely future affordable housing needs. Future affordable housing plans and needs assessments for the county should monitor future households' income levels and ownership/rental percentages to indicate whether or not these assumptions are realistic.

Table 11.1 Household Projection Scenario, Dane County (2010-2040)

	2010	2015	2020	2025	2030	2035	2040	Change, 2010-2013
Households	203,750	215,044	228,371	240,920	252,479	261,392	268,335	64,585
Households 0-30% AMI	24,407	25,760	27,357	28,860	30,245	31,312	32,144	7,737
Renter Households 0-30% AMI	20,003	21,112	22,420	23,652	24,787	25,662	26,344	6,341
Owner Households 0-30% AMI	4,404	4,648	4,936	5,208	5,458	5,650	5,800	1,396
Households 30-50% AMI	22,415	23,658	25,124	26,504	27,776	28,757	29,520	7,105
Renter Households 30-50% AMI	14,644	15,456	16,414	17,316	18,147	18,787	19,286	4,642
Owner Households 30-50% AMI	7,771	8,202	8,710	9,189	9,629	9,969	10,234	2,463
Households 50-80% AMI	34,767	36,694	38,968	41,109	43,082	44,602	45,787	11,020
Renter Households 50-80% AMI	18,919	19,968	21,205	22,370	23,444	24,271	24,916	5,997
Owner Households 50-80% AMI	15,848	16,726	17,763	18,739	19,638	20,331	20,871	5,023
Households > 80% AMI	122,161	128,932	136,923	144,446	151,377	156,721	160,883	38,723
Renter Households > 80% AMI	23,691	25,005	26,554	28,013	29,357	30,394	31,201	7,510
Owner Households > 80% AMI	98,469	103,928	110,368	116,433	122,019	126,327	129,682	31,213

Source: Author's calculations. Total household projections are from Wis. Dept. of Administration, Demographic Services Bureau.
2010 household numbers are estimates, not projections. Income distributions and rent-propensities calculated from HUD-CHAS data.

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[31] For the methodology, see the report by Prof. Paulsen to CARPC: "Evaluation of CARPC's Land Demand Forecasting Methodology to Determine Urban Service Area Boundaries."

From 2010 to 2040, Dane County is likely to add over 64,000 households, approximately 11,000 of which are likely to be very low income (50 percent median or below) renter households.

The first approach to forecasting affordable housing needs, as shown in Table 11.2, is to take the existing gap in affordable rental housing for households at 50 percent AMI or below (from Scenario 3 in section 10) to represent present need, and the likely number of 50 percent median or below renter households[32] by 2040 to arrive at an estimate of **16,873 *units of affordable housing*** needed to be produced in the next 26 years. This scenario assumes that remedying existing deficiency and meeting the needs of all future very low income renter households is the preferred method of analyzing affordable housing needs. Table 11.2 also indicates the over 3000 units affordable for very low income seniors (50 percent AMI or below) would need to be produced by 2040.

Table 11.2 Existing and Future Needs Scenario 1: Rental Housing Needs for Very Low Income Households (0-50 % AMI)

	2010	2015	2020	2025	2030	2035	2040
Existing Gap (from Scenario 3)	5,890						
New Renter Households 0-50 % AMI (from 2010 baseline)		1,921	4,187	6,321	8,286	9,802	10,983
# of which are senior households		263	574	867	1,137	1,345	1,507
Total Affordable Units Needed (by date)	5,890	7,811	10,077	12,211	14,176	15,692	16,873
# of senior affordable units needed (by date)	1,543	1,806	2,117	2,410	2,680	2,888	3,050

Source: Author's calculations. Total household projections are from Wis. Dept. of Administration, Demographic Services Bureau.

2010 household numbers are estimates, not projections. Income distributions and rent-propensities calculated from HUD-CHAS data.

As with scenario 4 in section 10, the more aggressive calculations shown in Table 11.3 envision remedying the affordable housing needs of all cost-burdened households as well as providing affordable housing for future very low income cost-burdened renter households. For this scenario, I estimate the likelihood that a household would be cost burdened as a function of income based on the existing propensity to be cost burdened as a function of income categories. This second method of calculation yields an estimate of **31,453 additional affordable units** in the next 26 years.

Table 11.3 Existing and Future Needs Scenario 2: Rental Housing Needs for Very Low Income Households (0-50 % AMI)

	2010	2015	2020	2025	2030	2035	2040
Existing Gap (from Scenario 4)	22,356						
New Renter Households 0-50 % AMI (from 2010 baseline)		1,921	4,187	6,321	8,286	9,802	10,983
# of which potentially cost-burdened		1,591	3,468	5,235	6,863	8,119	9,097
Total Affordable Units Needed (by date)	22,356	23,947	25,824	27,591	29,219	30,475	31,453

Source: Author's calculations. Total household projections are from Wis. Dept. of Administration, Demographic Services Bureau.

2010 household numbers are estimates, not projections. Income distributions and rent-propensities calculated from HUD-CHAS data.

Combining these two scenarios together (and rounding) to represent a range of likely affordable housing needs, Dane County needs to produce somewhere between *16,000 and 31,000 affordable units in the next 26 years to meet existing and future affordable housing needs*. On the lower end of this range, this is about 34 percent of all likely future housing units, and about 56 percent of all likely future housing units on the upper end of this range. Expressed in terms of units per year, the county needs somewhere between **648 and 1209 affordable units each year** to reach these

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[32] Excluding student households, as above. I assume that the number of student households will remain constant over the forecast time.

goals. It is important to be reminded that producing a unit of affordable housing is not limited to new construction, but often involves acquisition and rehabilitation of existing housing units.

12. Municipal "toolbox" for affordable housing development.

This report has demonstrated needs for affordable housing in all of the communities of Dane County. When we initially presented this material to a range of county and municipal stakeholders we also saw a tremendous interest in and strong commitment to new partnerships and collaboration to address these challenges. Municipalities will continue to play a vital role in developing and implementing partnerships with county and state agencies and with developers, bankers, realtors, employers, social service agencies and non-profit housing agencies.

Producing a unit of affordable housing – either through new construction or through rehabilitation of existing units or through federally-financed project-based subsidies – requires partnership between municipalities, counties, states and federal agencies. In nearly every affordable housing project, there can be between 7 to 12 sources of financing and partnership.

While municipalities often play a smaller role in *financing* affordable housing (than either state or federal governments), they play an essential role in the affordable housing process through their planning, land use and other development tools. Municipal contributions for affordable housing finance are often in the form of "gap" financing to make projects work. Municipalities also play an important role in educating citizens and officials about affordable housing needs, supporting funding applications to county, state and federal sources, and negotiating partnership arrangements with developers and non-profits. Given the declining state and federal resources for affordable housing, municipalities must get creative and leverage the limited monies they have available.

In this section, we outline some of the tools municipalities can use (in conjunction with Dane County and other agencies) to promote, facilitate and encourage partnerships to meet the housing need of households within their jurisdiction. We categorizes these as planning tools, educational and outreach tools, land use and development tools, and financial tools.

Planning tools:

Housing elements of comprehensive plans. Under Wisconsin law, municipalities which exercise any land use powers (zoning, land division ordinances, official mapping, etc.) are required to have an adopted "Comprehensive Plan" and exercise their land use powers consistent with the comprehensive plan. These plans are required to have "housing elements" and are required to: "provide an adequate housing supply that meets existing and forecasted housing demand … and provide a range of housing choices that meet the needs of persons of all income levels and of all age groups and persons with special needs, … and promote the availability of land for the development or redevelopment of low–income and moderate–income housing …" (Wis. Stat. § 66.1001(2)(b)).

As municipalities revise and update their comprehensive plans, they can use the more detailed information in this report to understand how their housing needs relate to the supply of housing in the municipality. The data in this report is more detailed than can usually be acquired through the Census or other public sources alone, and can help municipalities perform an assessment of housing supply. Specifically, the information in Section 5 (housing supply) can help municipalities evaluate

how they are doing relative to the county housing market in providing an adequate housing supply and the "range of housing choices."

The information contained in Sections 3 (household income) and 7 (cost-burdened renter households) can help municipalities evaluate how they are doing relative to the county housing market in providing housing to "meet the needs of persons of all income levels."

Moreover, municipalities can review their plans and zoning and other development ordinances to monitor whether there is adequate land available for the "development or redevelopment of low-income and moderate-income housing."

When municipalities review and update their plans and land development policies, citizens and elected officials can work together to update and strengthen language and policies promoting affordable housing opportunities. Municipalities can make clear their vision and commitment to expanding housing opportunities for all households in their planning documents and reports. Integration of affordable housing concerns into local comprehensive plans also allows municipalities to identify those areas most suitable to some affordable units, such as access to public transportation, grocery stores, schools, health facilities, etc.

Housing committees. Municipalities could consider appointing a working group, task force, or special housing committee to review affordable housing supply and demand issues in the municipality and recommend additional policies or strategies for housing development. Best practice from around the country indicates these committees could include a wide range of stakeholders, including elected officials, representatives of school districts, realtors, developers, bankers, advocates, neighborhoods, employers, community development authorities, etc. As examples, Madison has the Housing Strategy Committee and Middleton has the Workforce Housing Committee as standing city committees.

In-depth housing focus reports. The information contained in this report does not provide any municipal specific information such as zoning, assessment data, neighborhood data, or any real measure of housing conditions. One way municipalities could further their understanding of the housing issues in their community would be to undertake a more detailed housing conditions and needs assessment. As a model, the City of Fitchburg recently undertook a detailed housing assessment, available at: http://www.fitchburgwi.gov/documentcenter/view/9210.

Educational and outreach tools:

Municipalities could undertake outreach efforts to local and regional banks to learn about the types of projects banks might be willing to finance or which types of projects would be most feasible for their community. Many banks have special programs for affordable community investments and may be willing to provide below-cost financing to affordable housing programs in furtherance of their CRA interests.[33]

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[33] See http://www.occ.gov/topics/community-affairs/publications/insights/insights-low-income-housing-tax-credits.pdf.

Municipalities could also undertake outreach efforts to recruit developers who have experience developing affordable housing in the area. Outreach and pre-negotiation with developers can help a municipality understand the types of projects which might be feasible for their municipality and can help facilitate developers' applications for tax-credits or other sources of funding.

For purposes of developing affordable homeownership programs, municipalities could consider supporting and partnering with existing homebuyer education programs (City of Madison, Dane County Housing Authority). Most affordable homeownership programs require participants to undergo homebuyer education or counseling. Municipalities could also partner together to create educational/informational materials for residents which outline the range of financing options for affordable homeownership, including FHA loans, VA loans, and the WHEDA Advantage loan program.

Land use and development tools:

Community zoning ordinances and other ordinances determine what types of housing units (density, size, configuration, etc.) can be built in a municipality and affect the costs of the housing units built. Municipalities could review their development regulations and review processes to see whether affordable rental or ownership units could be constructed in their community. In order to promote more affordable ownership and rental housing, municipalities could consider more flexible or reduced design requirements (setbacks, lot sizes, etc.) for affordable housing. For example, communities could examine whether they allow affordably-priced smaller family homes (1,200 to 1,600 square feet) to be constructed on smaller lot sizes (from 6,000 to 8,000 square feet lots).

Municipalities already utilize density bonuses within their zoning ordinances as incentives to developers to provide additional public benefits and amenities. Municipalities could consider utilizing density bonuses to incentivize developers to provide some units of affordable housing in developments. Not all affordable housing units need to be/should be in affordable-only buildings, and encouraging mixed-income developments can increase community buy-in to expanded housing opportunity in the community.

Municipalities could also consider allowing ADU (accessory dwelling units) as a use in some zoning districts. ADUs allow homeowners to create an additional housing unit (often called a "granny flat" or "mother-in-law" suite) which could provide affordable housing while generating some income for the homeowner.

Financial tools:

Municipal financial tools to encourage affordable housing development are often limited, and often amount to efforts to provide "gap" funding or special project funding in order to leverage and secure additional investments from county sources (CDBG/HOME), housing authorities (DCHA), state sources (WHEDA), and national or federal sources (Fannie Mae, Freddie Mac, Federal Home Loan Bank, HUD, etc.). In this section, I briefly outline the main sources for municipalities for funding affordable projects and then I outline the main uses of those funds.

TIF funds. In 2009, Wisconsin's TIF law was amended to allow municipalities to keep a TID open for an additional year (once all project costs have been paid), and to allocate additional increment

from the TID to affordable housing. What is helpful about the law is that the additional increments from any particular TID can be used to benefit affordable housing anywhere in the city or village, not limited to the TID which generated the increment. 75 percent of additional increments under the "affordable housing extension" must be used within the city or village to benefit affordable housing, with the remainder not limited to "affordable housing" but only to improving the city's housing stock. TIF funds can presumably be used flexibly and creatively in promoting and benefiting affordable housing because there are few specific restrictions in the law.

General revenue and debt. Municipalities may also utilize general purpose revenues and general obligation debt to fund affordable housing programs and projects. The advantage of general revenues and debt is the flexibility and creativity which municipalities can use to meet the needs of particular projects. The disadvantage is that affordable housing projects would compete with other important community infrastructure and service needs for limited funding.

Impact fee exemption. Municipalities may also provide a reduction or exemption from impact fees for "low-cost housing."[34]

Use of funds. Municipal funds can and have been used for providing low-interest or no-interest loans to affordable housing developers, low-interest or no-interest loans to non-profits for land acquisition, site acquisition and remediation costs, infrastructure and site remediation costs (intersections, water/sewer, etc.), down-payment assistance programs, gap financing for LIHTC (low income housing tax credit) projects, on-site supportive social or health services, job training assistance, direct rental or project subsidies, etc. Municipalities should evaluate which financial incentives are necessary to make projects viable or to increase the affordability of projects (deep vs. shallow subsidies) and which projects are most likely to leverage additional outside resources. For example, increased financial participation from a city/village and the county could increase the probability that a project receives a credit allocation (LIHTC) from WHEDA.

Summary. Financing affordable housing projects is a complicated process involving multiple sources of funding and a myriad of state, federal, and local programs. Municipalities often play a coordinating or facilitating role, supporting a non-profit or for-profit affordable housing developer in their applications for additional funds. Municipal financing can focus on infrastructure and site improvements, and gap financing to leverage outside sources.

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[34] Wis. Stat. 66.0617(7)

Appendix: Existing assisted housing locations in Dane County.

Map A.1 shows the distribution of existing affordable housing locations which are made affordable through some form of federal housing assistance. These units include those assisted through a range of federal programs, including LIHTC – the low-income housing tax credit. These locations are identified through a database managed by HUD, which would not include units subsidized with only local or state funding sources. The map shows locations only, not the number of units available at that location.

Assisted Housing Locations, Dane County
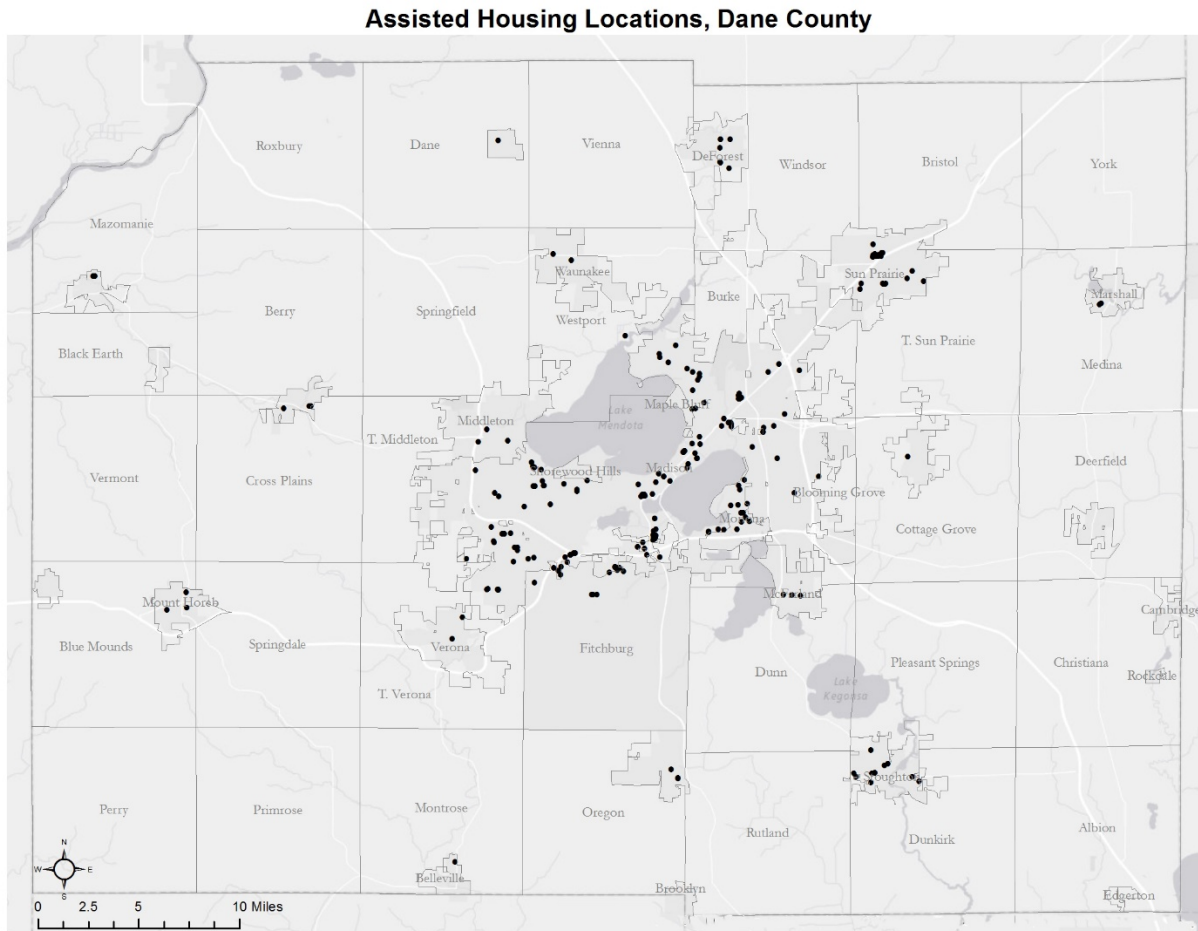
Source: HUD, Assisted Housing Database.