

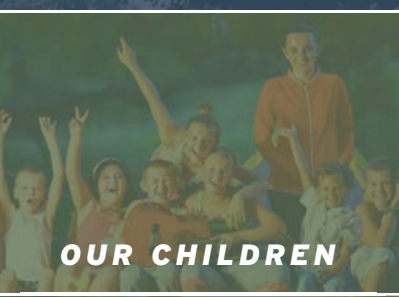


A ROAD MAP TO SOLVING DANE COUNTY'S HOUSING CRISIS

STRATEGIC ACTION PLAN 2024-2028

April 2024

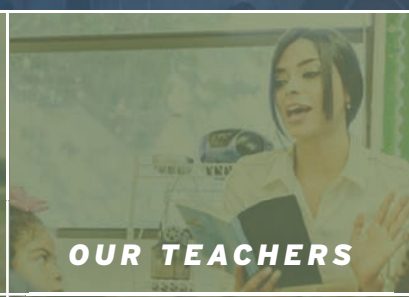
WE NEED HOUSING FOR...



OUR CHILDREN



RURAL COMMUNITIES



OUR TEACHERS



OUR NURSES



OUR FAMILIES



OUR SENIORS



OUR STUDENTS



OUR EMPLOYEES

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JT Klein Company, Inc.
Madison Area Builders Association
Madison Area Technical College
Madison Gas and Electric
PACE Wisconsin
Realtors Association of South Central Wisconsin
Summit Credit Union
United Way of Dane County
University of Wisconsin–Madison Department of Planning and Landscape Architecture
Village of McFarland
Wisconsin Housing and Economic Development Authority



SPONSORS



ELEVATE
Equity through
climate action



DANE COUNTY HOUSING INITIATIVE



REALTORS' ASSOCIATION OF SOUTH CENTRAL WISCONSIN



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A photograph of two construction workers, a man and a woman, wearing hard hats and high-visibility safety vests. They are looking at a laptop computer. The man is on the left, wearing glasses and pointing at the screen. The woman is on the right, holding the laptop. The background is a blurred construction site. The text "EXECUTIVE SUMMARY" is overlaid in white, bold, uppercase letters in the center of the image.

EXECUTIVE SUMMARY

EXECUTIVE SUMMARY

DANE COUNTY, NOW IS THE TIME TO SOLVE OUR HOUSING CRISIS.

Dane County is a great place to call home. High-quality natural areas, recreation, cultural amenities, schools and employment opportunities draw newcomers from Wisconsin and beyond.

Dane County has seen rapid job and household growth since 2010. Dane County's job growth, primarily driven by the private sector, is more than double that of Wisconsin overall. The number of jobs in Dane County grew 14% from 2010-2021, adding over 38,000 jobs. Dane County also added 42,000 households from 2010-2020, making it the fastest growing county in the state (Lightcast, Census).

Not enough housing has been developed to keep up with household growth. This has led to an undersupply of housing in the County. Dane County only permitted 34,000 new housing units from 2010 to 2020, despite 42,000 new households calling the County home (Census).

More pressure on the housing market has increased housing prices and rents. From 2010 to 2022, the median home price in Dane County increased from \$226,000 to \$369,000. This far exceeds growth in home values statewide (Zillow, 2022). According to the Cap Times, Madison home prices grew the second-fastest in the nation in 2023. Rents also increased by 28% on average over the same period, from \$1,085 per month in 2010 to \$1,385 per month in 2022 (CoStar).

*The number of new households in Dane County was **8,000 higher** than new housing units built from 2010 to 2020.*

*Dane County's rental vacancy rate remains almost **3% below** the national average.*

*Housing is **affordable** when a household spends less than 30% of their gross income on housing costs. Lower-income and certain moderate-income households often cannot find quality affordable housing on the open market. Public subsidies are used to create legally restricted affordable housing (LRAH), which is dedicated to these households.*



THE HOUSING CRISIS IMPACTS EVERYONE IN THE COUNTY.

Ripple effects from this undersupply of housing deepen the regional housing crisis. They also impact the economy as a whole, limiting economic growth and opportunities available to individuals, families, our businesses and communities.

Residents experience this in different ways:

- Families are locked out of homeownership, unable to compete for limited for-sale units that are affordable to them.
- Lower-and middle-wage workers commute from outside the County to find housing affordable to them. This increases transportation costs and leads to higher job turnover, adding costs for employers and school districts.
- Older adults who can no longer maintain their homes cannot find alternative housing options that meet their needs within their communities.
- Lower-income households, who live throughout the County, make tough choices about whether to pay for their rent, medical care, food or other necessities. Many “double up” with other families to share housing, or settle for housing conditions that are unsafe or unsanitary. Evictions have also increased.
- Young adults, including those aging out of the youth shelter system or from the LGBTQ+ community, find it difficult to find housing and are often on the verge of homelessness.

This housing crisis disproportionately impacts residents of color because they often face barriers within the housing market that White people do not. Black households in particular, who have historically been excluded or restricted from accessing homeownership in Dane County, continue to face barriers due to discriminatory real estate and banking practices.

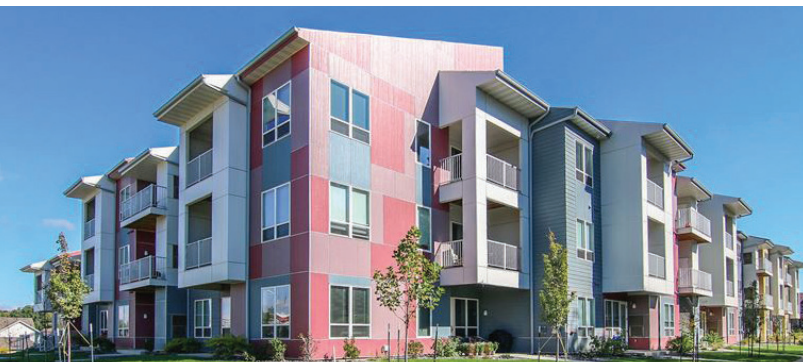


*“Many businesses are struggling to fill middle- and lower-wage positions, since **their workforce cannot find housing that meets their needs.**”*

- HAC Discussion

*“There are so many barriers to renting and buying properties that **disproportionately affect people of color** including: lack of lending opportunities, inequitable appraisal practices, reliance on credit scores, and private racial covenants.”*

- HAC Member



WE ARE COMING TOGETHER AS A REGION TO ADDRESS THIS CRISIS.



DANE COUNTY RHS | VISION STATEMENT

The RHS envisions an equitable and environmentally sustainable future, where all residents have access to quality and affordable housing in connected neighborhoods.

From September 2022 to August 2023, an 80-person Housing Advisory Committee (HAC) joined together through a strategic planning process to create the Dane County Regional Housing Strategy (RHS). The HAC included the County; elected officials from 17 Cities, Villages and Towns, including 5 mayors and 1 village president; the Dane County Cities and Villages Association; non-profit housing partners; developers; builders; banks; state agencies; and residents interested in housing. As part of this process, the HAC assessed current efforts underway to address housing issues, reviewed analysis defining housing needs and current trends, and identified top priorities and strategies to address the housing crisis.

This regional strategic planning effort empowered stakeholders from across Dane County to collectively envision a future Dane County where high quality, affordable housing is available to all Dane County residents. The RHS sets an ambitious but achievable vision for housing in Dane County and a strategic action plan for the next five years. The RHS recognizes that housing is a regional issue: one community can't solve the housing crisis alone. Together, with dedicated effort from partners across the county and beyond, we can achieve the vision.

RHS CORE VALUES

This vision is based on six core values the HAC identified to guide and underpin the RHS process:

- **ACCOUNTABILITY:** All entities - public, private, and nonprofit alike - accept and share responsibility for providing attainable housing
- **AFFORDABILITY:** All people have housing they can afford.
- **ECONOMIC GROWTH:** Housing production keeps pace with employer growth and meets employee needs.

- **EMPOWERMENT:** Residents, practitioners, and elected officials have a shared understanding of housing needs and are equipped to leverage housing resources and programs.
- **EQUITY:** Historically excluded populations and lower-income households have access to quality housing.
- **SUSTAINABLE DEVELOPMENT:** Housing is located near existing services, infrastructure, transit, amenities and jobs, reducing environmental impacts and improving quality of life for all residents.

The HAC also identified three overarching priorities for the HAC itself, to help focus the strategic planning process: 1) Reducing racial disparities in housing and homeownership; 2) Building capacity to address housing needs; and 3) Building relationships and enhancing partnerships/collaboration.

To ensure widespread community input, the RHS heard from residents to understand their housing issues and needs:

- A countywide housing survey for residents and workers (6,380 respondents) shed light on housing needs and preferences.
- Private and non-profit sector developer and builder interviews provided current obstacles and opportunities related to building more housing.
- Focus groups with lower- and moderate-income households that reside in Cities and Villages, as well as underrepresented groups, including seniors, youth, Black, Hmong, Latinx and LGBTQ+ communities, provided in-depth feedback on people's lived experiences with housing throughout the county.

MORE HOUSING OF ALL TYPES IS NEEDED TODAY AND IN THE FUTURE.

Today, there is a mismatch between what households can afford and the cost of housing available. There is a need today for 13,300 additional rental units affordable to households at or below 30% of Area Median Income, according to the housing supply gap analysis on pages 76-79 of this report. These are households with annual incomes generally less than \$35,000, depending on their household size. There are 18,860 renter households that have incomes under 30% of Area Median Income, but only 5,550 units affordable to them.

Cost burden in Dane County is high due to the severe housing shortage. One in four households in Dane County are housing-cost burdened, meaning they spend more than they can afford on housing costs. Over 40% of those households are considered “severely cost burdened”, meaning they spend more than half their income on housing costs (Census, HUD).

The County and its public and private sector partners need to dedicate resources to develop more housing.

Dane County will need to produce 139,000 new housing units by 2040, or approximately 7,000 per year to address existing needs and keep up with growth.

- Housing should reflect the needs of the full range of residents, including both rental and for-sale housing; a variety of housing types, like single-family homes, townhomes, duplexes, multiplexes and apartment buildings; and at a range of unit sizes and densities. There should also be permanently affordable housing available for lower-income households.
- Among new units, at least 6,000 should be specialized senior units, which are age-restricted for seniors.
- At least 35,300 new rental units should be affordable to lower-income households, primarily 60% AMI and below, about 26% of all new housing units.
- At least 250 affordable single-family for-sale homes should be built new or acquired and rehabilitated annually, based on HAC goals. This housing, which is often older, is a critical piece of the housing ecosystem and the affordable housing stock. Efforts to preserve this housing can keep the housing crisis from worsening.

*A **cost-burdened** household spends more than 30% of its gross income on housing costs.*



Annual Housing Production Goals to Address Forecasted 2040 Household Growth

7,000	<i>New housing units</i>
3,300	<i>New owner units</i>
3,700	<i>New renter units</i>
1,765	<i>New affordable renter units</i>
300	<i>New affordable senior units</i>

See pages 80-83 of this report, and pages 163-169 of the Appendix, for more detail on these production goals.

THE REGIONAL HOUSING STRATEGIC ACTION PLAN - A ROADMAP TO ACHIEVE THE RHS VISION

The Regional Housing Strategic Action Plan identifies five housing priorities to guide future efforts around housing:

- Increase the number of housing units attainable to low-income and moderate-income households.
- Increase the overall number of housing units.
- Provide housing, resources and protections for the most vulnerable populations.
- Rehabilitate and preserve affordability of existing housing.
- Provide more pathways to homeownership.

Everyone needs to be part of the solution. Much is already being done, but more dedicated efforts and funding are needed.

- Dane County and partner groups have recently dedicated unprecedented amounts of funding toward affordable housing - \$7 million annually on average from 2020 through 2022 from Dane County, and approximately \$15 million annually among local jurisdictions, the private sector, and the non-profit sector together.

- Housing professionals are also working to build capacity and implement policies and programs to support affordable housing objectives. Jurisdictions are passing zoning reforms to include a range of housing types and increase the housing supply. Developers are partnering with banks and other private sector actors to help support new homeowners. A network of non-profits and social services organizations are providing critical assistance to vulnerable residents.
- Despite these resources and efforts, more funding and capacity will be needed to increase the supply of housing, reduce housing costs, and achieve the RHS vision.

The Strategic Action Plan builds on this work, and sets the stage for Dane County's future, where everyone can access quality housing. The HAC indicated that substantial increases in funding for affordable housing is key to making strategies achievable. The HAC indicated both Dane County and partner groups should aim to increase funding for affordable housing by an additional \$15 million each year.

The RHS process has culminated in a near-term Strategic Action Plan to serve as a roadmap for addressing the housing crisis over the next three to five years. It includes specific strategies, action steps and partnerships needed to advance each of the five key housing priorities. The Strategic Action Plan is included on the following pages and includes metrics to measure annual progress in achieving housing goals.

Detailed information on the RHS process, engagement, demographic and housing market conditions, affordability information and housing production goals through 2040 are provided in the full report. Stay involved at <https://danehousing.countyofdane.com>.



REGIONAL HOUSING PRIORITIES, STRATEGIES AND ACTION ITEMS, 2024 - 2028

Priorities

The HAC’s five housing priorities articulate the overarching goals to accomplish through the RHS. These priorities are underpinned by the core values and aim to achieve the RHS vision.

Strategies

The HAC identified 17 strategies to be included in the RHS, each associated with a housing priority. These strategies leverage current policies and programs, and bring new approaches to address the housing crisis.

Action Items

HAC members then identified specific action items (i.e., concrete near-terms steps) for each strategy and partners to lead or support implementation of each action item. Finally, the HAC selected at least one measurable metric for each strategy to measure implementation progress and success.

The following pages include a summary of housing priorities, strategies and action items. They also include an implementation matrix, with metrics, that serves as a guide for all housing partners to measure progress toward achieving the vision for housing in Dane County.



HOUSING PRIORITIES AND STRATEGIES, 2024-2028

HOUSING PRIORITY:

INCREASE THE NUMBER OF HOUSING UNITS ATTAINABLE TO LOW- AND MODERATE-INCOME HOUSEHOLDS.

STRATEGY 1: **EXPAND OR CREATE AFFORDABLE HOUSING FUNDS.**

STRATEGY 2: **INCREASE THE USE OF TID FUNDING TO CREATE AFFORDABLE HOUSING UNITS.**

STRATEGY 3: **EXPAND USE OF COMMUNITY LAND BANKS.**

HOUSING PRIORITY:

INCREASE THE OVERALL NUMBER OF HOUSING UNITS.

STRATEGY 4: **ADVANCE ZONING REFORMS AND UPDATE LOCAL ZONING CODES.**

STRATEGY 5: **INCREASE LOCAL CONSTRUCTION WORKFORCE AND DEVELOPMENT CAPACITY.**

STRATEGY 6: **LEAD COUNTYWIDE EDUCATION TO SUPPORT AFFORDABLE HOUSING.**

STRATEGY 7: **ASSESS POTENTIAL FOR HOUSING IN RURAL DEVELOPMENT AREAS.**

HOUSING PRIORITY:

PROVIDE HOUSING, RESOURCES AND PROTECTIONS FOR THE MOST VULNERABLE POPULATIONS.

STRATEGY 8: **EXPAND RACIAL EQUITY AND INCLUSION TRAINING, EDUCATION AND COMMUNICATIONS AROUND HOUSING.**

STRATEGY 9: **DEVELOP OR EXPAND RENTER ASSISTANCE PROGRAMS.**

STRATEGY 10: **UTILIZE TAX INCREMENT DISTRICT (TID) EXTENSION FUNDING FOR AFFORDABLE HOUSING.**

STRATEGY 11: **EXPAND RESOURCES FOR FAIR HOUSING ENFORCEMENT.**

HOUSING PRIORITY:

REHABILITATE AND PRESERVE AFFORDABILITY OF EXISTING HOUSING.

STRATEGY 12: **SUPPORT ACQUISITION AND REHABILITATION OF AFFORDABLE UNITS.**

STRATEGY 13: **INCREASE ASSISTANCE FOR ENERGY EFFICIENCY RETROFITS AND UPGRADES.**

STRATEGY 14: **EXPAND/CREATE LOAN FUNDS FOR HOME RENOVATIONS.**

HOUSING PRIORITY:

PROVIDE MORE PATHWAYS TO HOMEOWNERSHIP.

STRATEGY 15: **EXPAND/CREATE HOMEBUYER EDUCATION AND ASSISTANCE PROGRAMS.**

STRATEGY 16: **INCREASE AFFORDABLE HOMEOWNERSHIP PRODUCTION.**

STRATEGY 17: **EXPAND USE OF COMMUNITY LAND TRUSTS (CLTs).**

STRATEGY 1: EXPAND OR CREATE AFFORDABLE HOUSING FUNDS.

HOUSING PRIORITY: INCREASE THE NUMBER OF HOUSING UNITS ATTAINABLE TO LOW- AND MODERATE-INCOME HOUSEHOLDS.		
ACTION STEPS	IMPLEMENTATION PARTNERS	
	LEAD	SUPPORT PARTNERS
1.1 Increase private sector, municipal, County and State funding for affordable housing, including grants, beyond what currently exists.	Private Sector, County, State, Municipalities, WHEDA	
1.2 Build 250 affordable single-family for-sale homes through acquisition and rehabilitation or new development annually.	Public & Private Sector, State, Non-profit	
1.3 Partner with the private sector on a fundraising initiative (such as a per employee donation) and identify use of funds to support affordable and workforce housing.	Private Sector, County	Chambers, Municipalities, Workforce Development Board
1.4 Collaborate with Madison Workforce Housing Fund to scale efforts.	Madison Development Corporation, United Way, Employers, County	
1.5 Expand Dane County funding to support broader types of projects, including smaller multi-family projects; acquisition/rehab; owner-occupied; projects that are not competitive for LIHTC 9% tax credits; prioritize projects with public transit access and connectivity, low energy use, green infrastructure and climate resiliency.	County	
1.6 Require longer affordability periods for projects receiving support from the Dane County Affordable Housing Development Fund.	Housing Advocates, Residents	County
1.7 Advocate for local bond financing that supports affordable housing goals.	Municipalities	Residents, Non-Profit Housing Organizations, Developers/Builders, Realtors
METRICS		
<ul style="list-style-type: none"> • Annual funding from County and municipalities for affordable housing • Annual funding from the private sector for affordable housing • Number of new affordable units funded annually, both rental and for-sale single-family 		

STRATEGY 2: INCREASE THE USE OF TIF FUNDING TO CREATE AFFORDABLE HOUSING UNITS.

HOUSING PRIORITY: INCREASE THE NUMBER OF HOUSING UNITS ATTAINABLE TO LOW- AND MODERATE-INCOME HOUSEHOLDS.		
ACTION STEPS	IMPLEMENTATION PARTNERS	
	LEAD	SUPPORT PARTNERS
2.1 Provide model TIF policies for prioritizing affordable housing and evaluating proposed developments.	Cities and Villages Association	County, WAPA, University of Wisconsin-Madison
2.2 Update municipal TIF policies to incentivize use of TIF for housing that achieves desired policy objectives (e.g., affordability, equity, sustainability, location near jobs, schools, transit).	Cities and Villages	Private Sector, County, Developers
2.3 Create incentives (e.g. grants, CDBG, matching funds) that work with and leverage TIF to create affordable and workforce housing and achieve other policy outcomes (e.g., housing near jobs, schools, childcare, grocery, transit).	Municipalities, County	Private Sector/ Developers
METRICS		
<ul style="list-style-type: none"> • Number of affordable housing units supported with TIF • Number of municipalities that update their TIF policies to promote affordable housing • Number of municipalities that use bond financing for affordable housing 		

STRATEGY 3: EXPAND THE USE OF COMMUNITY LAND BANKS.

HOUSING PRIORITY: INCREASE THE NUMBER OF HOUSING UNITS ATTAINABLE TO LOW- AND MODERATE-INCOME HOUSEHOLDS.		
ACTION STEPS	IMPLEMENTATION PARTNERS	
	LEAD	SUPPORT PARTNERS
3.1 Identify best practices and lessons learned from the City of Madison land bank experience.	City of Madison, County	
3.2 Increase education/awareness among stakeholders about the community land bank tool.	County	Affordable Housing Action Alliance (AHAA)
3.3 Identify publicly owned land (or land bank land) that could be developed and included in local land trust.	County, MACLT	
3.4 Develop working group to evaluate creating a regional entity that facilitates collaboration among municipal land banks and Dane County.	AHAA	Cities, Villages, Badger State Housing Alliance, County
3.5 Support capacity building and increased funding for Madison Area Community Land Trust (MACLT)	County, Municipalities	MACLT
METRICS		
<ul style="list-style-type: none"> • Number of residential lots or acres from land banks that become affordable housing • Number of lots or acres added to land banks 		

STRATEGY 4: ADVANCE ZONING REFORMS AND UPDATE LOCAL ZONING CODES.

HOUSING PRIORITY: INCREASE THE OVERALL NUMBER OF HOUSING UNITS.		
ACTION STEPS	IMPLEMENTATION PARTNERS	
	LEAD	SUPPORT PARTNERS
4.1 Identify housing as a priority in comprehensive planning processes.	Municipalities, County	
4.2 Plan for, support and incentivize growth, including a mix of housing types, in mixed-use, walkable and transit-supportive areas and corridors.	Capital Area Regional Planning Commission (CARPC), Greater Madison Metropolitan Planning Organization, County	Cities and Villages
4.3 Identify funding sources for local zoning amendments to better facilitate the creation of a variety and number of new of housing units.	Cities and Villages, County, WHEDA, State of WI	
4.4 Draft model ordinances that incorporate best practices and options for a variety of zoning updates.	County	
4.5 Increase education efforts to build the case for zoning reforms for both elected officials and residents, including new state incentives related to zoning and regulatory reforms.	Cities and Villages	County, Cities and Villages Association, Madison Area Builders Association, Developers/Builders, Realtors
4.6 Streamline the permit process to reduce approval and development time, housing costs, and development uncertainty (e.g., reducing the number of levels of approval).	Cities and Villages	
4.7 Support, encourage and incentivize private and non-profit housing developers to work together to increase supply.	Cities and Villages, Non-profits, Banks, County, Community Development Finance Institutions (CDFIs)	County
4.8 Update zoning codes to allow context-appropriate multifamily by right in certain residential zones.	Cities and Villages	County
4.9 Eliminate minimum lot sizes, and reduce set-back requirements and minimum parking requirements.	Cities and Villages	
METRICS		
<ul style="list-style-type: none"> • Share of residential-zoned areas that permit up to four units per lot by right • Jurisdictions with specific zoning elements • Number of communities that have implemented housing-related zoning reforms (and what they're doing) 		

STRATEGY 5: INCREASE LOCAL CONSTRUCTION WORKFORCE AND DEVELOPMENT CAPACITY.

HOUSING PRIORITY: INCREASE THE OVERALL NUMBER OF HOUSING UNITS.		
ACTION STEPS	IMPLEMENTATION PARTNERS	
	LEAD	SUPPORT PARTNERS
5.1 Conduct feasibility study to identify strategies to expand construction workforce supply.	County, Technical Colleges, Building Trades, Workforce Development Board, Big Step, Employers, Madison Area Builders Association, Developers	
5.2 Provide additional funding to increase building trade programming at technical colleges.	Building Trades, Builders, Employers, Technical Colleges	
5.3 Increase partnerships/collaboration with the local building trade council and local technical colleges to increase apprenticeship opportunities and other employment pathways, including for formerly incarcerated and other marginalized populations.	Technical Colleges, UW Madison School of Real Estate, Workforce Development Board of South Central Wisconsin, Building Trades, Madison Region Economic Partnership (MADREP), WHEDA, State of WI	
5.4 Actively train, support and recruit private and non-profit housing developers (i.e. ACRE participants, and others); including provide seed capital for new and emerging developers in the form of equity, predevelopment funds, low interest loans, grants or loan guarantees.	Technical Colleges, UW Madison School of Real Estate, Workforce Development Board of South Central Wisconsin, Building Trades, WHEDA, State of WI, City of Madison, Madison Development Corporation, Forward Community Investments, County	
METRICS		
<ul style="list-style-type: none"> Workers in construction industry Students/trainees at local technical colleges and in building trades apprenticeships Number of construction job vacancies Number of apprenticeships offered by local trade unions 		

STRATEGY 6: LEAD COUNTYWIDE EDUCATION TO SUPPORT AFFORDABLE HOUSING.

HOUSING PRIORITY: INCREASE THE OVERALL NUMBER OF HOUSING UNITS.		
ACTION STEPS	IMPLEMENTATION PARTNERS	
	LEAD	SUPPORT PARTNERS
6.1 Identify a champion of housing education and vision within each community; or create local housing coalition or municipal housing committee.	Municipalities	County
6.2 Track, evaluate and report annually on RHS metrics and progress with partners.	County, Municipalities, Non-Profit Housing Organizations, WHEDA, Private Sector	
6.3 Create a comprehensive countywide housing website.	County	
6.4 Prepare education booklet for Accessory Dwelling Units (ADUs).	County	
6.5 Prepare education booklet for “Missing Middle” housing types.	County	
6.6 Develop a countywide communication and marketing plan and campaign to educate the public about the housing crisis, the need for affordable housing and the root causes of housing inequities.	County, Realtors	
METRICS		
<ul style="list-style-type: none"> Total mailings/ trainings/ housing website clicks/ downloads/ visitors Booklets distributed by location and outreach method Traffic to and number of clicks on RHS and comprehensive housing websites 		

STRATEGY 7: ASSESS POTENTIAL FOR HOUSING IN RURAL DEVELOPMENT AREAS.

HOUSING PRIORITY: INCREASE THE OVERALL NUMBER OF HOUSING UNITS.		
ACTION STEPS	IMPLEMENTATION PARTNERS	
	LEAD	SUPPORT PARTNERS
7.1 Increase funding for infrastructure improvements to increase accessibility to services and amenities for rural residents.	County	Towns
7.2 Tailor education strategy to geographic and socioeconomic characteristics of individual towns.	County	Towns
7.3 Identify and inventory housing types (twin homes, ADUs, condos, etc.) and strategies to support rehabilitation of existing units and new construction in rural development areas.	County	Towns, Market-rate and Affordable Developers
7.4 Explore incentives for rural housing production from the USDA Rural Development Department, Associated Bank, etc. and publish sources on County website.	County	Towns
METRICS		
<ul style="list-style-type: none"> • Acres identified and zoned for housing in rural areas • Number of existing and new rental units in towns and small villages • Extent that there is adequate infrastructure in rural housing areas (for healthcare, food, transit, employment, amenities) 		

STRATEGY 8: EXPAND RACIAL EQUITY AND INCLUSION TRAINING, EDUCATION AND COMMUNICATIONS COUNTYWIDE.

HOUSING PRIORITY: PROVIDE HOUSING, RESOURCES AND PROTECTIONS FOR THE MOST VULNERABLE POPULATIONS.		
ACTION STEPS	IMPLEMENTATION PARTNERS	
	LEAD	SUPPORT PARTNERS
8.1 Develop or identify educational resources, and identify intended forums and community audiences, working with local experts on racial equity issues.	County, City of Madison, County Office of Equity and Inclusion	
8.2 Conduct programs and training on racial equity and inclusion around housing to reduce racial disparities in housing and homeownership	County, City of Madison	Municipalities, Non-profits
METRICS		
<ul style="list-style-type: none"> • Number and type of new racial equity and inclusion training programs • Number of residents who received outreach, including clerks, mailings, and pre-post outreach surveys • Number of people of color employed in real estate and banking industry 		

STRATEGY 9: DEVELOP OR EXPAND RENTER ASSISTANCE PROGRAMS.

HOUSING PRIORITY: PROVIDE HOUSING, RESOURCES AND PROTECTIONS FOR THE MOST VULNERABLE POPULATIONS.		
ACTION STEPS	IMPLEMENTATION PARTNERS	
	LEAD	SUPPORT PARTNERS
9.1 Increase funding to expand non-profit and municipal staff capacity for renter assistance, as well as for programs that support existing renters at risk of displacement, that provide case management services, and help transition COVID-era rental assistance to ongoing assistance.	County	
9.2 Identify dedicated staff to connect renters with programs or resources (e.g. Tenant Resource Center and Legal Action Wisconsin) and strengthen partnerships and funding toward those resources.	County	
9.3 Develop Dane County website with renter assistance programs.	County	
9.4 Create policy requiring landlords receiving County assistance provide proof of housing choice voucher acceptance.	County	
9.5 Continue funding for eviction prevention funds.	County, City of Madison	
9.6 Identify or draft sample ordinances that jurisdictions can adopt on rent abatement/anti-retaliation.	City of Madison, County, Building Inspection Department	
METRICS		
<ul style="list-style-type: none"> • Annual funding dedicated to rental assistance • Number of households served by rental assistance programs • New programs or partnerships that provide housing support services or housing navigation services 		

STRATEGY 10: UTILIZE TAX INCREMENT DISTRICT (TID) EXTENSION FUNDING FOR AFFORDABLE HOUSING.

HOUSING PRIORITY: PROVIDE HOUSING, RESOURCES AND PROTECTIONS FOR THE MOST VULNERABLE POPULATIONS.		
ACTION STEPS	IMPLEMENTATION PARTNERS	
	LEAD	SUPPORT PARTNERS
10.1 Advocate for State legislative changes to increase flexibility in TID extension funding, and allow for 2-or 3-year extensions.	Cities and Villages Association, State of WI	Towns Association
10.2 Conduct outreach and programming for municipal partners to share resources, best practices, and experiences with using TID Extension Funds.	County	
10.3 Develop educational materials to communicate benefits of TID Extension funding for affordable housing objectives to community members, elected officials and taxing jurisdictions (e.g. school districts).	County	
METRICS		
<ul style="list-style-type: none"> • Amount of TID extension funding available • Amount of TID extension funding used • Upcoming TID closure dates • TIDs that will expire without extension • Sources used to leverage funding 		

STRATEGY 11: EXPAND RESOURCES FOR FAIR HOUSING ENFORCEMENT.

HOUSING PRIORITY: PROVIDE HOUSING, RESOURCES AND PROTECTIONS FOR THE MOST VULNERABLE POPULATIONS.		
ACTION STEPS	IMPLEMENTATION PARTNERS	
	LEAD	SUPPORT PARTNERS
11.1 Increase funding for investigative staff to enforce fair housing laws at the County level.	County	
11.2 Increase funding for fair housing community organizations that provide legal representation/mediation services.	County	
11.3 Identify and share sample ordinances on fair housing.	County, Municipalities, WI Fair Housing Council	
11.4 Expand partnerships with the Fair Housing Council, and between the Madison Civil Rights Office, Office of Equity and Inclusion, and other county stakeholders.	County, City of Madison, Municipalities, County Office of Equity and Inclusion	
11.5 Expand outreach and education efforts around fair housing, including to communities to increase violation reporting, and to landlords to increase awareness of fair housing laws.	City of Madison, Dane County, WI Fair Housing Network, Local Building Inspectors	
METRICS		
<ul style="list-style-type: none"> • Jurisdictions with rent abatement or fair housing ordinances • Amount of funding for fair housing enforcement • New fair housing programming 		

STRATEGY 12: SUPPORT ACQUISITION AND REHABILITATION OF AFFORDABLE UNITS

HOUSING PRIORITY: REHABILITATE AND PRESERVE AFFORDABILITY OF EXISTING HOUSING.		
ACTION STEPS	IMPLEMENTATION PARTNERS	
	LEAD	SUPPORT PARTNERS
12.1 Increase funding to non-profit housing groups to acquire/ rehabilitate and maintain properties (e.g. MACLT, Common Wealth) to create permanent affordable housing.	County, Municipalities, Private Sector	
12.2 Increase funding to non-profit entities for acquisition/ rehabilitation with energy efficiency modifications.	Municipalities, County	
12.3 Develop a fact sheet explainer on the importance of affordable housing preservation and investment.	County	
12.4 Inventory and map older housing stock (NOAH) in 1) low- and moderate-income census tracts, 2) rural census tracts, and 3) countywide, to protect and preserve older units.	County	
12.5 Develop list of expiring tax credit properties and identify strategies, and best practices (e.g., lease to purchase programs) to retain affordability.	WHEDA, County, City of Madison	
12.6 Develop model legal language that can be used to deed restrict properties to require long-term affordability.	UW Law, Private Law Firms	County, City of Madison
12.7 Educate communities and industry on new state loans targeted to small-scale rehab and conversion of commercial space to affordable residential.	WHEDA, County	
METRICS		
<ul style="list-style-type: none"> • Homeownership units acquired and rehabbed annually, (with focus on percent increase, and share that is affordable/attainable) • Annual funding dedicated to affordable housing preservation • Rental units rehabbed annually 		

STRATEGY 13: INCREASE ASSISTANCE FOR ENERGY EFFICIENCY RETROFITS AND UPGRADES.

HOUSING PRIORITY: REHABILITATE AND PRESERVE AFFORDABILITY OF EXISTING HOUSING.		
ACTION STEPS	IMPLEMENTATION PARTNERS	
	LEAD	SUPPORT PARTNERS
13.1 Identify funding source for additional energy efficiency grants for multifamily properties that ensure affordability, and for income-qualified homeowners.	County, Municipalities	Utility Companies, Focus on Energy
13.2 Increase partnerships between municipalities and Elevate Energy, Sustain Dane and Project Home.	Municipalities	County
13.3 Partner with the County's Office on Climate Change on housing education initiatives, funding opportunities, and other energy and sustainability projects.	County, Municipalities	
13.4 Expand homebuyer roundtable programs related to home maintenance, repair and rehabilitation, and energy efficiency for homeowners of all income levels, particularly people of color and other underrepresented groups	Home Buyers Round Table of Dane County, Project Home, County, WI Apartment Owners Association, Banks	
13.5 Incorporate green infrastructure into residential development to help reduce stormwater runoff, lower surface temperatures and lower utility costs.	CARPC, Municipalities	
METRICS		
<ul style="list-style-type: none"> • Number of units rehabbed with energy retrofits, including data by household income of recipient and by NOAH status (whether the rents meet FMR standards) • Amount of energy saved/ climate impact or amount people saved with retrofits 		

STRATEGY 14: EXPAND/CREATE LOAN FUNDS FOR HOME RENOVATIONS.

HOUSING PRIORITY: REHABILITATE AND PRESERVE AFFORDABILITY OF EXISTING HOUSING.		
ACTION STEPS	IMPLEMENTATION PARTNERS	
	LEAD	SUPPORT PARTNERS
14.1 Identify funding sources, grants and loans, and expand existing programs for homeowner renovations, energy efficiency upgrades, and remediation. Ensure access to people of color and under-represented groups.	Municipalities, County	
14.2 Create a fact sheet and/or programming about available programs, including eligibility criteria.	WHEDA, County, Non-Profits	
METRICS		
<ul style="list-style-type: none"> • Number of homes renovated through the fund • Amount of money in the program(s) • Number of people of color served 		

STRATEGY 15: EXPAND/CREATE HOMEBUYER EDUCATION AND ASSISTANCE PROGRAMS.

HOUSING PRIORITY: PROVIDE MORE PATHWAYS TO HOMEOWNERSHIP.		
ACTION STEPS	IMPLEMENTATION PARTNERS	
	LEAD	SUPPORT PARTNERS
15.1 Increase funding, education and support for: a) First-time homebuyer education; b) Credit score coaching; c) Financial literacy classes, and post-purchase support; d) Home repair/rehab grants for homebuyers that are purchasing older homes; and e) Programs that support historically marginalized groups, including Urban Triage, Own It - Building Black Wealth.	County, Municipalities, Private Sector, WHEDA	
15.2 Build 250 affordable single-family for-sale homes through acquisition and rehabilitation or new development annually.		
15.3 Develop list of expiring tax credit properties and identify strategies and best practices to retain affordability.	County, WHEDA, Banks, CDFIs	
15.4 Expand collaboration between developers and financial institutions offering second mortgage programs.	Developers, Banks, County	
15.5 Develop technical assistance trainings on LIHTC conversions for non-profit developers and tenants interested in pursuing lease-to-purchase programs.	County	
15.6 Conduct outreach and education to key stakeholders on new WHEDA funding for homeowner assistance.	Real Estate Industry, WHEDA, Homebuyers Roundtable	County
METRICS		
<ul style="list-style-type: none"> • Homeownership rate for low- and moderate-income households and Black households • Annual number of households completing homeownership programs, credit score coaching and financial literacy classes, including participation by race/ethnicity • Number of first-time homebuyers and vouchers to see if more support is needed 		

STRATEGY 16: INCREASE AFFORDABLE HOMEOWNERSHIP PRODUCTION.

HOUSING PRIORITY: PROVIDE MORE PATHWAYS TO HOMEOWNERSHIP.		
ACTION STEPS	IMPLEMENTATION PARTNERS	
	LEAD	SUPPORT PARTNERS
16.1 Partner with non-profit and mission-based developers to scale their capacity.	County, Municipalities, Non-Profit Housing Providers	Real Estate Industry
16.2 Increase flexible funding and access to funding for Habitat for Humanity, Madison Area Community Land Trust, Wisconsin Partnership for Housing Development, and similar entities to create new permanent affordable housing.	County	
16.3 Identify and facilitate sale or lease of publicly owned land to non-profit and private developers for affordable homeownership housing developments.	Municipalities	County
METRICS		
<ul style="list-style-type: none"> Affordable homeownership units built, including detail on housing type and project type Number of units converted to permanent affordable housing, with detail on housing type and project type Requirements/criteria necessary to qualify for funding 		

STRATEGY 17: EXPAND USE OF COMMUNITY LAND TRUSTS (CLTS).

HOUSING PRIORITY: PROVIDE MORE PATHWAYS TO HOMEOWNERSHIP.		
ACTION STEPS	IMPLEMENTATION PARTNERS	
	LEAD	SUPPORT PARTNERS
17.1 Identify best practices and education guide for CLTs, working with Wisconsin Community Land Trust Network and Grounded Solutions Network.	MACLT, County	Wisconsin Community Land Trust Network
17.2 Identify potential land that could be developed and included in a CLT.	Municipalities	County, School District
17.3 Create financial incentives for developers to build units in partnership with MACLT (e.g., provide density bonus if units are added to community land trust).	Municipalities	County
METRICS		
<ul style="list-style-type: none"> • Number and location of homes in CLTs • Track use and outcomes of land banks • How land trusts affect affordability and resident tenure 		



CHAPTER 1 **INTRODUCTION**

This section provides background on the project and planning process, as well as a brief outline of the report.

PROJECT BACKGROUND

In 2015, Dane County started the Dane County Housing Initiative as a partnership with municipalities to build capacity and bring programming and technical assistance to communities interested in addressing the affordable housing crisis. Over the last decade, this partnership has grown from just 3 jurisdictions to 14, including 11 that have completed municipal housing studies of their own. To build on this momentum, the Dane County Regional Housing Strategy (RHS) Strategic Action Plan was initiated. Coming together as a region to address the housing crisis in this way is an unprecedented effort. It reflects the understanding that housing affordability is not an issue that one entity—be it a City, Village, non-profit group, or developer—can tackle on their own. The region can be most impactful by coming together, breaking down silos and taking the next step together to address the housing crisis in Dane County.

PLANNING PROCESS OVERVIEW

The RHS process began in September 2022 and concluded in August 2023. A Housing Advisory Committee (HAC), comprised of over 80 stakeholders, anchored the process with 11 monthly meetings. The process included technical housing analysis, robust discussion, outreach efforts and collective visioning around the future of housing in Dane County.

This regional strategic planning effort empowered stakeholders from across the county to collectively define their core values and envision a future Dane County where there is high quality, affordable housing for all Dane County residents. This planning effort sets ambitious yet achievable goals for addressing the housing crisis that Dane County faces today and setting the county up for success in meeting the housing needs of its future residents.

The RHS process included three distinct phases.

PHASE 1 – COLLECTIVE GOAL SETTING + REGIONAL HOUSING ANALYSIS: Relationship development among HAC members; presentation of findings on existing conditions related to the Dane County housing context; reflection and discussion related to discrimination in housing; and facilitated engagement exercises focused on goal setting for the RHS.

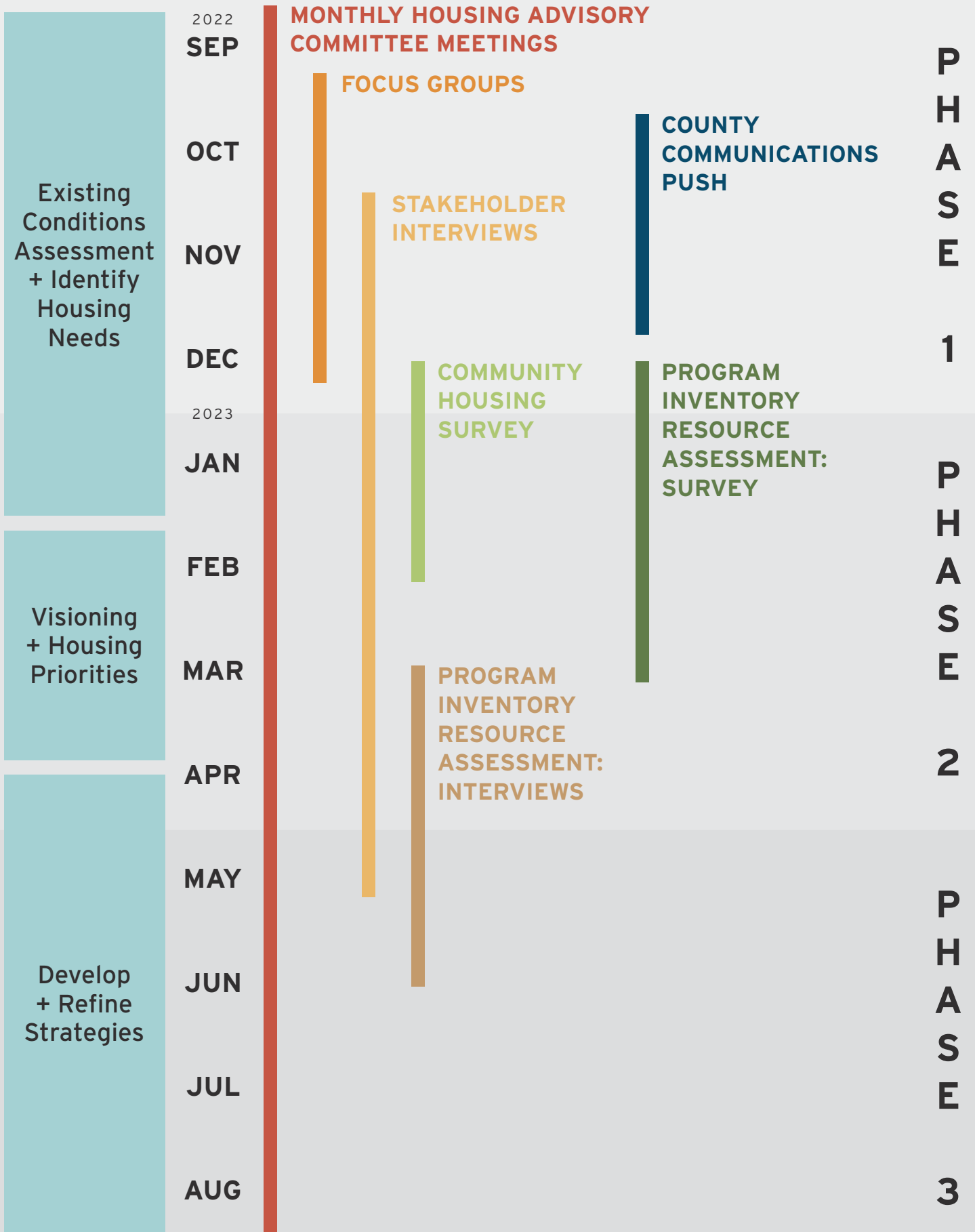
PHASE 2 – LOCAL POLICIES & PROGRAMS + VISIONING: Presentation and discussion of local housing policies and programs that jurisdictions have already implemented; visioning and engagement exercises to identify core values and housing priorities; presentation of national best practices; and identification of local housing strategies to address housing priorities.

PHASE 3 – HOUSING STRATEGIES & REPORT + IMPLEMENTATION: Facilitated discussions to refine strategies; and identification of action items, implementation needs and partnerships.

Engagement with community stakeholders extended across all three phases of the RHS process.

A detailed timeline of the process is shown on the following page.

Detailed Timeline of the Dane County RHS Process



REPORT STRUCTURE

This document, the Dane County Strategic Action Plan, encapsulates the Regional Housing Strategy process. It is separated into the following chapters:

- **EXISTING CONDITIONS** summarizes the technical analysis completed on Dane County’s demographics, and housing market. It sets the stage about Dane County’s strong economy, and the housing market pressure that it creates. It establishes baseline information about the varied housing experiences for different identity groups. This chapter also introduces affordable housing concepts that are key to building understanding of the Dane County housing crisis.
- **MEETING CURRENT AND FUTURE HOUSING NEEDS** provides detailed information on the existing housing supply gaps for both rental and owner housing in Dane County. This analysis shows that households often have to seek housing units that are not affordable to them due to limits in housing supply, often known as “the big squeeze.” This chapter also provides detailed household projections and housing unit production goals by municipality for 2020 through 2040.
- **COUNTYWIDE ENGAGEMENT** includes information on the various outreach efforts that were critical to the Regional Housing Strategy process. This included a Community Housing Survey with over 6,000 respondents; focus groups associated with identity groups that face unique housing challenges; stakeholder interviews with professionals in the housing space; and a survey completed by municipal housing staff to assess current efforts that Cities, Villages and Towns are pursuing related to housing affordability goals.
- **IMPLEMENTATION** looks to the future and sets a roadmap for achieving the future vision for housing in Dane County, where all residents have access to quality and affordable housing in connected neighborhoods. This includes five housing priorities as well as strategies that are associated with each priority. An implementation matrix is provided, which includes the action steps to achieve the strategies, key partners to lead or support implementation on each action step, and metrics to track success of each strategy.

RHS Visioning Terminology



A smiling man wearing a light-colored cap and a denim shirt is looking at his smartphone. The background shows a farm with silos and a field under a warm, orange-toned sky.

CHAPTER 2

EXISTING CONDITIONS

This section summarizes recent demographic and housing stock trends in Dane County to highlight important housing issues.

DANE COUNTY TODAY

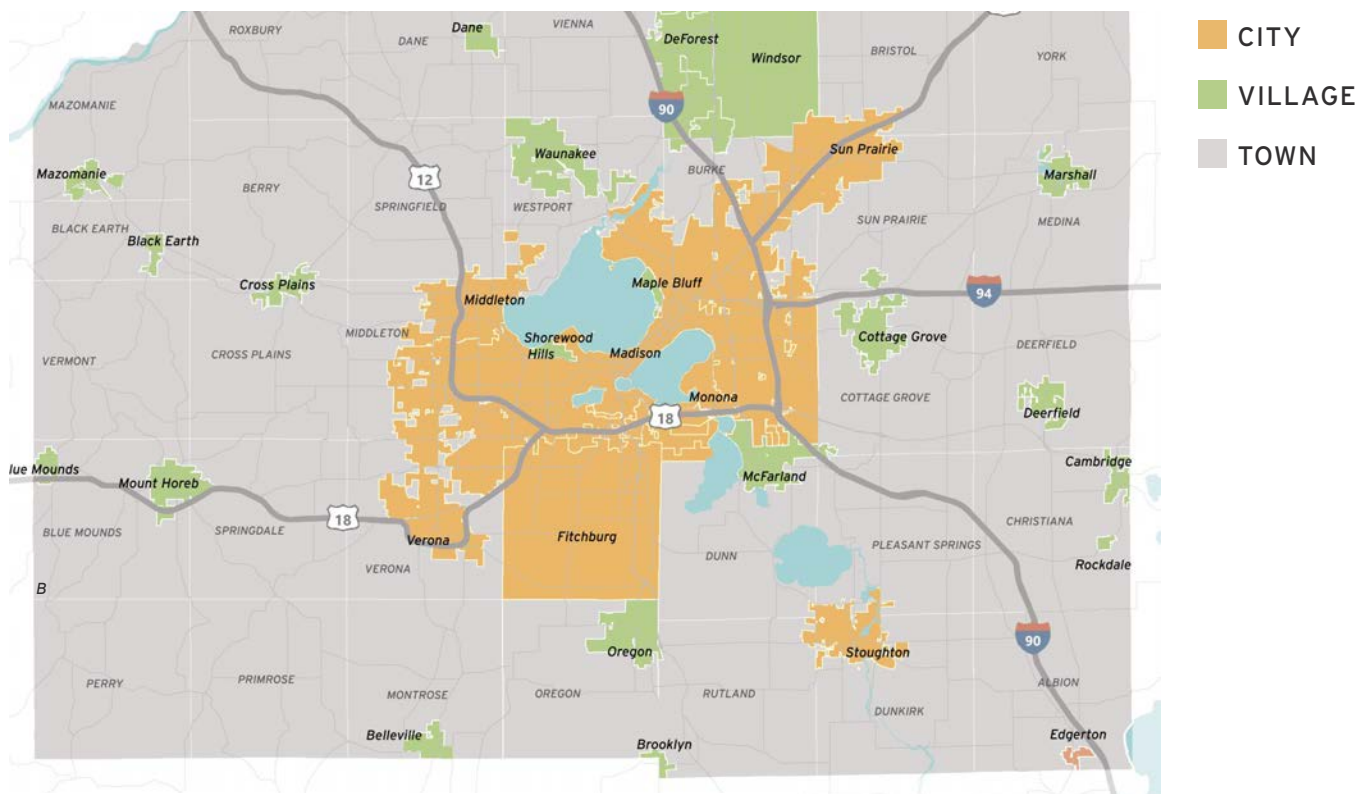
Dane County is a dynamic region that attracts people nationally to cutting-edge job opportunities, a world-class university, livable communities and beautiful open spaces. Dane County is also a place many have called home their entire lives. The affordability crisis has intensified for many over the past several years. Households experience declining affordability differently.

Some households experience the challenge of finding and purchasing a home for the first time, others with finding space for a growing family. Seniors struggle to find affordable housing to downsize into. Many lower-wage workers that are key to making Dane County's economy function have to commute long distances to find affordable housing costs. Households who need income-restricted housing cannot find units that meet their needs, and often have to choose between paying for housing and paying for other necessities. Even those renters in housing often brace for sudden and dramatic rent increases annually. While housing affordability is something that feels acutely personal, it must be addressed at a regional level to make meaningful change.

UNIQUE JURISDICTIONS, LINKED BY HOUSING & ECONOMIC NEEDS

Dane County is home to over 560,000 residents comprising nearly 240,000 households (2020 Census). The County encompasses 61 jurisdictions: 8 Cities, 20 Villages and 33 Towns. Jurisdictions across the County are visibly and functionally unique – transitioning from dense urban neighborhoods in Madison to beautiful rural main streets and open spaces in Towns such as Mazomanie or Oregon. Jurisdictions have varying levels of regulatory authority, staff capacity, access to existing infrastructure and other factors that impact the ability to influence housing affordability. However, regardless of size, geographic location or growth, every jurisdiction is both impacted by declining affordability in the County and also has the capacity to meaningfully participate in addressing the housing crisis moving forward.

Cities, Villages and Towns in Dane County



Source: Esri, SB Friedman

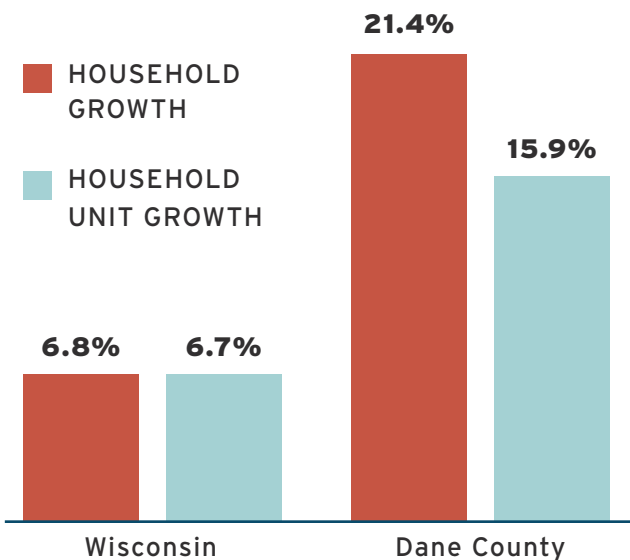
FAST GROWTH FUELS THE SENSE OF URGENCY AROUND HOUSING

Dane County is the fastest growing county in Wisconsin. Strong job growth, high-quality recreational spaces and cultural opportunities have led to substantial population growth. From 2010 to 2020, the County grew by over 84,000 residents (Census). Some growth in population is attributable to births outpacing deaths, but much of the growth is related to the robust economy.

From 2010 to 2021, Dane County added over 38,000 jobs. Employment growth in the County was more than double the growth rate in Wisconsin overall, with 14% growth in Dane County versus 6% statewide (Lightcast). The fastest-growing sectors in the County (Healthcare, Professional Services and Information) are also some of the highest-paid sectors. On average, the three highest-growth sectors report wages \$20,000 higher than other jobs within the County. This rapid growth of higher-income job opportunities is a benefit to those households with earners in those fields. However, it is a challenge for existing households with lower wages to compete for existing housing stock, underscoring the need for affordable housing for Dane County’s workforce.

Household vs. Housing Unit Growth* in Wisconsin and Dane County, 2010 - 2020

*Housing unit growth identified as total units permitted between 2010 and 2020, according to Census Building permit data.



Source: Census Building Permits Survey

WHEN ECONOMIC GROWTH INTENSIFIES THE HOUSING AFFORDABILITY CRISIS

On its face, high-wage job growth sounds promising. However, a decade of exceeding expectations in economic growth has occurred alongside a decade of under-production in the housing market. From 2010 to 2020, the County grew by over 42,000 households while jurisdictions collectively only permitted 34,000 new housing units. Due to the 8,000 unit mismatch between household growth and housing unit production, demand for housing across the County has become increasingly competitive (Census).

*Dane County’s job growth rate from 2010 to 2021 was over **twice as much** as that of Wisconsin overall. Over this period, Dane County added **38,000 jobs**.*

For every 5 new households added in Dane County from 2010-2020, only 4 new housing units were added.

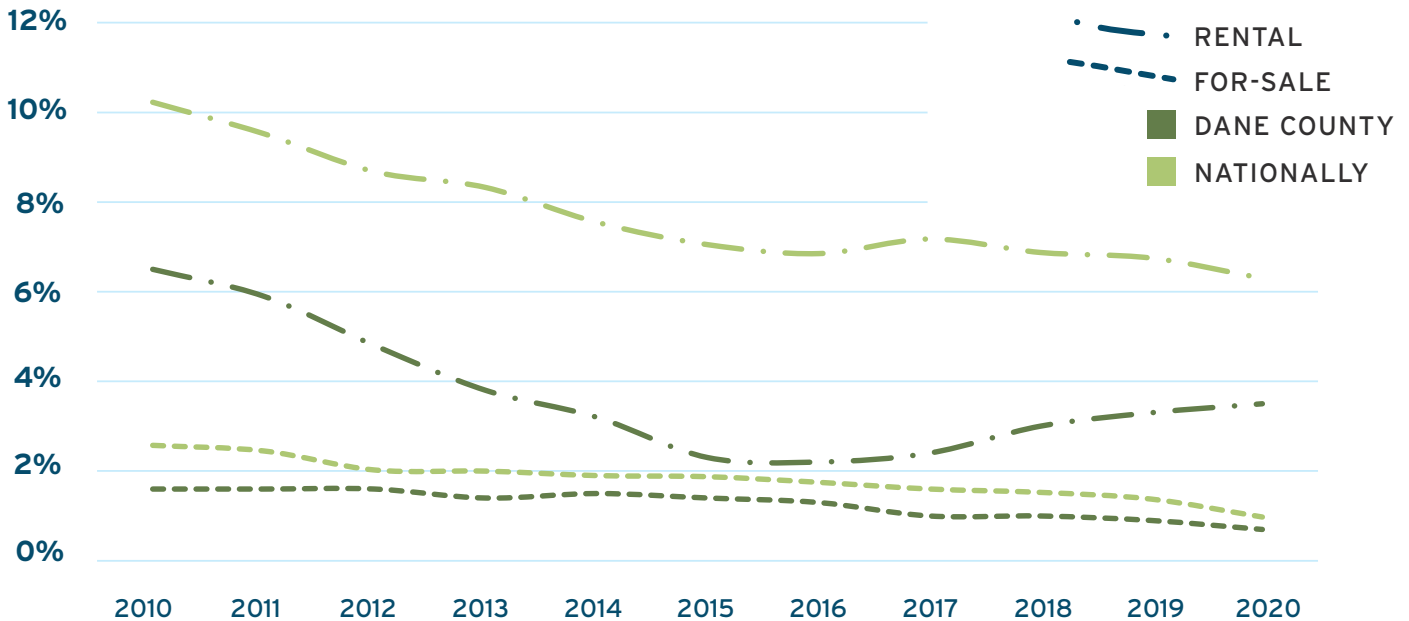
***42,000 new households** in Dane County from 2010 to 2020.*

***34,000 new housing permits** in Dane County from 2010 to 2020.*

HOUSING VACANCY RATE

In 2020, the County's 3.5% rental vacancy rate was far below the national average of 6.3%. In the same year, vacancy of for-sale units reached a 10-year low of 0.7% (Census). Rental and for-sale housing markets are typically considered healthy if they have vacancy rates of about 5% and 1.5%, respectively.

Rental and For-Sale Vacancy in Dane County and Nationally, 2010 - 2020



Source: US Census Bureau 2020, SB Friedman

Dane County's rental vacancy rate in 2020 was almost 3 percentage points below the national average.

Average rents in Dane County increased 28% from 2010 to 2022.

Increased household demand and limited housing supply have resulted in increasing home prices and rents. From 2010 to 2022, the median home price in Dane County increased from \$226,000 to \$369,000. The \$181,000 price increase in median home values within Dane County far exceeded the \$123,000 increase in median home price observed statewide (Zillow, 2022). Home sale prices in Dane County continue to rise. According to a [Capital Times article](#) from July 2023, the Madison metro area saw the sharpest home price increases in the nation from April to May 2023. Home price increases can be seen as a benefit to existing property owners but present a substantial barrier to entry for first-time homebuyers. Home price increases combined with limited supply can also cause stagnation in the market - preventing existing homeowners from upsizing or downsizing to optimally-sized homes due to the lack of inventory available.

From 2010 to 2022, average rents for an apartment in the County increased by 28%. Average rent in 2010 was approximately \$1,085 per month and increased to \$1,385 per month in 2022 (CoStar). Rent increases make housing less affordable for existing renters. Rent increases can also negatively impact a renter's ability to collect savings for wealth-building activities such as a downpayment on a home or educational opportunities.

Rising home prices, rents and continued population growth have created urgency around the need to better understand who currently lives in Dane County, who is most impacted by the affordability crisis today, and who is likely to need housing in the coming years.

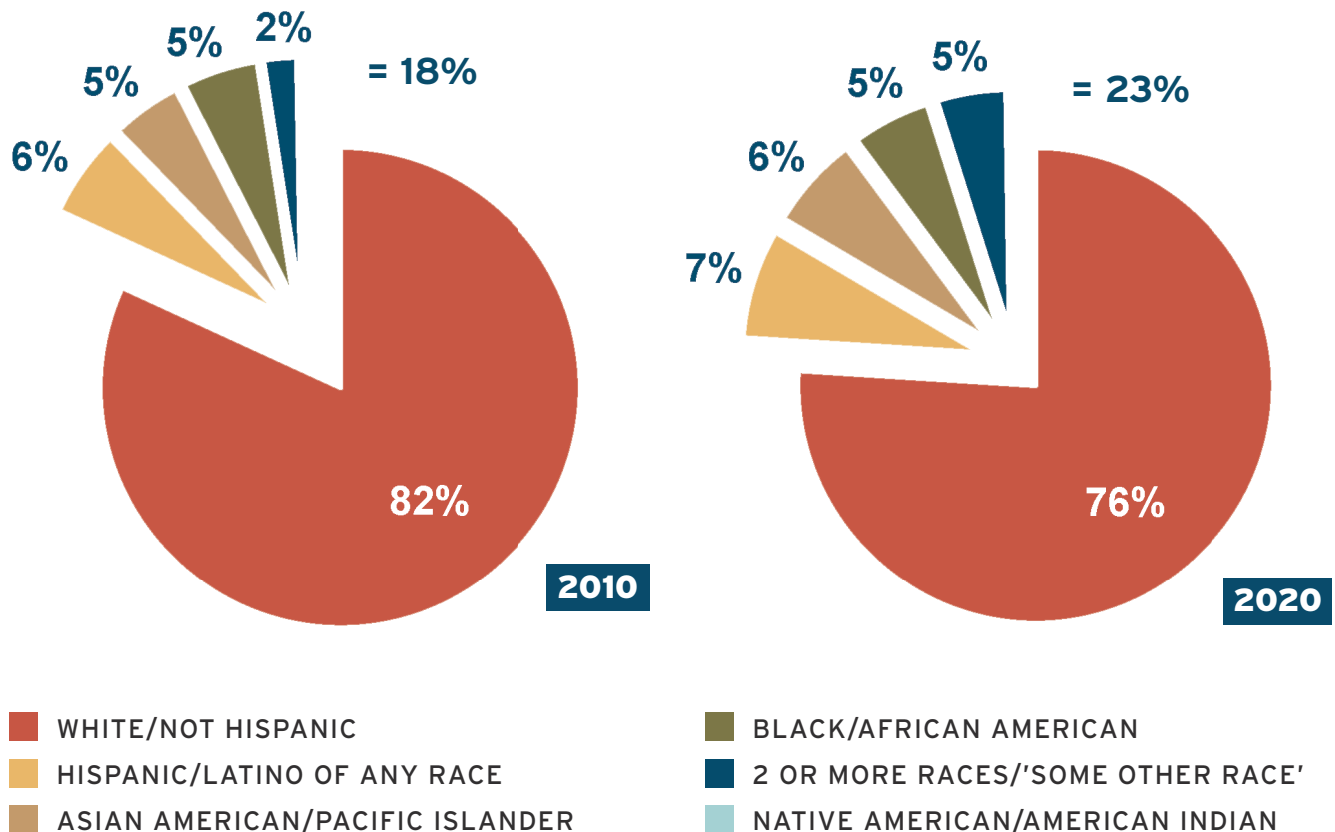
COUNTY DEMOGRAPHICS

Dane County has always been home to a complex, diverse population - spanning the income, racial, age and ethnic spectra, among others. As the County grew over the past decade, the demographics of *who* lives across the County has continued to evolve. The following section outlines key observations in the shifting demographic landscape of the County.

THE DANE COUNTY POPULATION HAS BECOME MORE RACIALLY AND ETHNICALLY DIVERSE SINCE 2010. Non-Hispanic White residents comprise the largest share of the population in Dane County. However, the non-Hispanic White (“White”) population dropped from 82% of the total population in 2010, to 76% of the total population in 2020. The remainder of the population is Hispanic (7.5%), Asian American/Pacific Islander (6.4%), Black / African American (5.3%), Native American/American Indian (0.2%) or multiracial and/or some other race(s) (4.6%). The total number of people who identify as members of these groups grew by 56% from 2010 to 2020. This outpaced the 7% growth in the non-Hispanic White population over the same period.

THE NUMBER OF PEOPLE AGES 55 AND OLDER IS GROWING SUBSTANTIALLY IN DANE COUNTY, WHICH ALIGNS WITH STATE AND NATIONAL TRENDS. As of 2020, 25% of the population was age 55 and older. From 2010-2020, the number of residents ages 55-74 grew by nearly 31%. The number of residents ages 75 and over also grew by approximately 22%. These trends indicate an aging population, which warrants special consideration to ensure Dane County residents have access to the housing necessary to age affordably ‘in place’ (Census).

Dane County Race & Ethnicity, 2010 - 2020



Source: US Census Bureau 2020, SB Friedman

HOUSING SUBAREAS

WHILE EACH DANE COUNTY COMMUNITY IS DISTINCT, THERE ARE FIVE GENERAL “HOUSING SUBAREAS” INTO WHICH DANE COUNTY COMMUNITIES ARE ORGANIZED FOR ANALYSIS. Communities within the same housing subarea have similar housing stock characteristics and face comparable housing challenges.

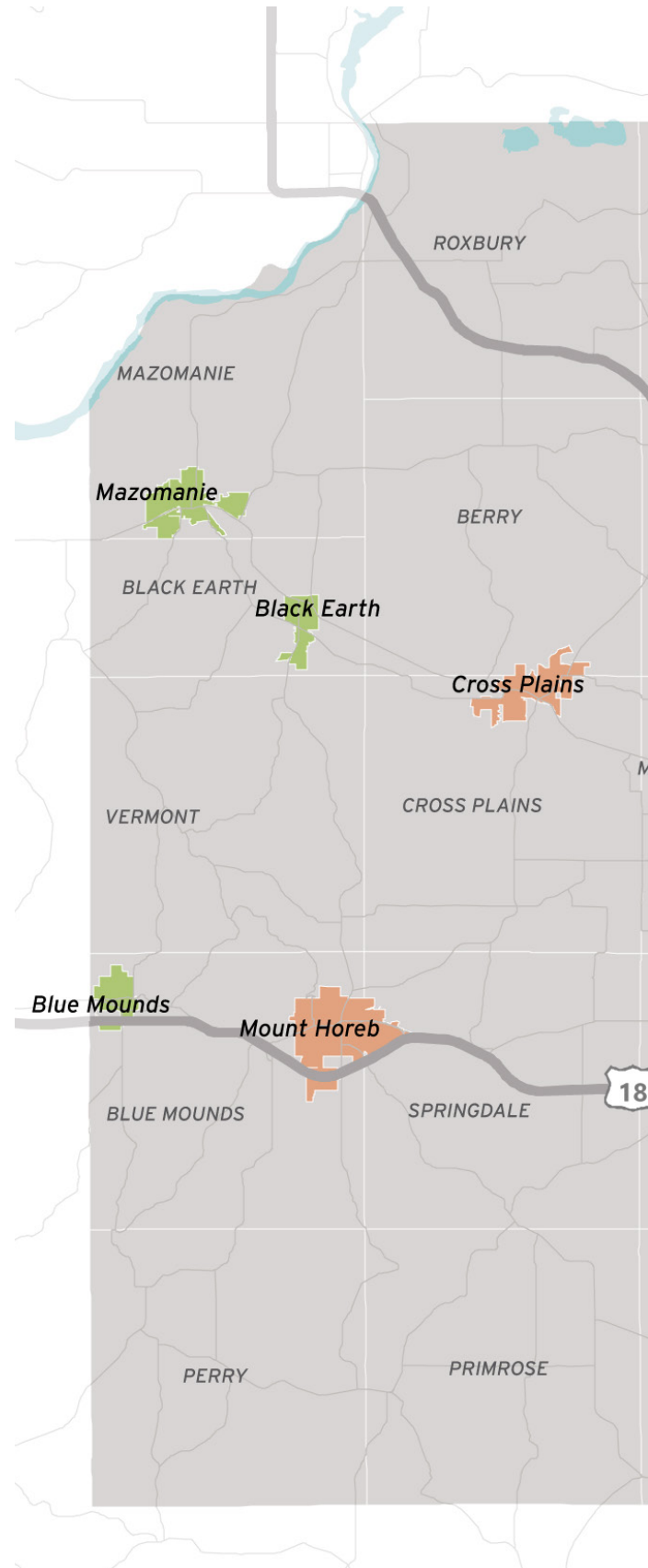
MADISON: The City of Madison accounts for almost half the County population and Downtown Madison is the region’s largest employment center. Neighborhoods close to Downtown Madison have strong transit access and compact development patterns. Neighborhoods further from Downtown Madison and closer to the Beltline are more car-oriented. Madison has a higher share of multifamily units and rental units compared to the County overall.

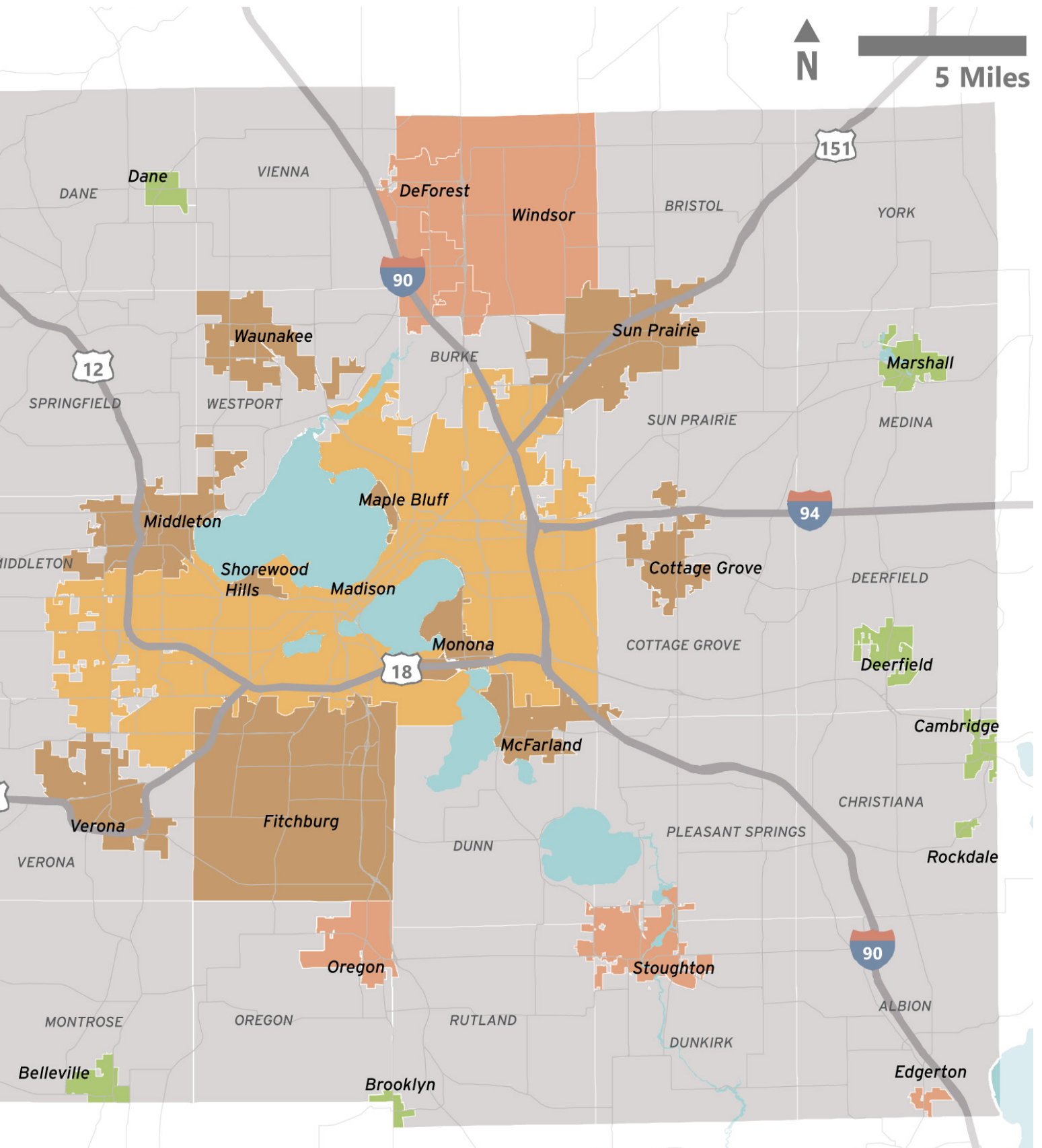
INNER-RING SUBURBS: Inner-Ring Suburbs, which are a mix of Cities and Villages, are predominately larger jurisdictions that border Madison. Most of these communities have between 7,000 and 35,000 people. Two—Maple Bluff and Shorewood Hills—are Villages surrounded by Madison that have around 3,000 residents total. Some Inner-Ring Suburbs, such as Verona and Middleton, are major regional employment centers. Inner-Ring Suburbs are experiencing strong household growth. While the housing stock in Inner-Ring Suburbs was historically mostly single-family detached homes, many of these communities have added a significant number of multifamily rental units in the last decade.

OUTER-RING SUBURBS: Outer-Ring Suburbs, which are a mix of Cities and Villages, are smaller jurisdictions (between 4,000 and 13,000 people) that border rural areas. Outer-Ring Suburbs tend to have high shares of single-family detached housing units and a more limited rental market.

RURAL VILLAGES: Rural Villages are smaller (under 4,000 people) and more rural. These Villages have predominantly single-family detached housing units and some have a high share of mobile homes.

TOWNS: Dane County’s 33 Towns are generally agricultural, rural areas. Towns have somewhat limited jurisdictional powers compared to incorporated Villages and Cities.





Source: SB Friedman

Dane County Population Growth by Age Group, 2010 - 2020

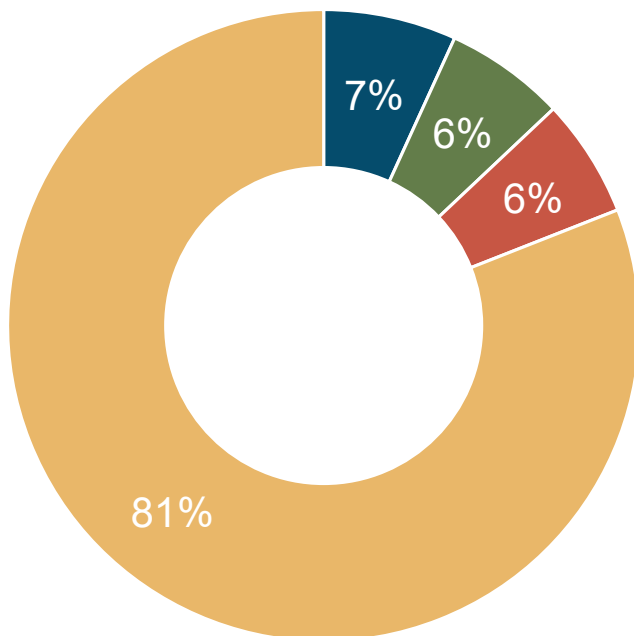
Age Cohort	≤ 14	15 - 24	25 -34	35 -54	55 -74	≥ 75
Dane County	+ 3.6%	+ 15.1%	+ 8.0%	+ 1.5%	+ 30.8%	+ 21.9%
Wisconsin	- 4.7%	- 1.7%	+ 2.2%	- 9.6%	+ 26.1%	+ 9.4%

Source: US Census Bureau 2020, SB Friedman

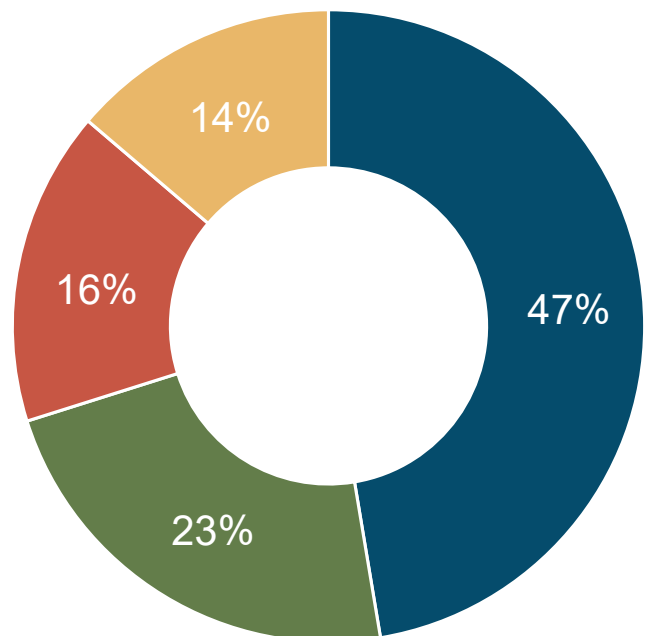
THE NUMBER OF PEOPLE IN YOUNGER AGE COHORTS IS ALSO GROWING IN DANE COUNTY, DISTINCT FROM STATEWIDE TRENDS. In Dane County, the number of people in every age cohort under the age of 55 grew from 2010 to 2020. The number of people ages 15 to 24 grew the fastest, increasing by 15% from 2010 to 2020. The number of people ages 25 to 34 grew by 8%. While growth in Dane County for cohorts under age 15 (4%) and between ages 35 and 54 (1%) was more limited, this growth is notable as these cohorts declined statewide.

MOST RESIDENTS IN DANE COUNTY LIVE IN VILLAGES AND CITIES, WHILE TOWNS ARE MORE SPARSELY POPULATED. Approximately 86% of Dane County residents live in Villages and Cities, the same geography accounting for only 19% of Dane County's land area. The remaining 14% of the population lives in Towns. Towns account for 81% of Dane County's land area. They also include most land associated with active farms, which accounts for 66% of county land (Census, WI DOA).

Dane County Land Area by Jurisdiction Type, 2020



Dane County Population by Jurisdiction Type, 2020



- MADISON
- OTHER CITIES
- VILLAGES
- TOWNS

Source: WI DOA, US Census Bureau 2020, SB Friedman

RENTERS AND HOMEOWNERS

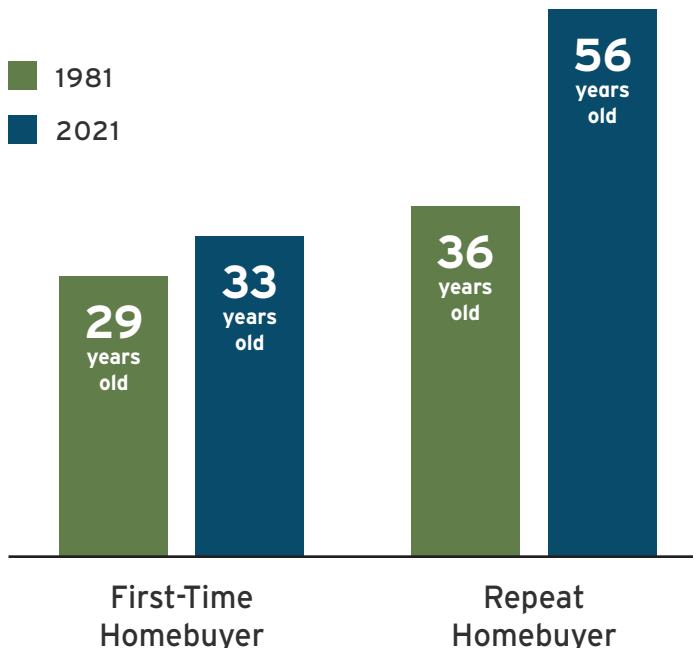
OWNER HOUSEHOLDS TEND TO BE LARGER THAN RENTER HOUSEHOLDS IN DANE COUNTY AND THROUGHOUT THE COUNTRY. In 2021, the average owner household in Dane County was 2.47 people, while the average renter household was 1.98 people. Household sizes have decreased very slightly in recent years. In 2013, the average size of owner and renter households was 2.51 and 2.07 respectively (Census).

DANE COUNTY'S HOMEOWNERSHIP RATE HAS DECLINED IN THE LAST DECADE. Homeowners as a share of households in Dane County declined from 65% in 2010 to 59% in 2021. This decline aligns with broader trends around homeownership nationally. First-time homebuyers make up a shrinking share of total homebuyers, and the median age of first-time homebuyers has risen over the last 50 years (Census).

A HOUSEHOLD'S LIKELIHOOD TO RENT MAY RESULT FROM AFFORDABILITY CONSTRAINTS OR PERSONAL PREFERENCES. Some demographic groups are more likely to rent than others, including young professionals, students and single householders. Households may be "renters by choice" to avoid unexpected maintenance costs that come with homeownership or to avoid the long-term commitment that homeownership necessitates. Lower- and moderate-income households, regardless of demographic group, are also more likely to rent than to own out of economic necessity. There are also many households that have the means to be homeowners, and prefer to do so, but rent because of a lack of available for-sale units for which they can qualify.

IN RECENT YEARS, HOUSEHOLDS ARE PURCHASING HOMES LATER IN LIFE. Over 65% of households over the age of 35 in Dane County are homeowners, compared to 35% of households age 25-34 and only 4% of householders under age 25 in 2020. This is consistent with national trends, as the median age of both first-time and repeat homebuyers has been increasing. In 2021, the median age of a first-time homebuyer was 33, compared to 29 in 1981. The median age of a repeat homebuyer also increased substantially, from 36 in 1981 to age 56 in 2021 (National Association of Realtors).

National Homebuyer Age Characteristics, 1981 and 2021



44% of home sales in 1981 were by first-time homebuyers; whereas, in 2021, only **34%** of home sales were by first-time homebuyers.

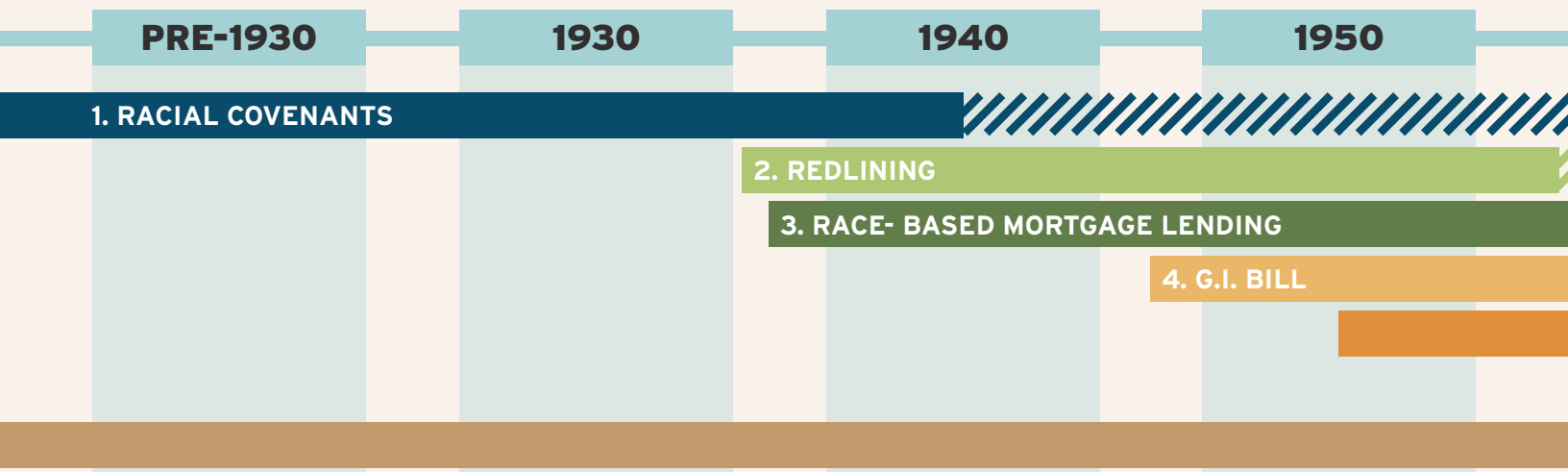
Source: National Association of Realtors, SB Friedman

HISTORY OF RACIAL DISCRIMINATION IN HOUSING

HAC members indicated that addressing long-standing impacts of racial discrimination in housing was a key objective of the strategic planning process. This report includes several metrics that illustrate housing affordability and opportunity by race and ethnicity in Dane County. People of color, particularly Black households, are at a disadvantage within the housing market looking at nearly every key metric - they are more likely to be in a low-income household, have less access to ownership, and experience cost burden at a higher rate. This section provides the historical context for racial discrimination in housing and its ongoing impacts.

This timeline highlights a selection of the housing policies that have directly led to today's inequitable housing outcomes for people of color.

1. RACIAL COVENANTS: Since the 1920s, many private landowners in White neighborhoods imposed racially restrictive covenants on their properties' deeds. This prohibited people of color from ever owning these properties with the intent to reinforce geographical racial segregation. Racial covenants negatively impacted the ability of people of color to accrue wealth from homeownership. These covenants were enforceable until 1948 and outlawed in 1968, but racist language remains in many deeds today. Segregation is also still prevalent.



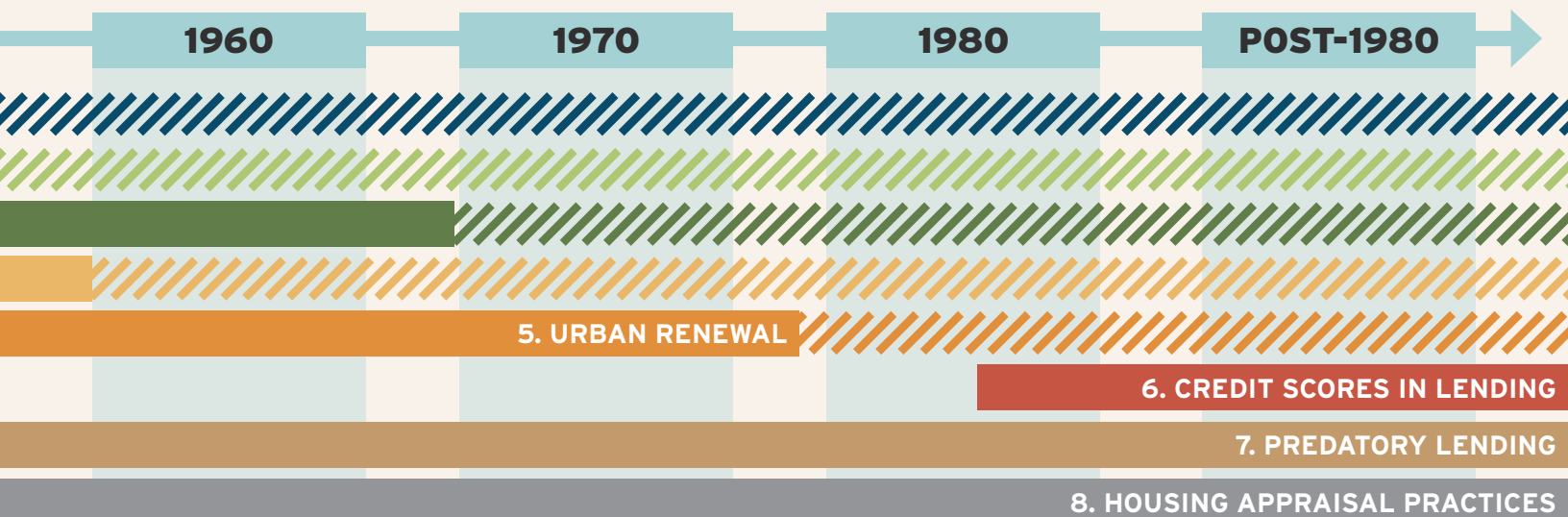
4. G.I. BILL: Administered by the Veterans Administration, the G.I. Bill provided World War II veterans with low-cost mortgages, low-interest loans and financial support. While many Black veterans were technically eligible to apply, many banks and mortgage agencies refused loans to them. The initial program expired in 1956.

5. URBAN RENEWAL: Starting in 1949, jurisdictions carried out urban renewal policies by acquiring and clearing "slum areas" to be redeveloped according to the jurisdiction's plans. These activities were often federally subsidized. The practice uprooted entire communities, destroyed their social fabric and cut off access to resources and jobs. Most residents (63%) displaced through urban renewal nationally were Black (Thompson). This practice continued through the 1970s.

6. CREDIT SCORES IN LENDING: The credit score system as we know it today was implemented in the 1980s to weigh credit worthiness and risk in a more standardized manner. The system reinforces existing disparities and can be a barrier to accessing capital.

2. REDLINING: After the onset of the Great Depression, the Homeowners' Loan Corporation (HOLC) developed a mortgage insurance grading system that assigned neighborhood grades from "A" to "D," based on the perceived risk that a homeowner in that neighborhood would default on their mortgage. The HOLC gave Black, Latino, Jewish and Asian neighborhoods lower grades. The practice, which became known as "redlining," became the basis for race-based lending practices, and codified the idea that certain neighborhoods were "risky." Redlining restricted homeownership opportunities for people of color.

3. RACE-BASED MORTGAGE LENDING: Beginning in 1934, the Federal Housing Administration (FHA) employed race-based policies to determine which households to approve for mortgages, using HOLC maps to identify more highly rated neighborhoods for mortgage approvals. These policies steered investment towards suburbs predominantly occupied by White households. Meanwhile, the FHA denied mortgages to Black households and other households of color. This encouraged White flight, further segregating communities and leading to disinvestment of existing urban neighborhoods where people of color lived. It also kept Black households from accessing wealth-building opportunities through homeownership. Although this practice became illegal after the Fair Housing Act was adopted in 1968, there are still discriminatory impacts in mortgage lending today.



7. PREDATORY LENDING: Predatory lending is the use of aggressive tactics to sell loans with unfavorable terms to borrowers who have limited access to capital. Leading up to the 2008 foreclosure crisis, lending institutions disproportionately targeted people of color for predatory mortgages, even when they qualified for traditional mortgages with better terms. This capitalized on existing structural inequities and continues today.

8. HOUSING APPRAISAL PRACTICES: Neighborhood racial composition is a factor used to determine comparable homes for a home appraisal, which is typically required as part of a home purchase. Communities of color are continually undervalued, which reduces access to mortgages and equity gained from sale. Appraisal practices continue to replicate historic racial inequities.

Additional information and resources are provided in the HAC #3 presentation at https://www.youtube.com/watch?v=Q8ao2L_OME0.

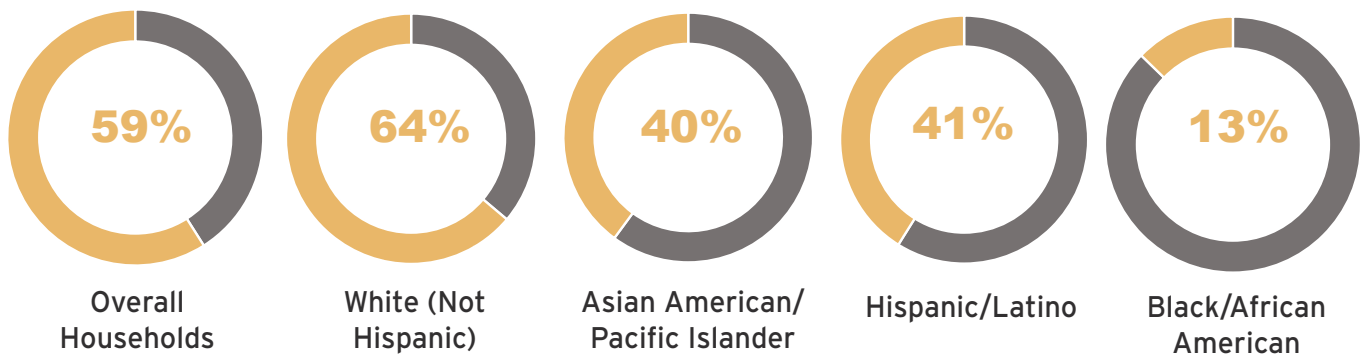
HOMEOWNERSHIP TRENDS BY RACE/ETHNICITY

PEOPLE OF COLOR AND LOW-INCOME HOUSEHOLDS HAVE BEEN UNABLE TO ACCESS HOMEOWNERSHIP IN DANE COUNTY FOR GENERATIONS. Federal housing policies including redlining and other discriminatory lending practices have historically restricted access to homeownership for Black residents and other people of color. A century of discriminatory housing policies continues to have a lasting impact on access to homeownership today for communities of color. In Dane County, only 13% of Black householders are homeowners, compared to 64% of White householders. Other groups of color,

including people in the Latinx, Asian American/Pacific Islander (AAPI), and Native American communities, also have lower homeownership rates (Census).

Consumer Financial Protection Bureau data on conventional mortgage approval rates illustrates ongoing challenges with access to homeownership by race. In 2017, over 77% of conventional mortgage applications for White households earning less than \$50,000 annually were approved, while only 60% of applications for Black households were approved. Across all income bands, White applicants were more likely to be approved than Black applicants. Delayed homeownership results in slower wealth building.

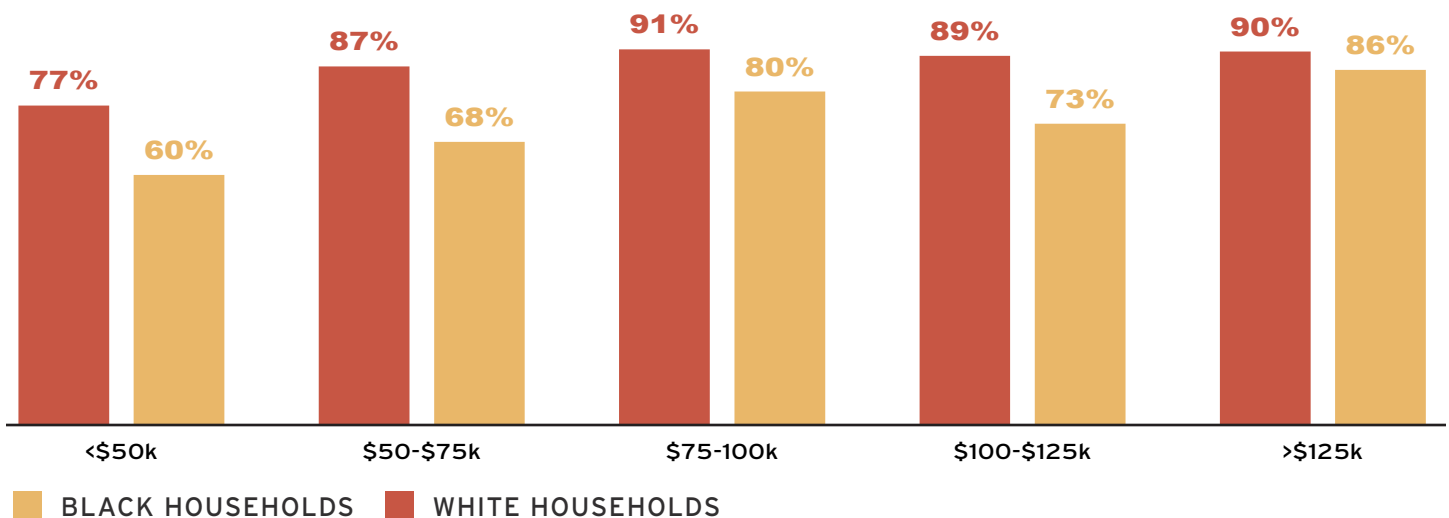
Homeownership in Dane County by Race and Ethnicity, 2020



■ OWNER HOUSEHOLDS ■ RENTER HOUSEHOLDS

Source: PUMS ACS 5-Year Estimates (2016-2020), SB Friedman

Conventional Mortgage Approval Rates by Race and Income, 2017



Source: Consumer Financial Protection Bureau (Home Mortgage Disclosure Act data, 2017), SB Friedman

UNDERSTANDING HOUSING AFFORDABILITY

DEFINING AFFORDABLE HOUSING

Housing is generally considered affordable when a household spends no more than 30% of their gross income on housing costs. For renters, this includes rent and utilities. For homeowners, this includes their monthly mortgage payment, utilities and other typical owner costs (property taxes, homeowner association fees, homeowners' insurance). While households of all income levels need housing that is affordable to them, lower-income households are less likely to find such housing without the support of government subsidy.

Housing is affordable when a household spends less than 30% of their gross income on housing costs. Lower-income and certain moderate-income households often cannot find quality affordable housing on the open market. Public subsidies are used to create legally restricted affordable housing, which is dedicated to these households.

AREA MEDIAN INCOME (AMI)

AMI is the midpoint of an area's family income distribution: half of households in an area earn more, and half earn less. The U.S. Department of Housing and Urban Development (HUD) defines specific income ranges by percentage of AMI and household size annually for geographies across the country, including Dane County. AMI is an important concept in housing policy because it determines rents and price points for legally restricted affordable units and identifies which households are eligible for income-restricted affordable housing programs. The Wisconsin Housing and Economic Development Authority (WHEDA) publishes annual income and rent limits applicable to the county by household size, available at wheda.com.

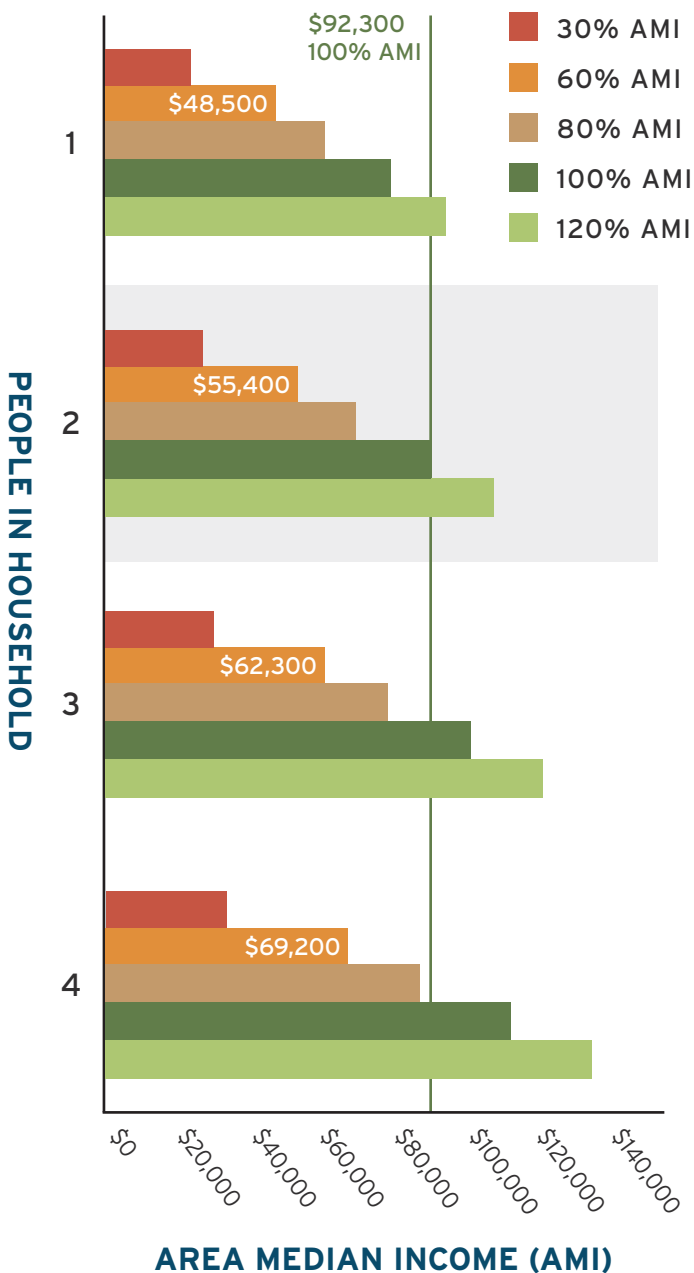
HUD Income Limits by AMI, 2022

	Area Median Income	2-Person Household
Extremely Low Income	30%	\$27,700
Very Low Income	50%	\$46,200
	60%	\$55,400
Low Income	80%	\$73,800
Median Income	100%	\$92,300
Moderate Income	120%	\$110,800

Source: HUD FY 2022, SB Friedman

2020 Census data indicates that 25,100 households, nearly a quarter of Dane County households, earned less than 30% AMI. Another 36,600 households earned 30-60% AMI, 50,500 households earned 60-100% AMI, and 114,400 households earned more than 100% AMI. Households earning less than 60% AMI are generally eligible for rental affordable housing subsidies, resulting in over 60,000 households in Dane County eligible for such housing subsidies. Housing programs for owner-occupied housing, including rehab or downpayment assistance, are typically restricted to households earning less than 100% AMI.

AMI Variation by Household Size, 2022



Source: HUD FY 2022, SB Friedman

<30% AMI HOUSEHOLDS

In 2020, households earning less than 30% AMI earned less than \$28,000 annually. The top occupations for individuals within this income band include cashiers, janitors, waiters, elder caregivers and taxi drivers. Nearly 75% of households earning less than 30% AMI are renter households. Nearly all (98%) are single-income households. In addition to full-time and part-time workers who earn lower wages, many householders outside the workforce, such as seniors on fixed incomes, are likely to fall into this category.

30-60% AMI HOUSEHOLDS

Households earning between \$28,000 and \$55,000 annually are within the 30-60% AMI bracket. Common occupations of workers in this income bracket include retail salespersons, repair workers, nursing assistants, elementary and middle school teachers and truck drivers. These households are frequently single-income households (94%) and/or renters (64%).

60-80% AMI HOUSEHOLDS

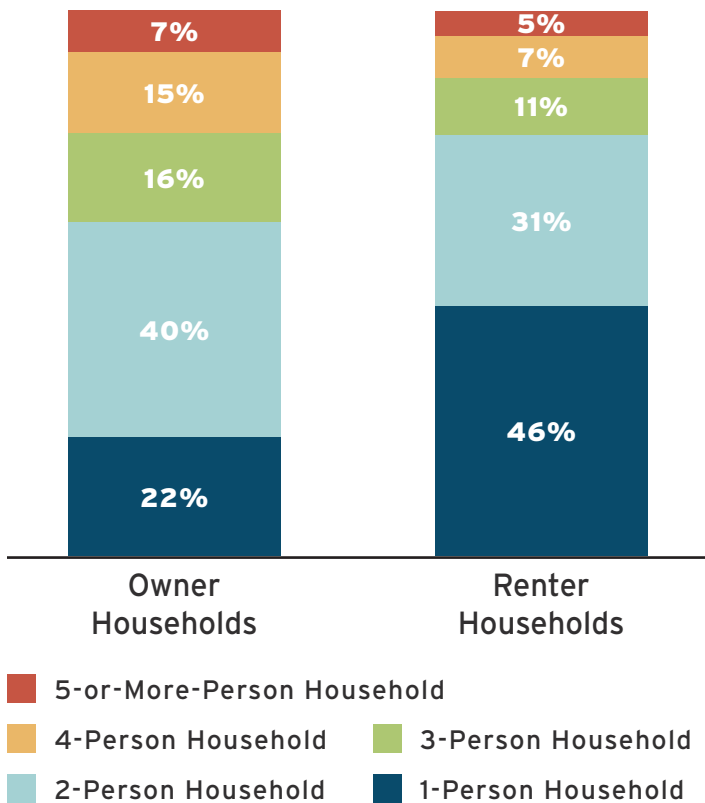
Households earning \$55,000 to \$74,000 annually are within the 60-80% AMI bracket. Typical occupations of householders in this income band include administrative assistants, registered nurses, retail salespersons, elementary and middle school teachers, and customer service representatives. In 2020, 85% of households earning 60-80% AMI were single-income households, and nearly half—46% of households—were renters.

80-100% AMI HOUSEHOLDS

Households earning \$74,000 to \$92,000 annually are within the 80-100% AMI bracket. Common occupations of householders in this income band include managers, real estate brokers, customer service representatives, registered nurses and software developers. In 2020, 80% of households earning 80-100% AMI were single-income households and a majority (58%) lived in owner-occupied housing.

In the last decade, income inequality in Dane County and throughout the U.S. has increased. High-income households are amassing greater amounts of wealth, while the number of lower-income households has risen. The number of households earning less than 30% AMI grew at a faster rate than the overall household growth in the County over the past decade. From 2010 to 2020, Dane County households earning less than 30% AMI increased by approximately 5,900 households, about 1.7 times the overall County growth over the same period. Faster-than-average growth in the under 30% AMI cohort indicates a widening of income inequality in the County, as higher income households increase the AMI, while the proportion of households at extremely low income levels increases (Census).

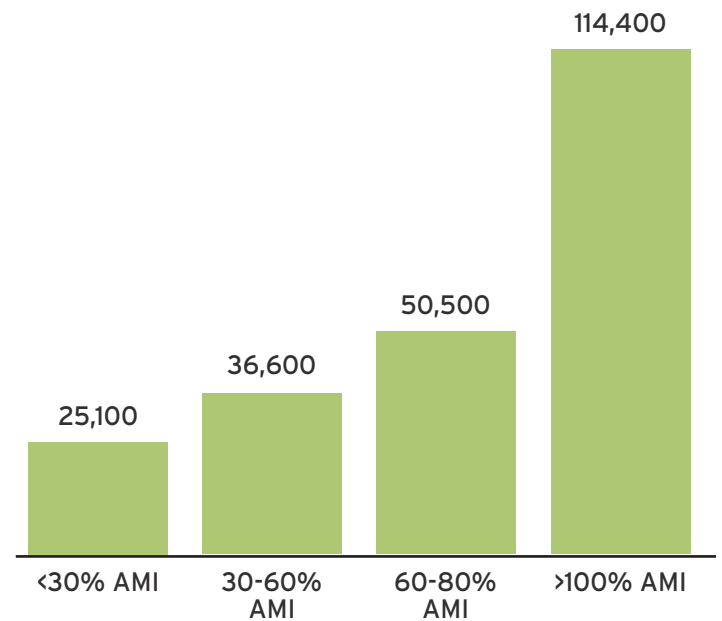
Owner and Renter Households by Household Size, 2020



Source: ACS 5-Year Estimates (2016-2020), SB Friedman

"Income is the #1 factor. If we don't address the wealth gap, we will never address the housing crisis among minorities."
 - HAC Member

Households by Income Group, 2020



Source: PUMS ACS 5-Year Estimates (2016-2020), SB Friedman

1.7
 The rate households earning up to 30% AMI grew, relative to overall Dane County household growth, from 2010 to 2020.

26%
 The share of households in Dane County at or below 60% AMI

HOUSEHOLD INCOME TRENDS BY IDENTITY GROUP

While household characteristics vary within any individual AMI band, the following demographic characteristics tend to correlate with lower household incomes:

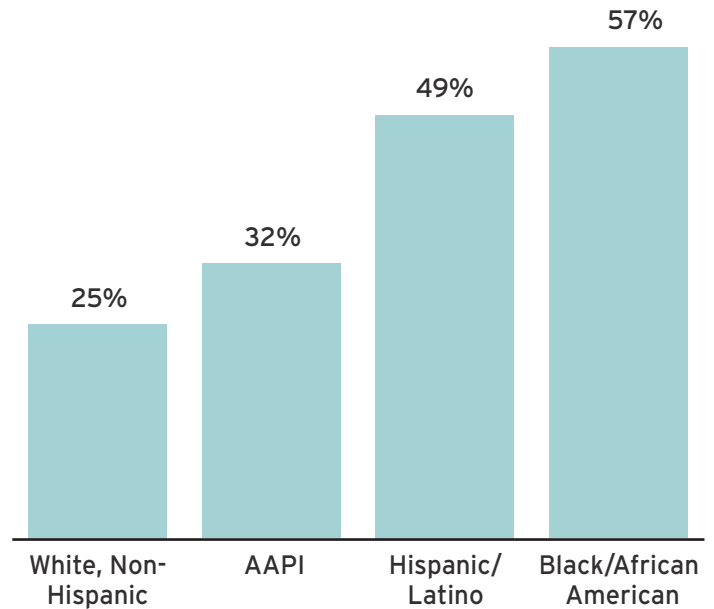
- HOUSEHOLDS HEADED BY PEOPLE OF COLOR ARE MORE LIKELY TO EARN LESS THAN 60% AMI.** A larger share of households headed by people of color earned less than 60% AMI than White households in 2020. Only 25% of White households earned less than 60% AMI – compared to 57% of Black/African American households, 49% of Hispanic/Latino households, and 32% of AAPI households (Census).
- SINGLE HOUSEHOLDERS, ESPECIALLY SINGLE FEMALE HOUSEHOLDERS, ARE MORE LIKELY TO BE LOWER-INCOME, COMPARED TO DUAL-ADULT HOUSEHOLDS.** In 2020, one-person and single-parent households tended to be lower-income compared to cohabitant and married-partner households. Nearly half (47%) of one-person households earned less than 60% AMI, compared to only 11% of dual-adult households. Women are also more likely to earn less than 60% AMI than men: 50% of female one-person households earn less than 60% AMI, while 44% of male one-person households do (Census).
- PEOPLE WITH A DISABILITY ON AVERAGE EARN HALF AS MUCH AS PEOPLE WITHOUT A DISABILITY.** In 2020, approximately 17,000 people, or 5% of the civilian non-institutionalized population over 16-years old, identified as having a disability in Dane County. The median earnings for

people with a disability was \$21,000 compared to \$42,000 for people without disabilities. Similarly, 65% of people with a disability earn less than \$35,000 annually, compared to 43% of people without a disability (Census).

- A HIGHER SHARE OF SENIORS HAVE ANNUAL INCOMES UNDER \$50,000 COMPARED TO HOUSEHOLDS OVERALL.** Dane County’s senior population has grown rapidly since 2010; there are approximately 75,000 people ages 65 and over in the County. The fastest-growing age cohorts in Dane County from 2010 to 2020 were seniors. Seniors are more likely to depend on limited, fixed incomes and seek lower-cost housing that meets their needs. Around 35% of senior householders have incomes of less than \$50,000, or about 60% AMI in 2022, compared to only 27% among Dane County households overall (Esri).

These patterns in households that are more likely to be lower-income begins to point to specific needs for housing strategy interventions in the County.

Share of Householders by Race/Ethnicity under 60% AMI, 2020



Source: PUMS ACS 5-Year Estimates (2016-2020), SB Friedman

35%
The share of senior householders that have annual incomes less than \$50,000

HOUSING COST BURDEN

THE SHARE OF HOUSEHOLD INCOME SPENT ON HOUSING COSTS IS AN IMPORTANT METRIC FOR UNDERSTANDING WHETHER INDIVIDUAL HOUSEHOLDS ARE ABLE TO ACCESS HOUSING THAT IS AFFORDABLE TO THEM. HUD considers a household to be “cost-burdened” if they spend over 30% of their gross annual income on housing costs. A household is considered “severely cost-burdened” if they spend over 50% of their gross annual income on housing costs. Households that are cost-burdened are more likely to experience housing instability, which means a household faces housing-related challenges day-to-day at a level that can negatively impact their health and safety.

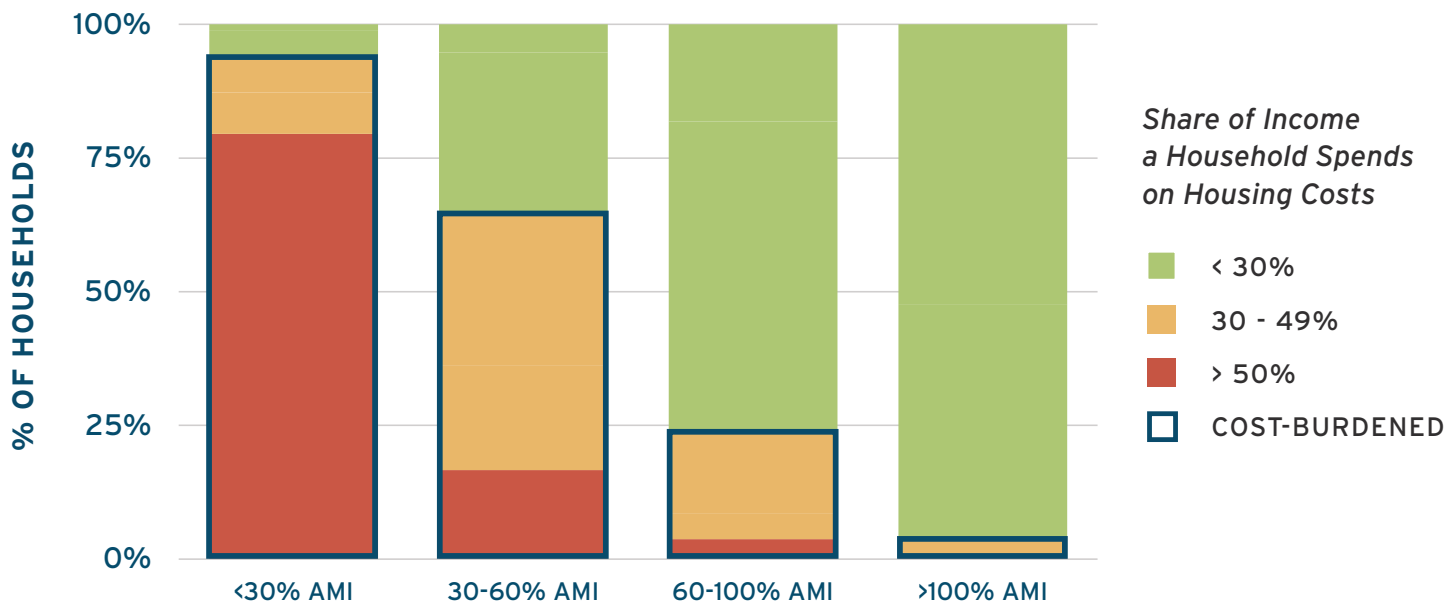
*A **cost-burdened** household spends more than 30% of its gross income on housing costs.*

For renter households, housing costs typically include rent and utility costs. For homeowners, these costs typically include mortgage payments, utility costs, property taxes, homeowner’s and mortgage insurance, and maintenance expenses. Housing costs could also include homeowner association fees for condo owners.

OVER ONE-QUARTER OF TOTAL HOUSEHOLDS IN DANE COUNTY—APPROXIMATELY 62,000 HOUSEHOLDS—ARE CONSIDERED HOUSING COST-BURDENED. Approximately 26,000 households, or 12% of overall households, are severely cost-burdened. (Census is the source for all cost burden data.) The likelihood that a household is cost-burdened increases if they identify with certain groups, which generally experience cost burden at higher rates. Groups that are more likely to experience cost burden include:

- **LOWER-INCOME HOUSEHOLDS:** A large share of lower-income households, which may include people with disabilities, seniors, young adults, and people of color, are likely to be housing cost burdened. In 2020, 94% of households earning less than 30% of AMI and 65% of households earning 30-60% of AMI in Dane County were housing cost-burdened. In comparison, only 24% of households earning 60-100% of AMI and 4% of households earning more than 100% of AMI were cost-burdened.

Cost Burden by Household Income in Dane County, 2020



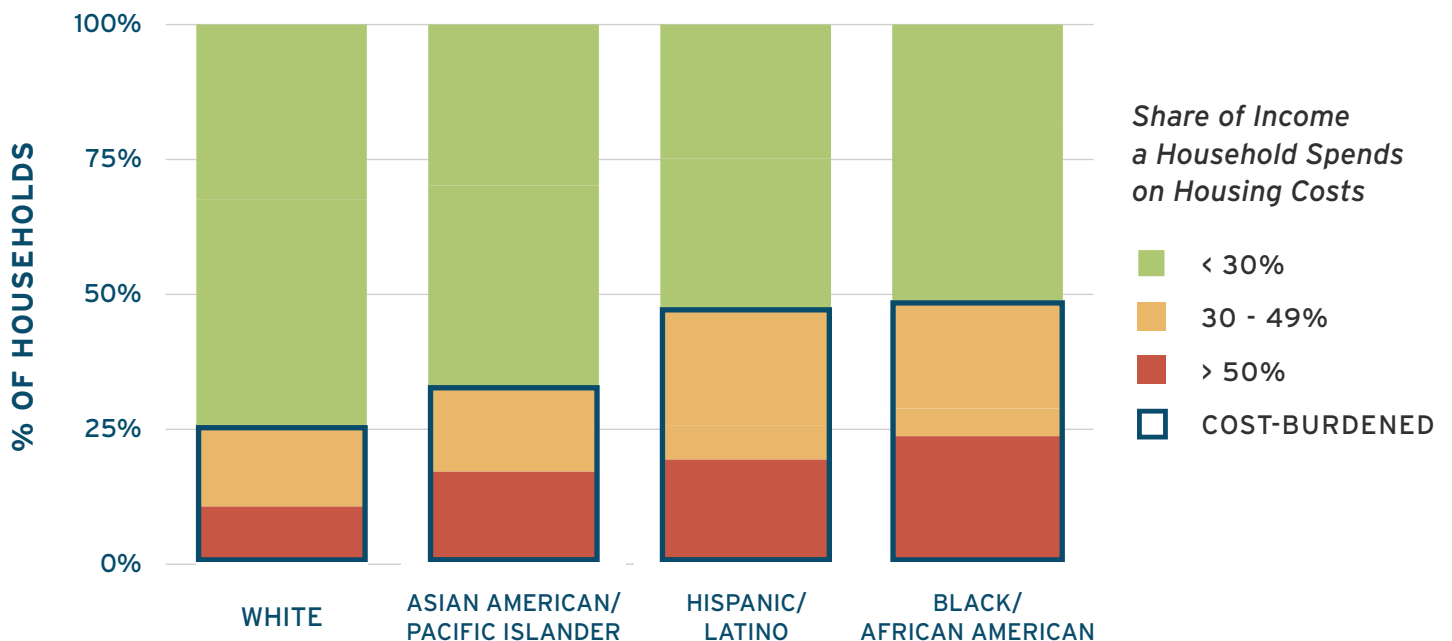
Source: PUMS ACS 5-Year Estimates (2016-2020), SB Friedman

- **RENTERS:** Renters are more likely to be low-income than homeowners. In 2020, 44% of renters in Dane County were considered cost-burdened, compared to 17% of homeowners. Renters are more likely to experience housing instability and cost burden compared to homeowners due to the costs associated with navigating the housing market, obtaining housing and moving.
- **PEOPLE OF COLOR:** The legacy of racism in federal housing policy throughout the 20th century has reduced both housing access and housing affordability for people of color. In 2020, 26% of White households in Dane County were cost-burdened while 49% of Black/African-American households, 47% of Hispanic/Latino households and 33% of Asian American/Pacific Islander households were cost-burdened.
- **ELDERLY PEOPLE:** In 2020, 35% of Dane County households over age 75 were housing cost-burdened. Seniors are more likely to be on fixed incomes, and may have limited funds to spend on housing maintenance, increasing property taxes or other costs.

- **YOUNG PEOPLE:** In 2020, 64% of households under age 25 in Dane County were housing cost-burdened. Most (96%) households under age 25 were also renters, which are more likely to be cost-burdened. Young adult households are also more likely to be single-person households, which tend to be lower-income than cohabitant or married-partner households. Younger households are more likely to be students or work in lower-wage, entry level jobs, and may carry student loans or other types of debt (Census).

"I'm a senior on a fixed income – housing costs are still going up... I have to make choices between my medication and food."
 - Focus Group Participant

Cost Burden by Race/Ethnicity in Dane County, 2020



Source: PUMS ACS 5-Year Estimates (2016-2020), SB Friedman

JOB ACCESS, TRANSPORTATION AND HOUSING COSTS

Even if they spend less than 30% of their income on housing costs, households can experience housing affordability challenges if other critical living expenses are high. For example, households paying for student loans, childcare or medical expenses related to chronic health conditions will have less money available to spend on housing.

IT IS IMPORTANT TO CONSIDER BOTH HOUSING AND TRANSPORTATION COSTS TOGETHER WHEN CONSIDERING HOUSING AFFORDABILITY. After housing, transportation costs are often the largest household expense. Finding low-cost housing can mean tradeoffs with higher transportation costs: while housing further from transit, jobs and amenities may appear to be more affordable, it often requires higher household spending associated with purchasing and maintaining a car.

INCREASING HOUSING NEAR JOB OPPORTUNITIES IS A KEY COMPONENT OF ADDRESSING THE HOUSING CRISIS. There are approximately 355,000 jobs in Dane County, and many are concentrated in a

handful of locations. Downtown Madison and the UW–Madison campus are among the largest employment centers in the County, and there are many jobs along the Beltline, which runs through Madison and most Inner-Ring Suburbs. Epic, in Verona, has a large share of County jobs as well. It is one of the County’s largest employers, and is adding the largest number of new jobs. While there are many jobs throughout the County in Agriculture and household-serving sectors like Education, Healthcare, Retail and Food Services, residents that live near concentrated employment opportunities will likely benefit from lower transportation costs.

MANY DANE COUNTY WORKERS SEEK HOUSING OUTSIDE THE COUNTY, WHICH INCREASES TRANSPORTATION COSTS. Approximately one-third – or 115,000 – of Dane County workers reside outside the County and commute in. These workers likely live in housing that is more affordable than what they could find in Dane County, but likely spend more of their income and time on transportation (Census).

Inflow and Outflow of Jobs and Labor in Dane County, 2019

Note: Job numbers include all jobs and may include part-time work.



Source: US Census LEHD OnTheMap (2019), SB Friedman

Location within Dane County impacts what a household typically spends on transportation, which also impacts overall affordability, as described below:

LESS THAN 14% OF INCOME ON TRANSPORTATION COSTS: Madison households on the Isthmus spend the smallest share of their incomes on transportation costs within the county because of strong access to jobs and transit.

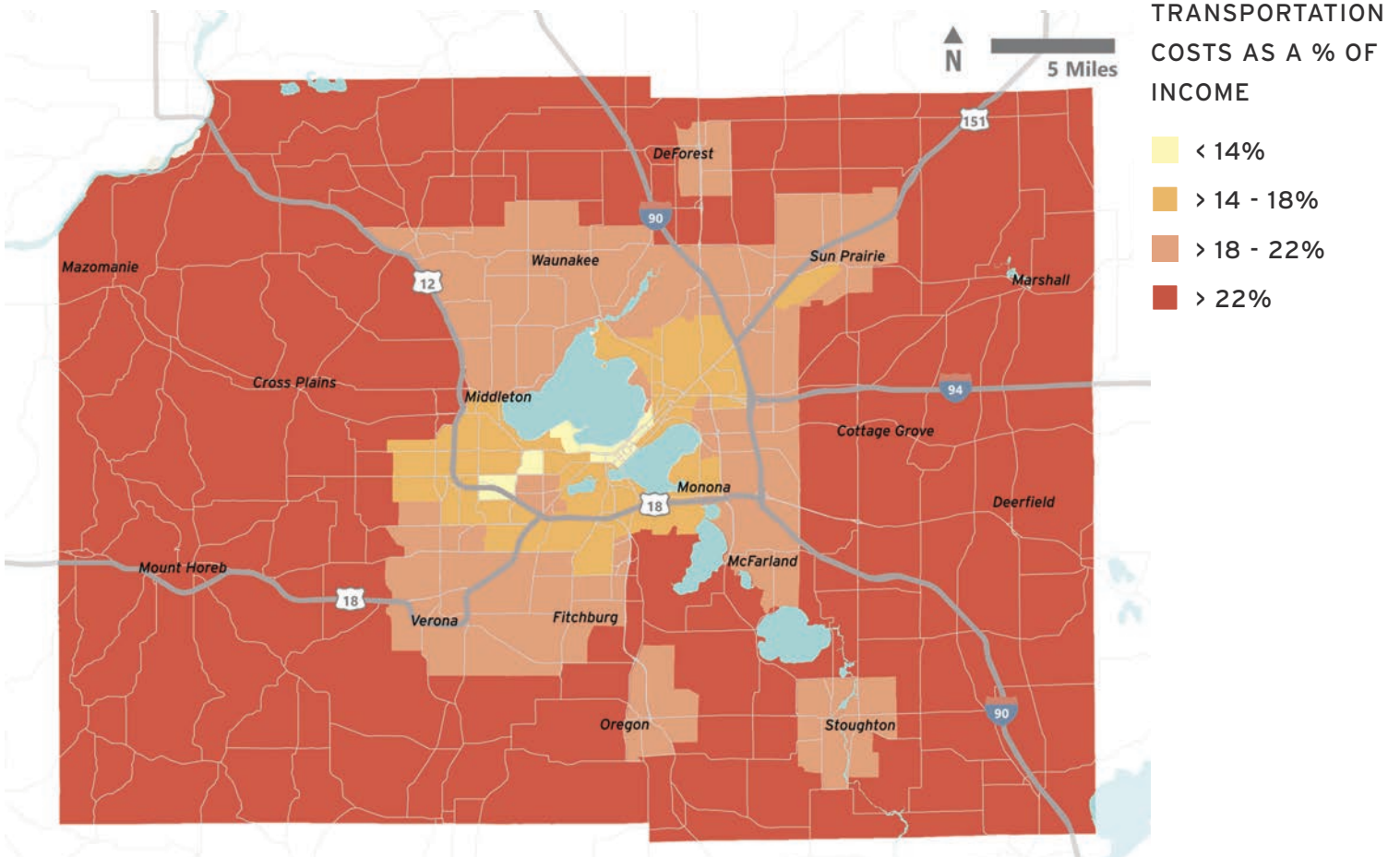
14%-18% OF INCOME ON TRANSPORTATION COSTS: Households in other Madison neighborhoods, as well as Inner-Ring Suburbs closest to Madison, including parts of Middleton, Monona, and Sun Prairie.

BETWEEN 18% AND 22% ON TRANSPORTATION COSTS: Inner-Ring Suburbs farther from Madison, including Verona and Waunakee, spend slightly more of their income on transportation. Households in areas close to the historic centers of certain Outer-Ring Suburbs, such as DeForest, Stoughton, and Oregon, also spend higher amounts on transportation.

OVER 22% OF INCOME ON TRANSPORTATION COSTS: Households in newer areas of Outer-Ring Suburbs, in Rural Villages, and in Towns, spend the most on transportation costs within the County. Residents in these areas are generally car-dependent, and have to drive longer distances to access amenities and services (Center for Neighborhood Technology).

\$14,000
Average annual transportation cost per household in the County

Share of Income a Household Spends on Transportation, 2019



Source: Center for Neighborhood Technology, H+T Index (2019), SB Friedman

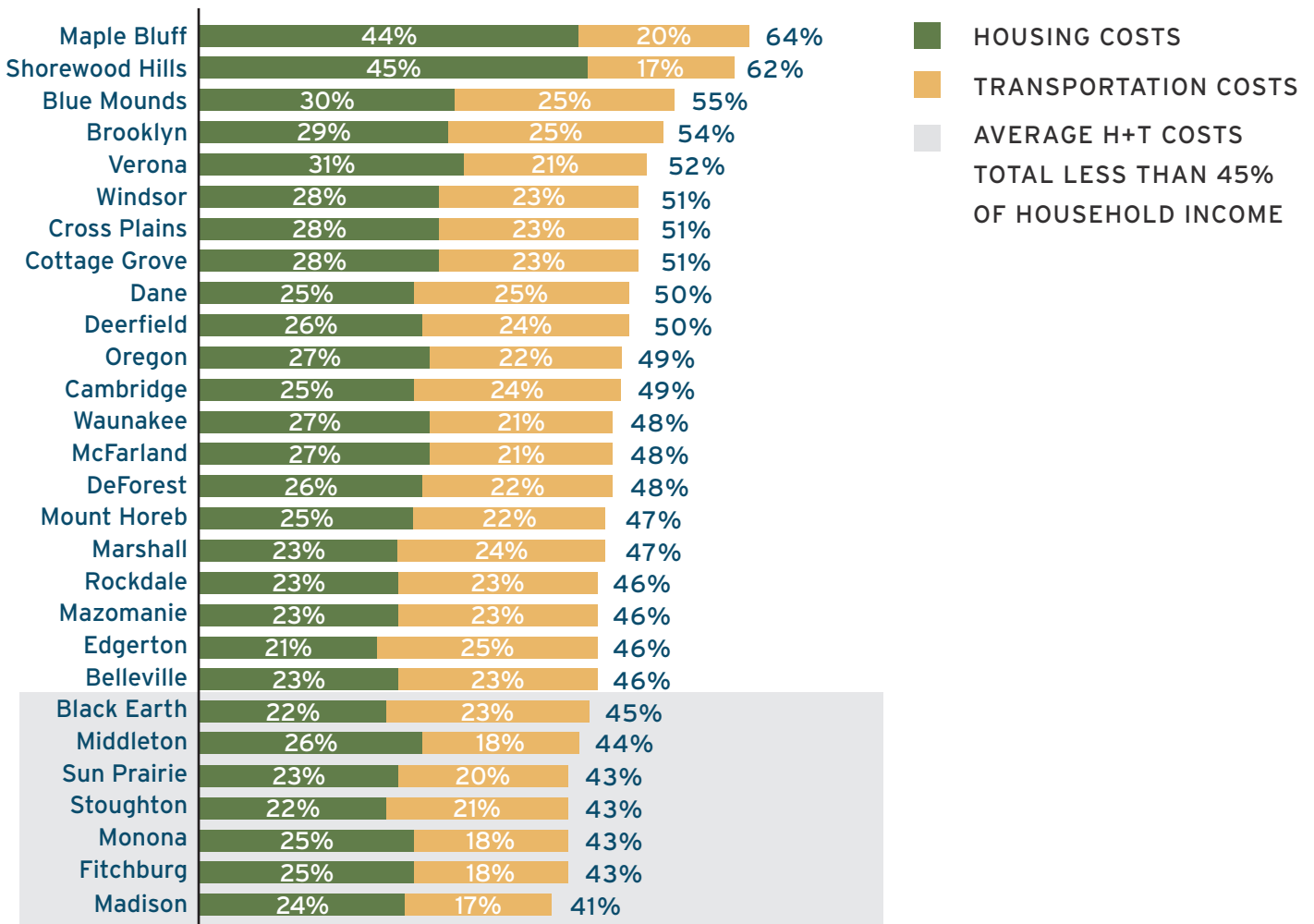
The Center for Neighborhood Technology, a national thought leader on the relationship between housing and transportation costs (“H+T Costs”), has developed a guideline that households should spend no more than 45% of their gross income on H+T Costs.

A household at the median income in most Cities and Villages in Dane County spends over 45% of their income on H+T Costs. Jurisdictions where households meet this criteria include Madison, certain Inner-Ring Suburbs (Fitchburg, Monona, Middleton, Sun Prairie) as well as Stoughton and Black Earth.

*Housing and transportation costs combined (H+T Costs) **should not exceed 45% of total household income** to be considered affordable.*

75%
of Dane County Cities and villages have average H+T Costs that exceed this 45% threshold.

Typical Household and Transportation Costs (H+T Costs) as Share of Income for 100% AMI Household, 2019



Source: Center for Neighborhood Technology, H+T Index (2019), SB Friedman

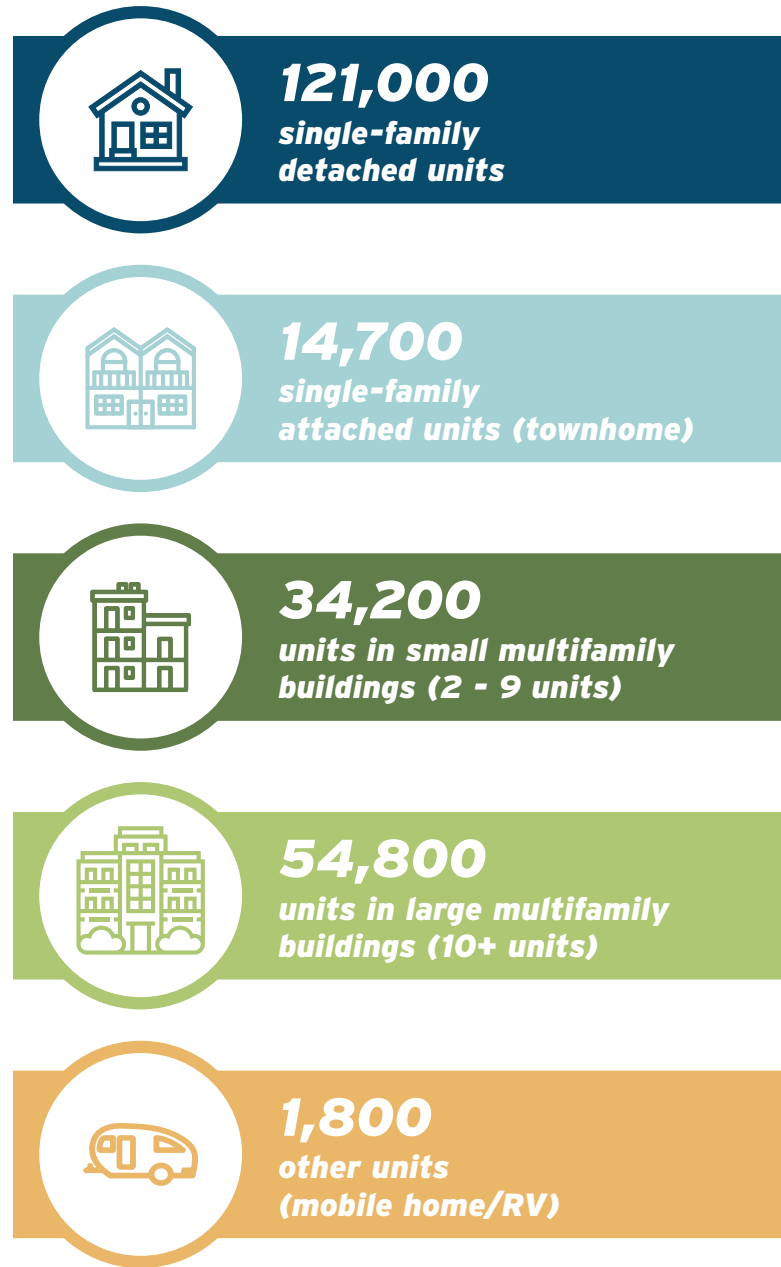
HOUSING STOCK

Housing preferences are not solely determined by a household's ability to afford housing or personal preferences. The housing stock available in any given market also substantially impacts affordability and homeownership patterns. Households need to be able to access quality housing that meets their specific needs, which might include access to jobs, schools, services, amenities or social fabric. Housing markets are typically considered "healthy" when households have a variety of housing types from which they can choose near locations that meet their needs.

Most housing units in Dane County are single-family homes. Over half (53%) of units are single-family detached units, and 6% are single-family attached (townhome) units. About 40% of units are in multifamily buildings, which are buildings with two or more units. In Dane County, most multifamily units are renter-occupied. Manufactured homes/mobile homes account for 2% of the total units (Census, 2021).

Housing tenure—whether a housing unit is renter or owner-occupied—also informs housing affordability. In Dane County, most owner-occupied units, which are part of the for-sale market, are single-family detached units; this is true for many communities in the United States. Most rental units in the County are in multifamily buildings. The following sections describe trends for both rental and for-sale housing markets in Dane County.

Housing Types in Dane County, 2020



Source: ACS 5-Year Estimates (2016-2020), SB Friedman



HOUSING UNITS & AFFORDABILITY

Affordable housing is crucial for Dane County workers, seniors, young people and other members of the community. As such, specialty properties including workforce housing and seniors housing are necessary components of the broader affordable housing ecosystem. “Affordable housing” can manifest itself in many ways. However, for the purposes of analysis, housing can generally be classified into three broad categories. Two of those categories – legally restricted affordable housing and naturally occurring affordable housing – combined account for the affordable inventory in the county.

AFFORDABLE HOUSING

CATEGORY #1

LEGALLY RESTRICTED AFFORDABLE HOUSING (LRAH)

Legally restricted affordable housing is contractually bound to serve lower-income households, often through deed restrictions or other requirements. These units typically serve renter households earning less than 60% AMI or owner households earning less than 100% AMI. LRAH units are often funded through federal sources, such as low-income housing tax credits (LIHTC), or local sources, such as affordable housing funds. LRAH units are only vulnerable to affordability loss when contractual affordability periods end – which typically extend 15 to 30 years.

CATEGORY #2

NATURALLY OCCURRING AFFORDABLE HOUSING (NOAH)

NOAH units are market-rate units that offer affordable rents for renter households at 60% AMI or home values that would equate to an affordable mortgage for an owner household earning up to 100% AMI. NOAH units are lower cost because of building quality, age, condition and/or location. Historically inequitable housing policies, such as redlining, can also impact whether a housing unit value effectively results in properties being classified as NOAH today. In high-cost markets like Dane County, “naturally affordable” units are often lost when they undergo renovation or redevelopment.

CATEGORY #3

MARKET-RATE HOUSING

Higher-cost market-rate housing includes market-rate rental housing only affordable to households earning over 60% AMI, or owner units with mortgage payments affordable to households earning over 100% AMI.

RENTAL TRENDS

The rental housing stock in Dane County comprises older 2- and 3-flats from the early 1900s, garden-style apartments from the 1960s and 1970s, units in larger, newly constructed buildings, single-family homes, and everything in between. Half of rental units in Dane County are in buildings with 10 or more units. These larger-scale buildings often have on-site management and/or resident amenities. Around one-third of rental units are in smaller multifamily buildings with 2 to 9 units. These buildings are more often older “walk-up” buildings.

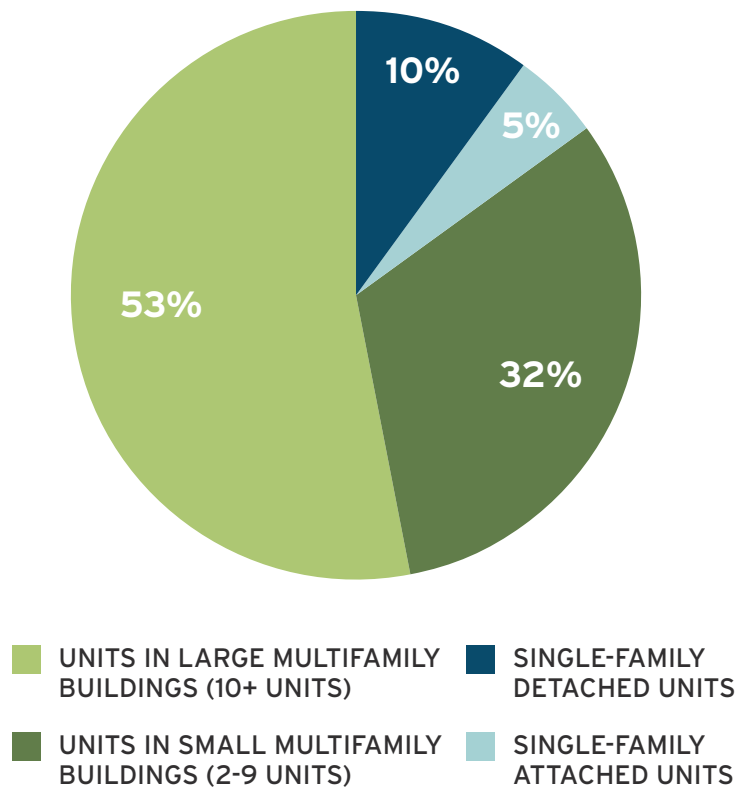
Only 15% of rental units are single-family homes, including single-family detached (5%) and attached (10%). Renter-occupied single-family homes are a rising trend nationally. While renters in all types of buildings can be vulnerable to rent increases and involuntary displacement, national research shows that renters in this group can be more vulnerable because owners can more easily sell single-family properties under the right market conditions. It is notable that the monthly rent for single-family homes often exceeds the monthly owner costs a household would incur.

Rental buildings can be owned by a range of entities, including large institutional investors, small-scale local entities, or individuals. Rental properties require constant maintenance and updating; the type and location of the property owner can impact the resources and attention invested in specific rental properties.

RENTAL UNITS TEND TO BE CONCENTRATED IN PLACES THAT ARE ACCESSIBLE TO JOBS, SERVICES AND OTHER AMENITIES. Most rental units are in Madison and adjacent communities, which typically have stronger access to major job centers, services and transit networks. Newer-construction market-rate rental developments, which command the highest rates, often depend on this access to attract tenants.

MADISON AND ADJACENT COMMUNITIES ARE ALSO THE JURISDICTIONS ADDING THE MOST RENTAL UNITS. From 2010 to 2021, Dane County has added approximately 16,000 rental units. Approximately 85% of those units were in Madison, Sun Prairie, Middleton or Fitchburg. New apartment buildings in these jurisdictions tend to have over 50 units. New developments elsewhere in Dane County tend to be smaller with 50 units or fewer at relatively low densities (Census).

Rental Units by Type in Dane County, 2020



Source: ACS 5-Year Estimates (2016-2020), SB Friedman

Rental Unit Affordability

THE AFFORDABILITY OF RENTAL UNITS IN DANE COUNTY DEPENDS ON A VARIETY OF FACTORS. Market factors, such as building age and location, building quality, unit size and affordability restrictions all impact rents. In the context of affordable housing

policy, rental units that are affordable to households earning up to 60% AMI are considered part of the affordable housing stock. This includes legally restricted affordable units, as well as market-rate units that happen to be affordable due to other market factors such as building age or location.

NEARLY HALF OF RENTAL UNITS IN DANE COUNTY ARE CONSIDERED AFFORDABLE TO A 60% AMI HOUSEHOLD. This includes legally restricted units and older market-rate units. A 2-person household at 60% AMI could afford a maximum of \$1,385 per month, including utility costs. Newer-construction market-rate rental units built since 2010 rent for \$1,500 to \$2,000 on average, depending on the number of bedrooms, and therefore are not affordable to this income level (HUD, CoStar).

Rental Units by type in Dane County

30,000

Naturally occurring affordable housing (NOAH) rental units

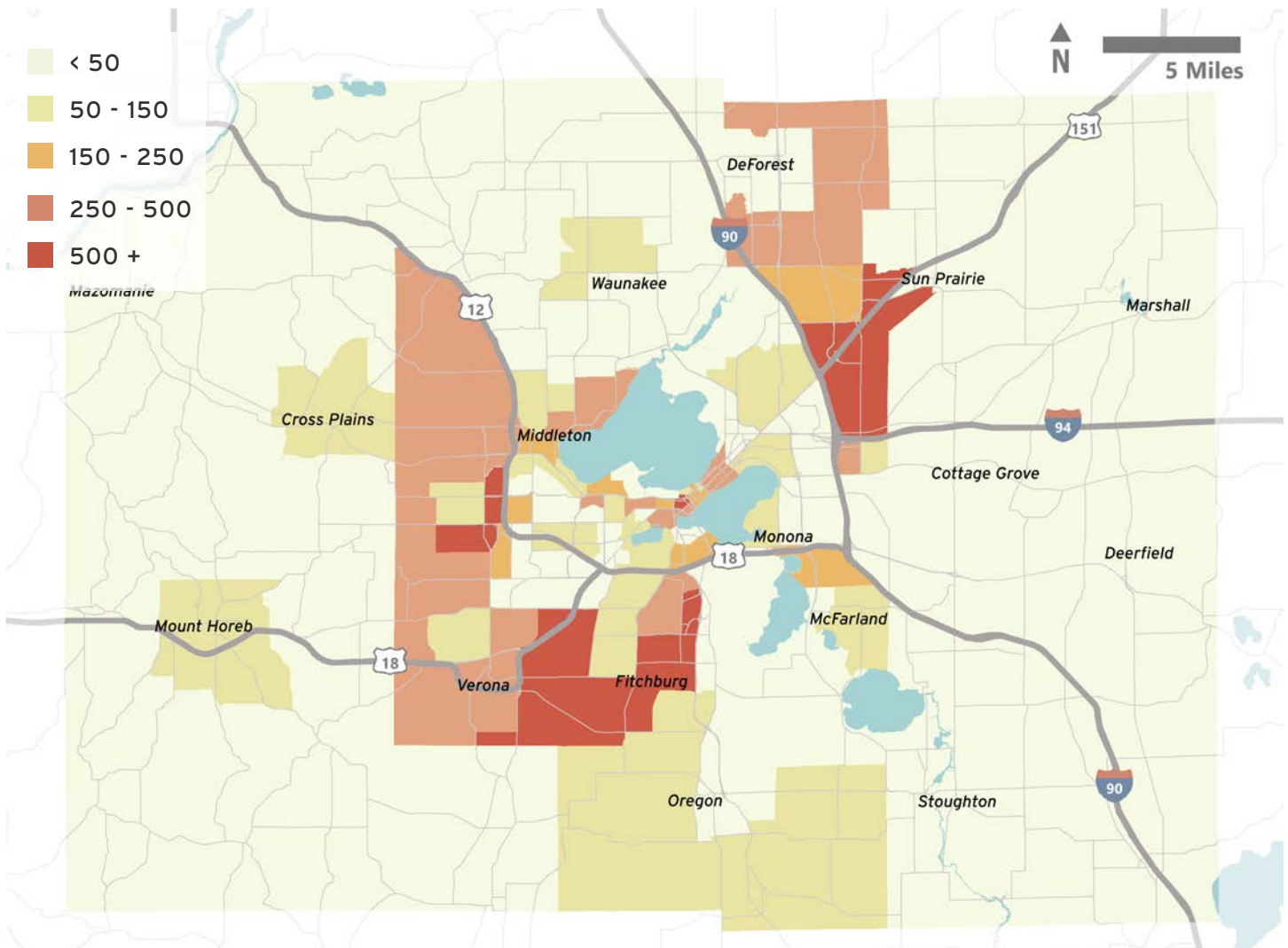
13,000

Legally restricted affordable housing (LRAH) rental units

49,000

Market-rate rental units

Rental Units Built Since 2010, as of 2021



Source: ACS 5-year Estimates (2017-2021), SB Friedman

Legally Restricted Affordable Housing Units

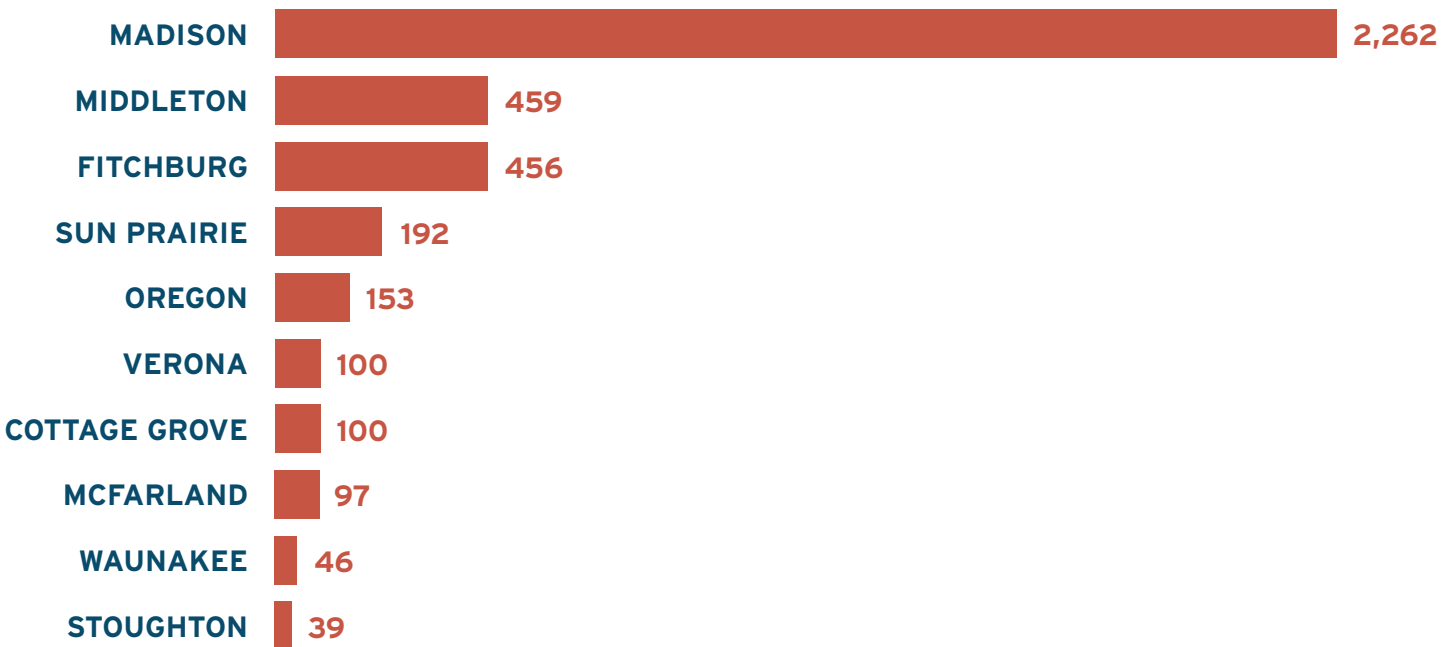
THERE ARE 13,000 LEGALLY RESTRICTED HOUSING RENTAL UNITS IN DANE COUNTY RESERVED FOR HOUSEHOLDS EARNING LESS THAN 60% AMI. Most of these housing developments are privately operated and funded through federal and state programs, including the Low-Income Housing Tax Credit (LIHTC) program. Public housing authorities, including the Dane County Housing Authority and three local authorities (Madison, Stoughton and DeForest), own and operate affordable housing units as well. A handful of jurisdictions (e.g., Madison and Middleton) also produce legally restricted units through developer incentive policies. Some legally restricted units are reserved for certain types of households. Approximately 2,200 legally restricted units are designated for seniors, and at least 1,200 for families with children.

OVER HALF (51%) OF THE LEGALLY RESTRICTED RENTAL INVENTORY HAS BEEN BUILT SINCE 2000. LIHTC is the primary funding source for

affordable housing and has been used to develop over 5,500 units in Dane County since the program's inception in the 1980s. Housing operators are required to maintain affordable rent levels for LIHTC-funded units for a minimum of 15 years. Units constructed with LIHTC funding approaching the end of the required affordability period can be at risk of conversion to market-rate housing. Intervention by the public sector and non-profit development partners may be required to preserve affordability through acquisition and rehabilitation or other strategies.

COMPARED TO OTHER JURISDICTIONS, MADISON HAS PRODUCED MORE LEGALLY RESTRICTED RENTAL UNITS RELATIVE TO ITS HOUSEHOLD GROWTH FROM 2010 TO 2022. Over half (58%) of legally restricted units built countywide since 2010 were in Madison. Meanwhile, only 48% of new household growth countywide occurred in Madison. Other communities with substantial increases in legally restricted rental inventory include Middleton, Fitchburg, Sun Prairie and Oregon (Dane County, WHEDA, HUD, CoStar).

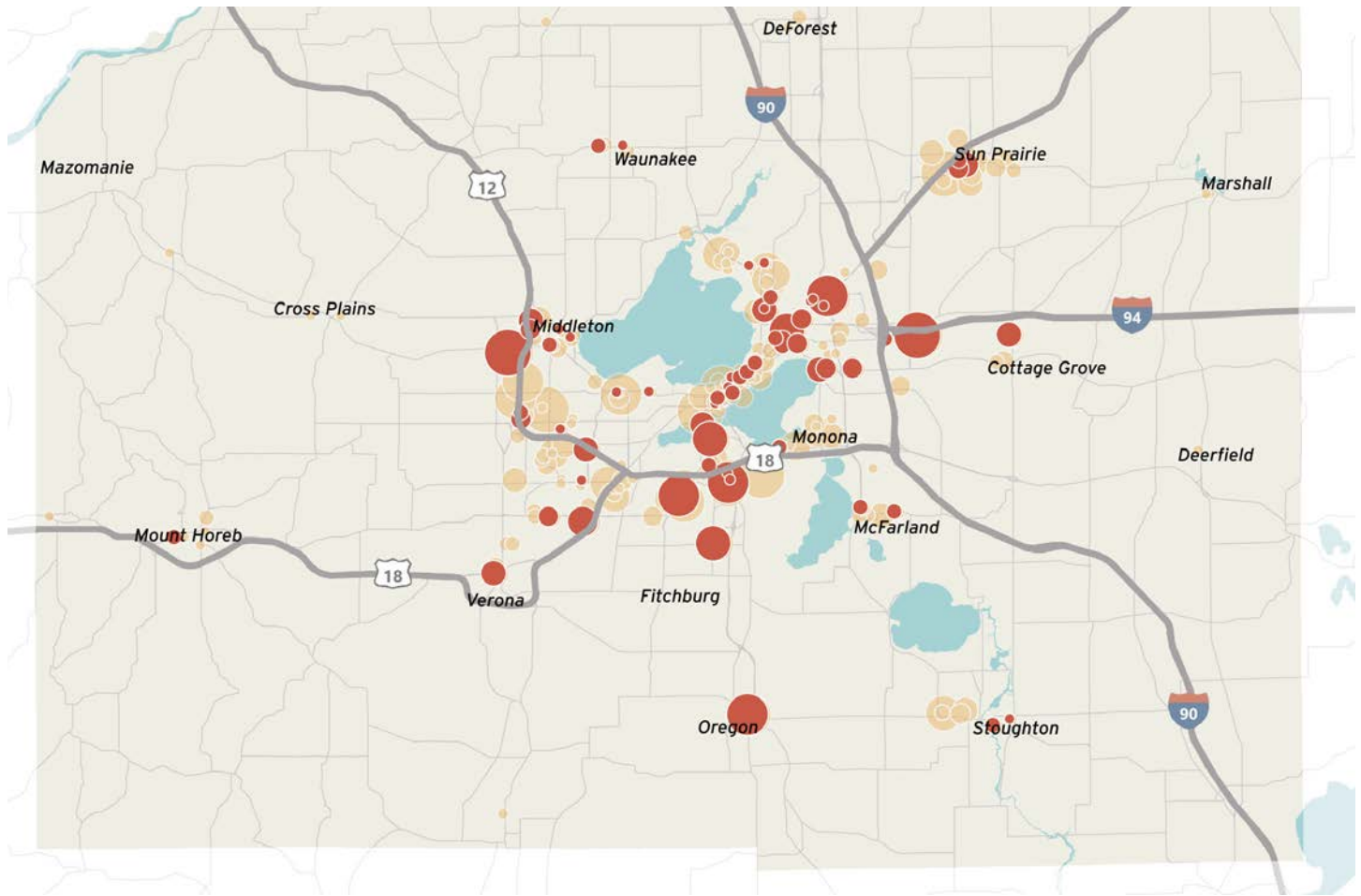
LRAH Units Built in Dane County Since 2010, as of 2022



Source: Dane County, WHEDA, HUD, CoStar, SB Friedman

LRAH Units in Dane County, 2022

- BUILT SINCE 2010
- BUILT 2009 OR BEFORE
- < 25 UNITS
- > 200 UNITS



Source: Dane County, HUD, WHEDA, Costar, SB Friedman



Naturally Occurring Affordable Housing Units

Dane County has approximately 30,000 Naturally Occurring Affordable Housing or “NOAH” rental units, as defined on page 59. This equates to 38% of the market-rate rental stock.

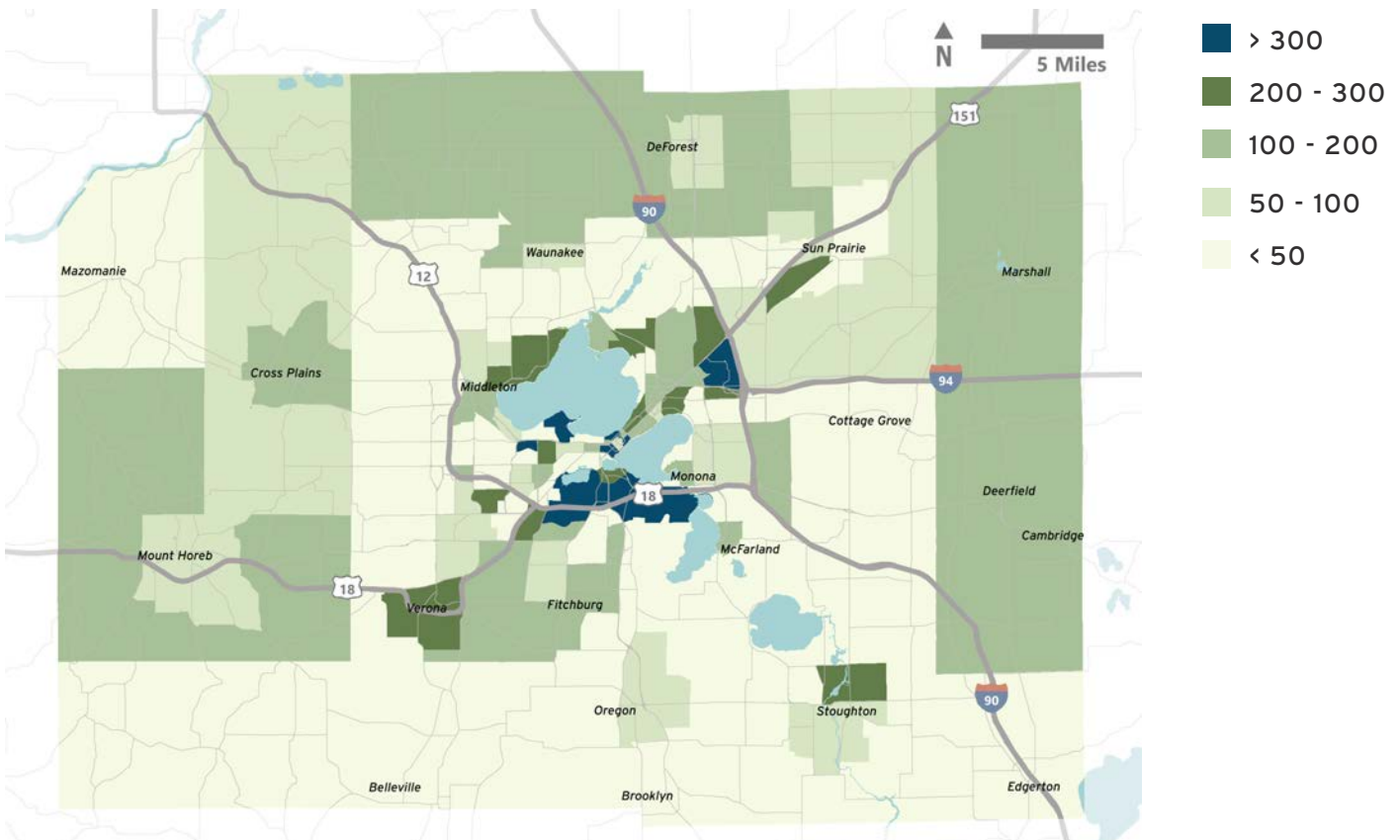
MOST NOAH RENTAL UNITS IN DANE COUNTY ARE IN THE SAME COMMUNITIES WITH A ROBUST RENTAL INVENTORY—MADISON AND ADJACENT SUBURBS. 18,000 NOAH rental units, or 58% of NOAH rental units, are located in Madison. Over 5,000 NOAH rental units are in Middleton, Fitchburg and Sun Prairie combined. NOAH units in central Madison have the strongest access to transportation, services and amenities, and are also vulnerable to affordability loss through renovation or redevelopment. Common strategies to preserve the affordability status of these NOAH rental units include partnering with non-profit housing organizations to acquire and rehabilitate those properties, or transitioning them to legally restricted status through incentives.

Today, a large share of NOAH units at the edges of Madison, near the Beltline or adjacent communities, are neighborhoods of color that experienced decades

of targeted disinvestment, often as a result of racist housing policies. Redlining and urban renewal resulted in highly segregated neighborhoods within and around Madison. The FHA’s practice of race-based mortgage lending steered investment toward predominantly White communities, and away from communities of color.

MOST RENTAL UNITS IN RURAL VILLAGES ARE NOAH. Approximately 2,000 NOAH rental units are located in Rural Villages, such as Marshall and Deerfield, and Towns. While these units are a small share of the total NOAH inventory, they serve a crucial role in providing affordable housing for renters in Rural Villages and Towns. Housing in rural areas is often less likely to be renovated or redeveloped into higher-cost housing, and therefore becomes NOAH over time. However, these units may have building condition challenges, and residents are likely to spend a larger share of their income on transportation costs than households living in housing closer to job centers. Strategies associated with rural NOAH units focus on supporting property maintenance, repair and rehabilitation needs to preserve the habitability of these units (Census).

NOAH Rental Units, 2020



Source: ACS 5-Year Estimates (2016-2020), SB Friedman

Market Rate Units

There are 49,000 higher-cost rental units in Dane County. Higher-cost units account for 62% of the market-rate rental stock. These units are not affordable to households earning less than 60% AMI.

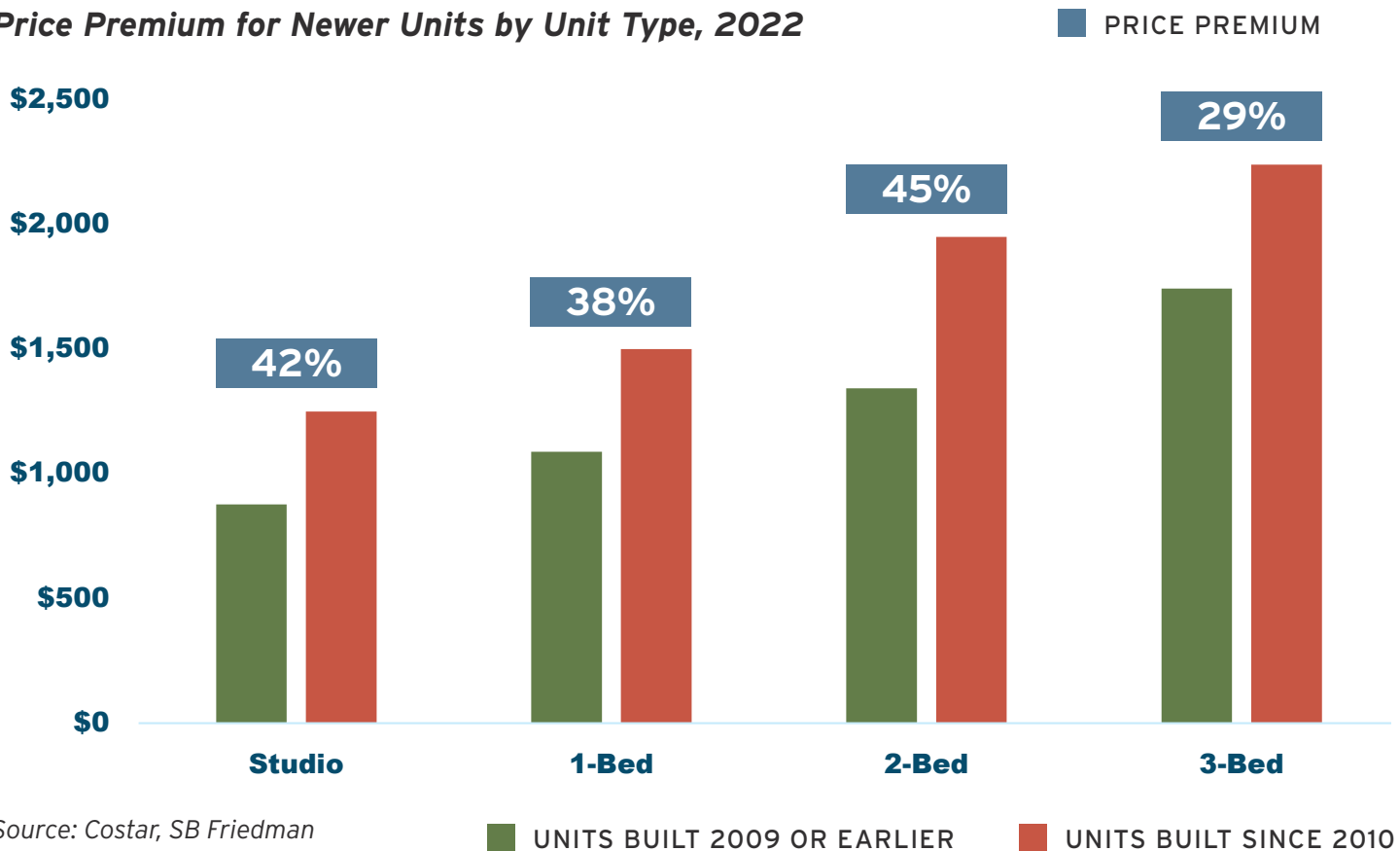
MOST MARKET-RATE RENTAL UNITS BUILT SINCE 2010 ARE HIGHER-COST UNITS. Newer units have rent premiums because of the costs of new construction, higher-quality finishes and on-site amenities. According to CoStar, units built since 2010 have reported 2022 rents that are an average of 30-45% higher than units built before 2010. For example, average reported rents for one-bedroom units built since 2010 are \$1,500 per month, while average rents are \$1,100 for one-bedroom units built before 2010—a 38% premium for newer construction.

HIGHER-COST NEW CONSTRUCTION UNITS ARE OUT-OF-REACH FOR LOWER-INCOME HOUSEHOLDS. A typical two-bedroom unit in Dane County built after 2010 rents for approximately \$1,950. For the average two-bedroom unit to be affordable, a household

would need to earn at least \$80,000 annually, the equivalent of being at or above 80% AMI. As a result, newer construction rental housing is not considered affordable for the vast majority of lower-income renters (Census, CoStar).

DESPITE THE FACT THAT NEWER MARKET-RATE UNITS ARE GENERALLY NOT AFFORDABLE TO LOWER-INCOME HOUSEHOLDS, NEW HOUSING STILL SERVES AN IMPORTANT ROLE IN DANE COUNTY'S RENTAL MARKET. Communities that build new market-rate units tend to have a more diverse and balanced housing inventory overall. New development adds to the overall rental supply, easing the competition for units in a tight market. New inventory will ultimately better position Dane County in future decades, when the housing units that are higher-cost today become more affordable as the buildings age. There are many strategies that support overall unit production, such as streamlining permitting processes, fostering partnerships with the real estate development community and addressing construction workforce bottlenecks, among others.

Price Premium for Newer Units by Unit Type, 2022



Source: Costar, SB Friedman

SENIOR HOUSING

There are approximately 83,000 seniors ages 65 or older in Dane County. The senior population is expected to grow rapidly over the next 30 years, aligning with national demographic trends. The overall growth rate for people age 65 and over is expected to be 1.5 times higher than the overall population growth rate in Dane County from 2020 to 2040.

Affordable senior housing - whether it be rental or for-sale - is essential to market mobility as it ensures senior households have options for downsizing from single-family homes to other housing types as their needs and preferences change.

Healthy rental markets have a variety of specialized market-rate housing options dedicated to seniors, including independent living, assisted living, nursing care and memory care units. In Dane County, there are 6,000 age-restricted specialized rental units in senior living communities, including approximately 2,100 independent living units, 2,900 assisted living units, and 1,000 nursing or memory care units. Most specialized senior units are in Madison, Middleton, Stoughton and Sun Prairie (NICMAP).

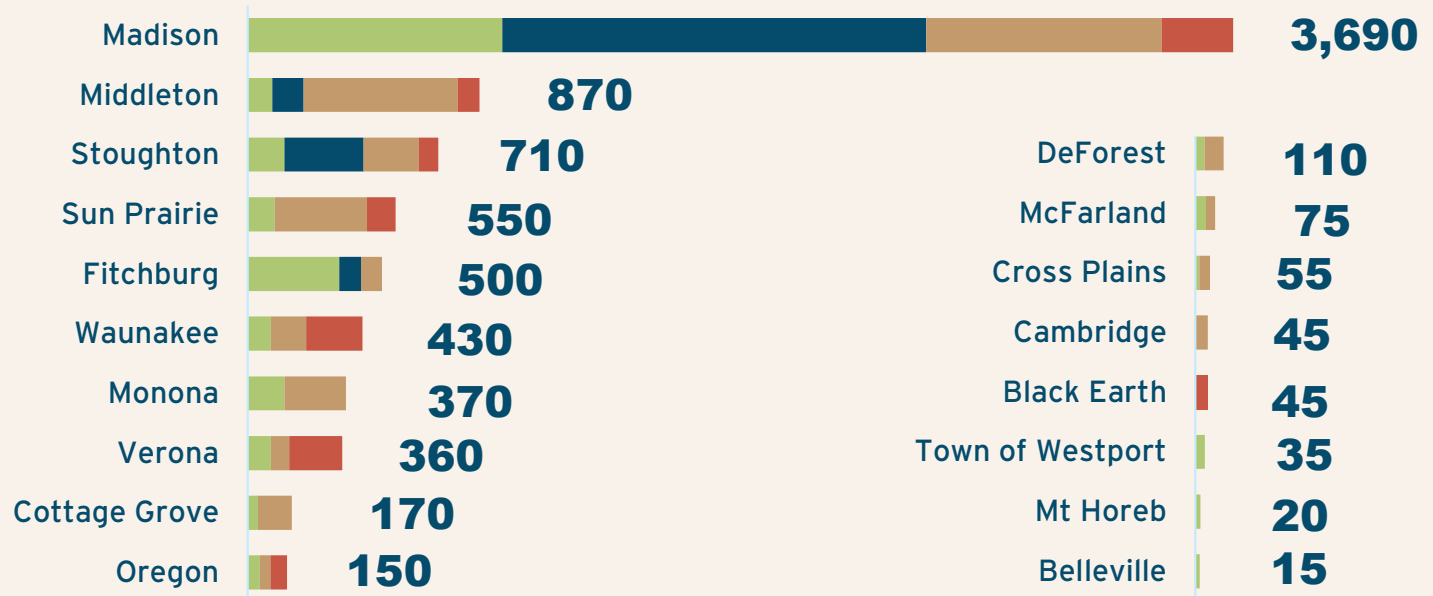
"Maintenance is hard... All the things that you used to be able to do yourself start adding up and are extremely expensive."

- Senior Community Focus Group Participant

1.5x

The projected growth rate for seniors, relative to the overall population from 2020 to 2040

Senior Housing Inventory by Municipality, 2020

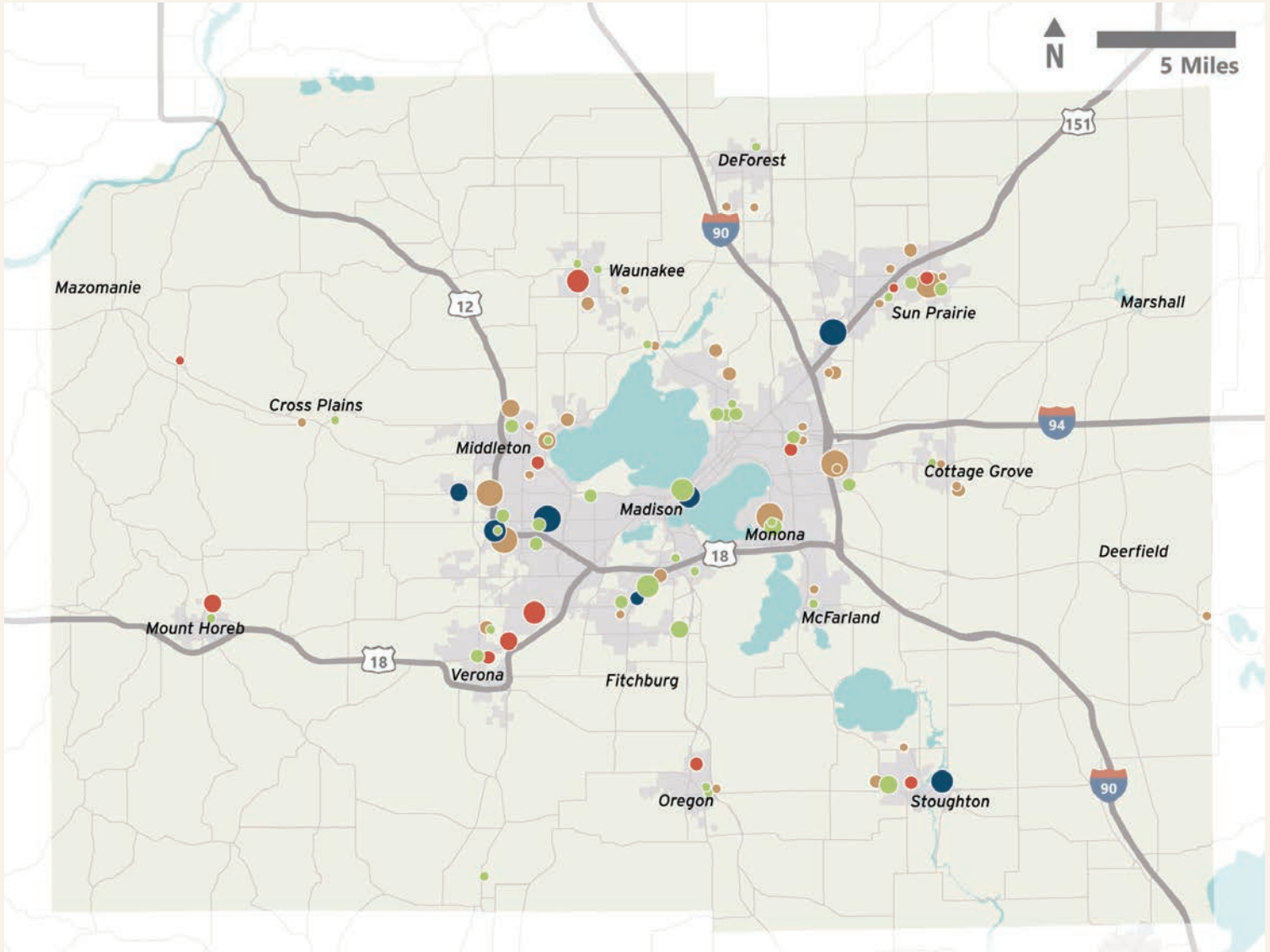


Source: NICMAP, CoStar, Dane County, WHEDA, HUD, SB Friedman

■ LRAH ■ ASSISTED HOUSING
■ INDEPENDENT LIVING ■ NURSING CARE

There are also 2,200 age-restricted units that are part of the legally restricted affordable housing inventory, 700 of which have been developed since 2018. Over half of these units (1,300 units) were built through the LIHTC program. Most legally restricted senior units are in Madison, Fitchburg, Monona and Stoughton. Many people also choose to remain in their existing homes as they age—a preference often referred to as “aging in place.” It is important that people who opt for this path can adapt their home to support their evolving needs. This could include a variety of Americans with Disabilities Act (ADA)-accessibility modifications, or general updates that reduce property maintenance. Homes that are one level that have strong access to transit and other services are best-positioned to accommodate seniors “aging in place” (Dane County, WHEDA, HUD).

Seniors Housing Inventory by Municipality, 2020



Source: NICMAP, CoStar, Dane County, WHEDA, HUD, SB Friedman

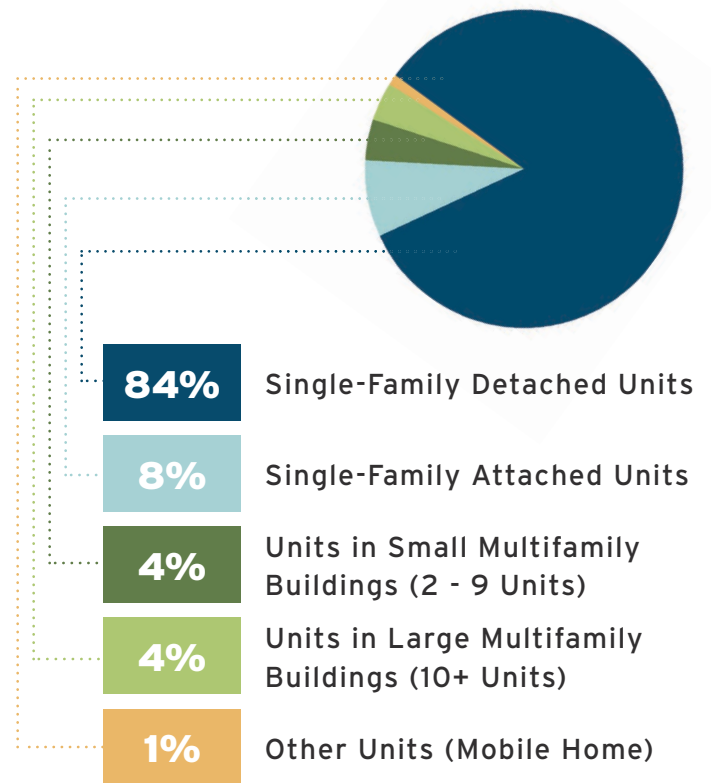
- < 50 UNITS
- 50 - 100 UNITS
- 100 - 150 UNITS
- 150 - 300 UNITS
- > 300 UNITS

FOR-SALE TRENDS

In Dane County, while most rental units are in multifamily buildings, most owner-occupied units are single-family homes. Detached single-family units comprise 84% of owner-occupied units. The remaining households living in owner-occupied housing live in attached-single family townhome units (8%), condo units in multifamily buildings (8%) and manufactured units (1%) (Census).

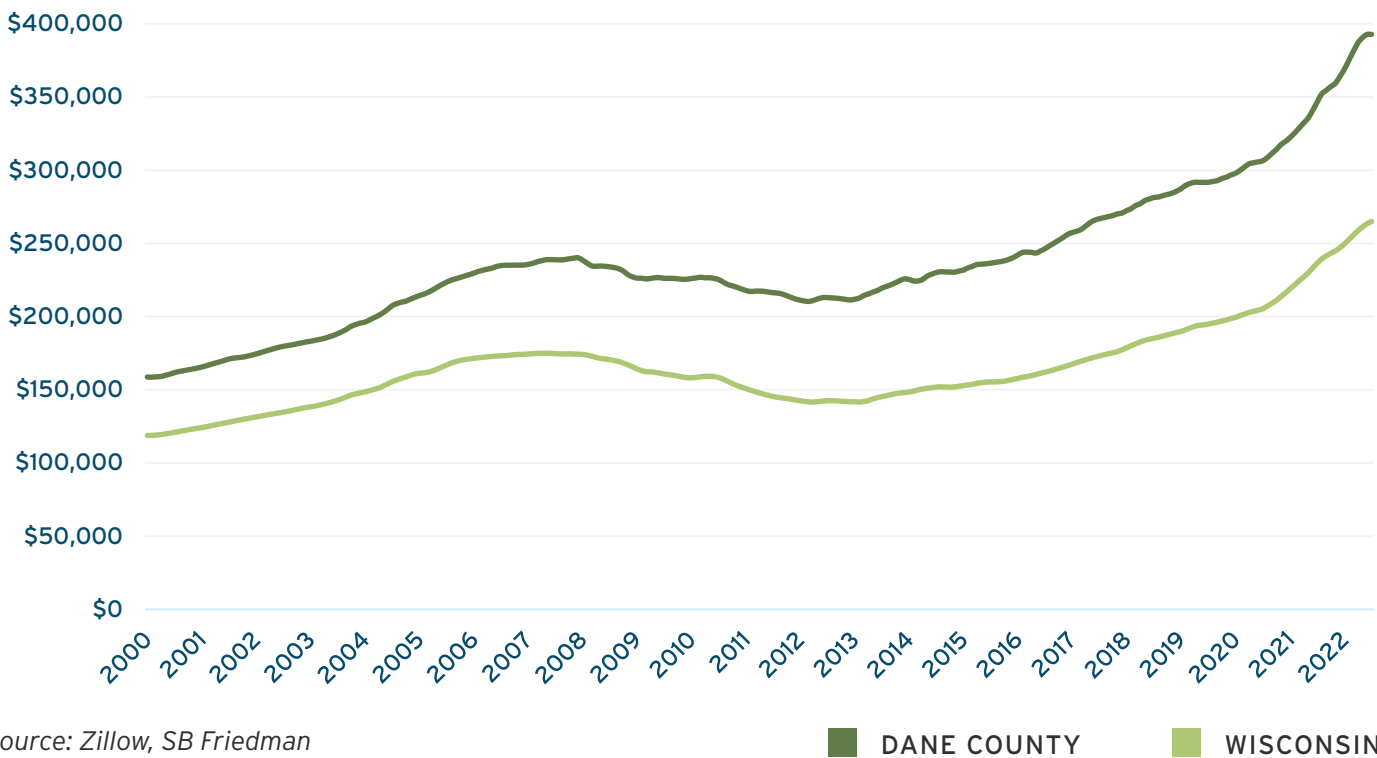
DANE COUNTY IS THE MOST EXPENSIVE PLACE TO BUY A HOME IN WISCONSIN AND PRICES CONTINUE TO INCREASE. The median sales price for homes in Dane County has regularly ranged from 45-50% higher than the state median, since 2000. Dane County's median sale price in 2022 was \$400,000, compared to \$260,000 in Wisconsin. The price premium for housing in Dane County increased substantially during the rapid single-family home price appreciation that occurred nationally related to the Covid pandemic. While the median sales price increased by approximately \$60,000 statewide from 2020 to 2022, it increased by \$86,000 in Dane County (Zillow).

Dane County Owner Units by Type, 2020



Source: ACS 5-Year Estimates (2016-2020), SB Friedman

Median Sales Price in Dane County vs Wisconsin, 2000-2022



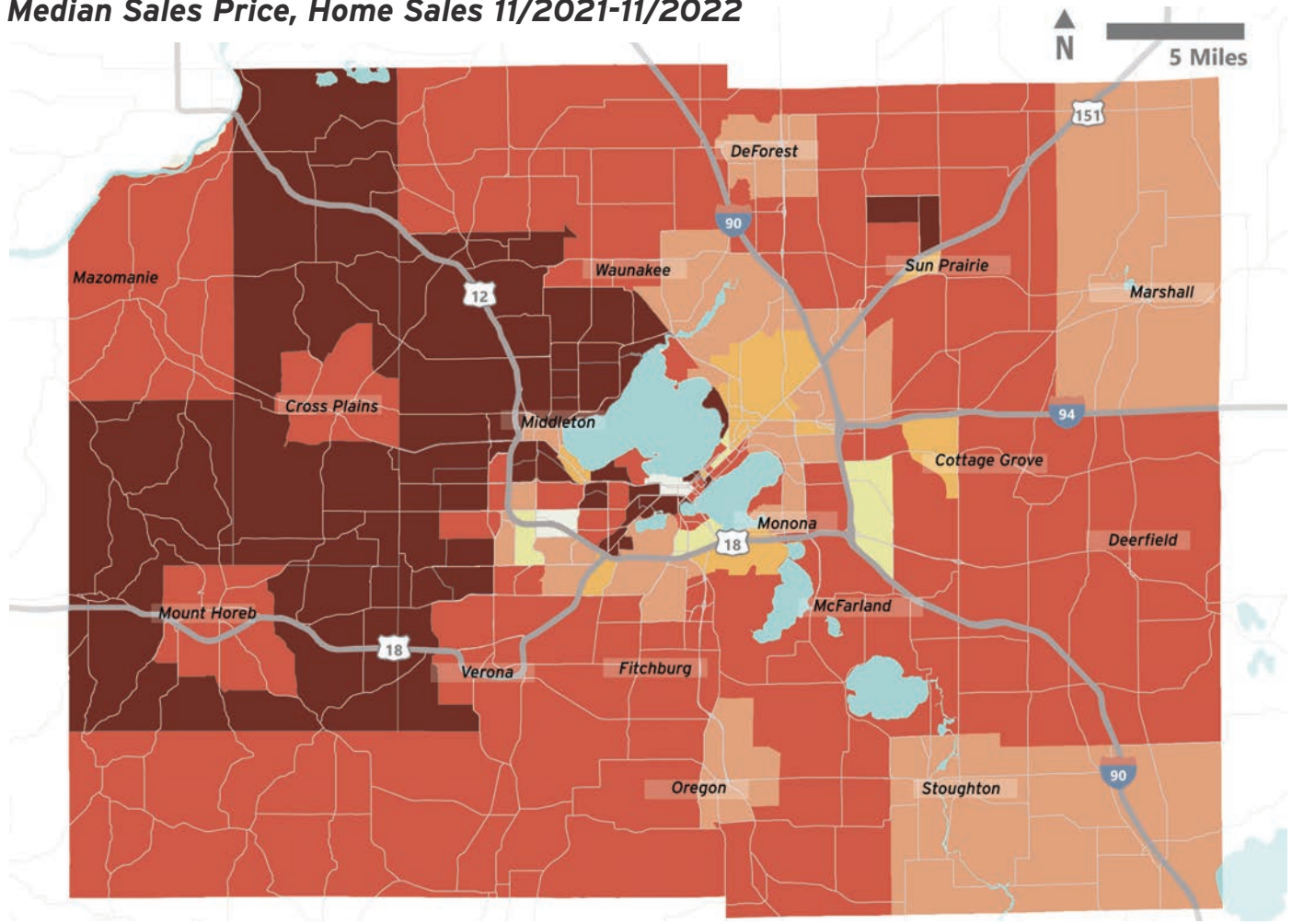
Source: Zillow, SB Friedman

HOUSEHOLDS WOULD HAVE TO EARN OVER \$130,000 A YEAR TO AFFORD THE MEDIAN HOME PRICE IN DANE COUNTY, ASSUMING A DOWNPAYMENT OF 10% AND TYPICAL CREDIT. This level of income is 125% of AMI for a three-person household. Typical for-sale homes are not attainable to most households in the County.

COMMUNITIES WEST AND NORTH OF MADISON REPORT THE HIGHEST HOME PRICES IN THE COUNTY. The median home sale price in Middleton (\$550,000) was the highest across the County in 2022. Median sales prices in Waunakee, Verona, and Cross Plains were between \$440,000 and \$475,000, based on recent sales (Redfin, November 2021 to November 2022). Areas with an older housing inventory, such as Madison, and municipalities close to the perimeter of the County, such as Marshall and DeForest, have slightly more affordable homes (HUD, Redfin).

RISING INTEREST RATES SUBSTANTIALLY IMPACT MONTHLY HOUSING COSTS, AFFORDABILITY, AND HOUSING MOBILITY PATTERNS. Since 2022, the Federal Reserve has tried to slow inflation by increasing the federal funds interest rate, resulting in typical mortgage interest rates rising from approximately 4% in early 2022 to 7% as of November 2022 (FRED). Higher interest rates directly increase mortgage costs and negatively impact households' ability to purchase homes. As an example, a household that buys a \$450,000 home with a 7% interest rate on their mortgage would experience total monthly housing costs of \$4,100. That same homebuyer would have only \$3,300 in monthly housing costs at a 4% interest rate. High interest rates have dampened the housing market, as homeowners are often reluctant to sell their current

Median Sales Price, Home Sales 11/2021-11/2022



Source: Redfin (Home Sales, 11/2021-11/2022), SB Friedman

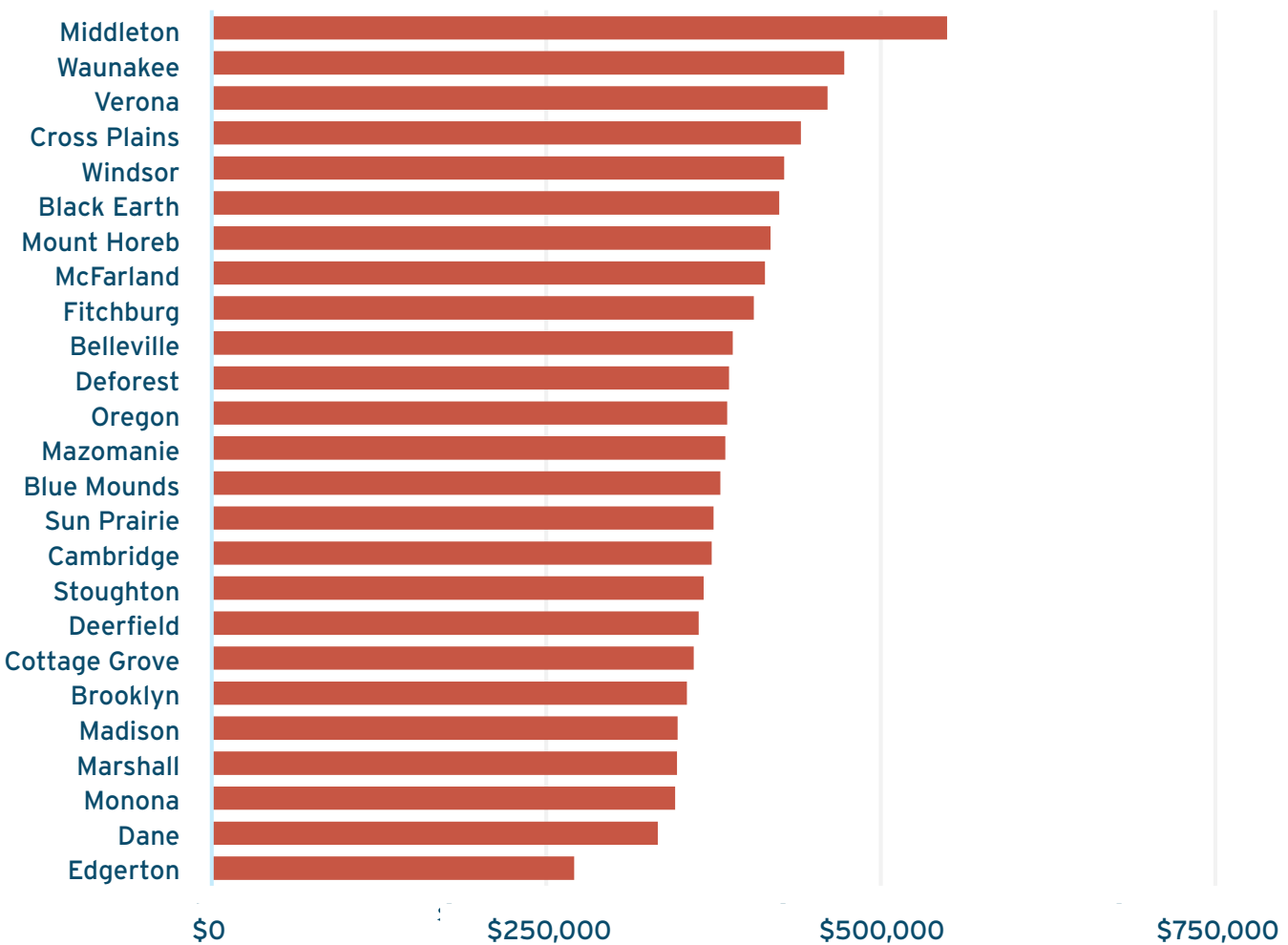
- > \$450K
- \$300K - \$350K
- < \$250K
- \$350K - \$450K
- \$250K - \$300K

home, buy a different home and borrow at today's higher interest rates. High interest rates and a challenging financial market also increase the cost of developing new housing and limit opportunities for homebuilders and developers to obtain financing for new developments.

SINCE 2010, DANE COUNTY HAS ADDED APPROXIMATELY 9,400 FOR-SALE UNITS, MOST OF WHICH ARE SINGLE-FAMILY HOMES. Rapid household growth, low vacancy rates, increasing home prices and limited inventory are all indicators the housing market requires additional housing inventory to keep pace with demand. New construction for-sale housing has generally been higher-cost and located in Madison and adjacent suburbs, such as Sun Prairie and Middleton. Approximately 1,800 (19%) of the new units were built in unincorporated Dane County since 2010 (Census).

According to data on homes that sold from November 2021 through November 2022, the median home sales price for new construction homes was \$500,000 (Redfin). For the monthly mortgage on a \$500,000 home to be considered affordable, a household would need to earn an annual income of over \$150,000, which is 150% AMI for a 3-person household. Financial assistance programs to help prospective homebuyers cover downpayment or required home repair costs can assist in accessing homeownership.

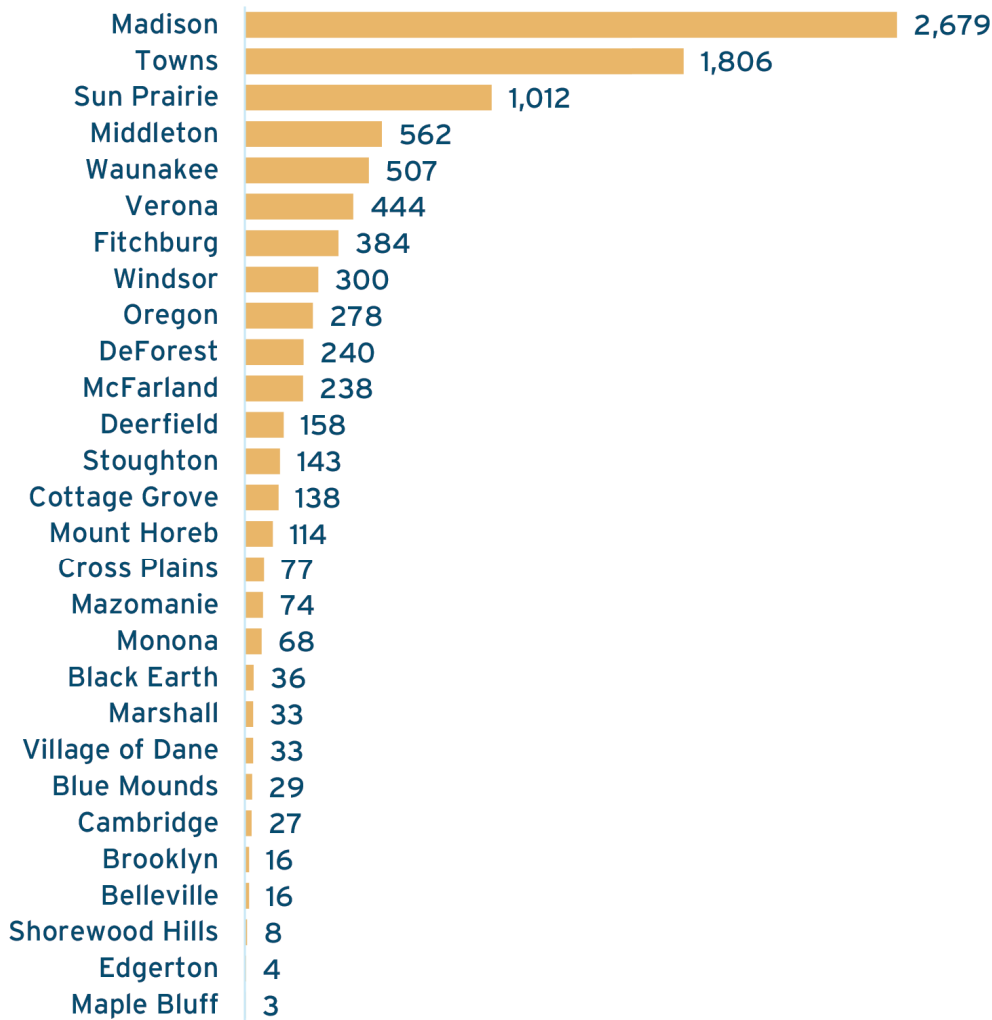
Median Sales Price by Municipality, Home Sales 11/2021-11/2022



Source: Redfin (Home Sales, 11/2021-11/2022), SB Friedman

AS WITH THE RENTAL MARKET, NEWER FOR-SALE UNITS TEND TO BE MORE EXPENSIVE THAN OLDER HOUSING—IN PART DUE TO INCREASING UNIT SIZES. Owner units built in the last 20 years are larger than they were in previous decades. Of the homes that recently sold, those built since the 1990s are on average 500 square feet larger than a typical home which sold that was built in the 1950s. Larger homes are inherently more expensive due to the additional land and construction costs (Redfin).

Distribution of New For-Sale Units Built Since 2010, as of 2021



Source: ACS 5-Year Estimates (2017-2021), SB Friedman

HOMES BUILT OVER 20 YEARS AGO TEND TO BE MORE ATTAINABLE, BUT HOUSEHOLDS STILL MUST EARN AT LEAST \$115,000 ANNUALLY TO AFFORD MOST OLDER HOMES. The median sales price for homes built in the 1990s and 2000s is \$380,000 countywide. A household would need to earn at least \$120,000 (115% AMI) for the mortgage payment on a \$380,000 home to be considered affordable. Sale prices for homes built before 1990 are slightly more affordable, ranging from \$320,000 to \$345,000. A household would need to make approximately \$115,000 annually (110% AMI) to afford one of these older homes.

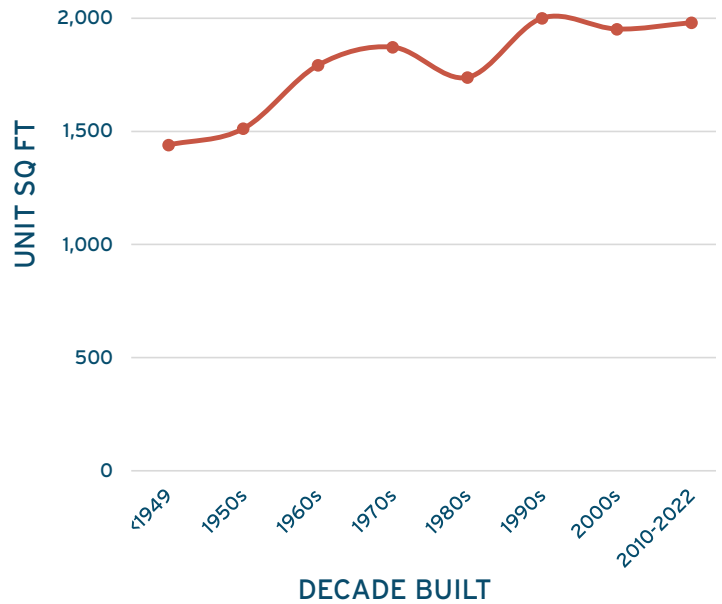
Only 23% of units that recently sold in Dane County—including single-family homes, condos, and townhomes—had sale prices under \$290,000, which a household earning \$105,000 could afford (100% AMI). The single-family homes that are affordable at this income level tend to be over 70 years old—60% were built before 1960. Only 12% of single-family homes that sold in the last year were affordable to this group. Only 6% of for-sale homes built since 2010 sold for under \$290,000, many of which were attached units (Redfin).

CONDOS AND TOWNHOMES ARE A CRITICAL SOURCE OF AFFORDABLE HOMEOWNERSHIP. Townhomes and condos are the most likely for-sale housing types to be attainable to lower-income households and tend to be smaller than the typical new-construction home. While the median unit size for all newer units sold was 1,980 square feet, the median unit size for homes that sold for under \$290,000 was 1,100 square feet. “Small lot” single family detached housing, which are homes on lots that are less than 1/10 of an acre, can also be more affordable, but have not been built extensively in the County.

Condos and townhomes account for 21% of the homes sold in the last year. Over 60% of the units sold were at a price point that would be affordable to a household at 100% AMI. The majority of these affordable homeowner units were built between the 1980s and 2000s (Redfin).

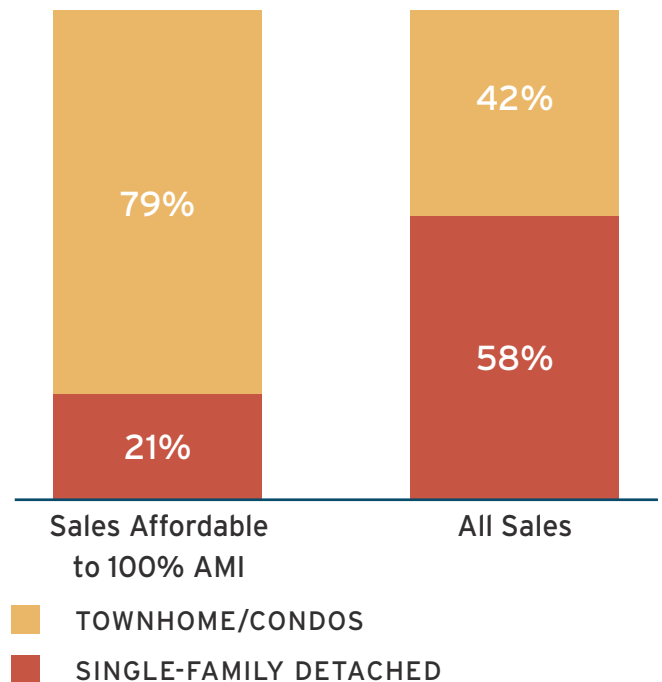
Zoning controls are critical to determining the scale of new housing development. Increasing flexibility around site design requirements, and housing types permitted, can increase housing variety and supply, as well as improve overall affordability.

For-Sale Unit Size by Decade Built, Home Sales 11/2021-11/2022



Source: Redfin (Home Sales, 11/2021-11/2022), SB Friedman

For-Sale Affordability by Housing Type, Home Sales 11/2021-11/2022



Source: Redfin (Home Sales, 11/2021-11/2022), SB Friedman

KEY TAKEAWAYS

THE SHORTFALL OF AVAILABLE HOUSING TO MEET DEMAND IN THE COUNTY HAS LED TO AN AFFORDABLE CRISIS, INCREASING STRESS FOR WORKERS, FAMILIES, SENIORS AND YOUNG PEOPLE WHO CANNOT FIND HOUSING AT PRICES AFFORDABLE TO THEM. The undersupply of housing for households across income groups, household sizes and housing preferences underscores the need to build more high-quality housing throughout Dane County.

AFFORDABLE HOUSING DEVELOPMENT AND PRESERVATION IN DANE COUNTY IS FAILING TO KEEP PACE WITH THE NEEDS OF LOWER INCOME RESIDENTS. Dane County has consistently struggled to develop legally restricted affordable housing at the pace necessary to support lower-income residents. The impact of this growing LRAH shortfall is compounded today by the ongoing risk of NOAH unit losses as rent and price pressures continue to increase in the county.

AREAS WITH STRONG ACCESS TO JOBS, TRANSIT AND OTHER COMMUNITY AMENITIES HAVE HIGHER LAND AND HOUSING COSTS. Communities in central Madison have the strongest transit access – and also the highest land costs – in Dane County. Madison communities beyond the Beltline, Inner-Ring Suburbs near jobs and areas that are perceived to be in strong school districts also have relatively high land costs.

RURAL AREAS, WHICH TEND TO HAVE MORE AFFORDABLE HOUSING OPTIONS, ALSO HAVE HIGHER TRANSPORTATION COSTS. A large share of the housing stock in rural areas, including the Rural Villages and most Towns, is lower-cost housing. While this is an important source of housing affordable to lower-income households, residents in these areas are often car-dependent, and must travel further to access jobs and services. Residents in these areas might have lower relative housing costs, but they tend to spend a larger share of their income on transportation costs.

HISTORICALLY MARGINALIZED GROUPS CONTINUE TO FACE BARRIERS IN ACCESSING HIGH-QUALITY HOUSING. Discriminatory housing policies included everything from redlining and race-based FHA home lending through the 1950s, urban renewal policies of the 1960s and 1970s, and predatory lending practices and discriminatory appraisal practices that continue today. These policies systematically reinforce(d) racial inequities throughout the United States. In Dane County, discriminatory housing policies meant that people of color, especially Black people, were largely shut out from homeownership opportunities and limited to lower-quality rental housing far from jobs and services. The impact of discriminatory housing policies can still be seen today through substantially different homeownership rates for White households (64%) and Black households (13%) in Dane County.

SUPPORTING BOTH AFFORDABLE HOUSING AND LAND CONSERVATION GOALS REQUIRES A DELICATE BALANCE. Dane County has a strong agricultural heritage and long tradition of environmental stewardship. Capital Area Regional Planning Commission's (CARPC) Regional Development Framework supports continued preservation of farmland and concentration of new development within existing centers. Land conservation supports important community goals around climate change resilience, connected communities and economic vitality. It also means that the amount of land dedicated to future housing development is more limited than it would be otherwise. Balancing these goals and identifying housing strategies that are sensitive to environmental stewardship will be key to addressing the County's housing issues.



"More education is needed around the impacts of redlining and discriminatory housing practices."
- HAC Member



"More remote sections of Dane County don't offer basic services and resources – including transportation, healthcare, grocery stores and open space – which cause barriers to one's quality of life."
- HAC Member



A photograph of three women in blue medical scrubs, smiling and standing together. The woman on the right has her arm around the woman in the middle. The image is overlaid with a semi-transparent brown filter.

CHAPTER 3

MEETING CURRENT AND FUTURE HOUSING NEEDS

This section provides detailed metrics illustrating the existing unmet housing needs for Dane County households across income groups. It also establishes housing production goals to meet projected future housing demand.

HOUSING SUPPLY GAP

To identify affordable housing supply gaps, the number of households at each income level is compared to the number of occupied units affordable to those households. If there is a shortfall- or gap- in the number of units affordable to a specific income band, the lack of affordable housing directly causes households at that income level to experience housing cost burden. When higher-income households rent or own housing units that are lower-cost than what they could afford, they unintentionally create a more competitive housing environment for moderate- and lower-income households. This can create a ripple effect, ultimately forcing lower- and moderate-income households to seek housing that does not meet safety and health standards, or is unaffordable to them, causing housing cost burden. Households who are unable to access affordable and safe housing may be pushed out of the county to more affordable jurisdictions.

American Community Survey (ACS) 5-Year Estimates data on households and HUD data on AMI limits was used to estimate: (1) the number of renter and owner households at various income levels, and (2) the number of housing units affordable at each of those income levels by tenure. The comparison of households and affordable housing units at each income level by tenure was used to identify any gaps or surpluses of units by income level. Key findings for both renter and owner households by income are described on the following page.

*"We are **short on housing across the board** and every minute we wait, the gap is getting larger and larger."*

- HAC Member

*"Expensive, inaccessible, challenging, unsustainable, inequitable. It is really **hard for young people to get housing.**"*

- Youth, LGBTQ+ Focus Group Participant



RENTER HOUSING SUPPLY GAP

HOUSEHOLDS UNDER 30% AMI: There are 18,900 renter households earning less than 30% AMI in Dane County, of which an estimated 11,000 are non-student households. Only 5,550 units are reported to be affordable to households in this group. This equates to a gap of 13,300 rental units for households earning less than 30% of AMI. The absence of deeply affordable units indicates 70% of renter households earning less than 30% of AMI pay more than they can afford for housing. These households likely rent units that are affordable to the 30-60% AMI income group.

HOUSEHOLDS EARNING 30-60% AMI AND 60-100% AMI: For both income groups, the number of housing units exceed the number of renter households associated with each group. However, higher-income households (>100% AMI) and extremely low-income households (<30% AMI) are renting these units because the rental supply for those groups does not meet the demand for such units.

- There are approximately 25,000 renter households earning 30-60% AMI and 40,700 units affordable to them, a share of which are legally restricted for households under 60% AMI.

- The number of rental housing units exceeds renter households earning 30-60% AMI. However, many households earning less than 30% AMI live in these units as well, due to their unmet need. Renters earning above 60% AMI are also likely to live in units affordable at this level.
- There are approximately 25,300 renter households earning 60%-100% AMI, and 39,600 units estimated to be affordable to them.

HOUSEHOLDS OVER 100% AMI: There are approximately 22,500 renter households that have incomes over 100% AMI, but only 5,700 rental units that are affordable specifically to them. This indicates that approximately 16,700 renter households in this income group are renting units that are affordable to households at lower income levels.

As shown in the graphic on the following page, households across the income spectrum are likely competing for units that are affordable to households earning 60-100% AMI, and lower-income households are likely competing for those units affordable at under 60% AMI. This mismatch forces some households to rent units that are above an affordable level (Census, HUD).



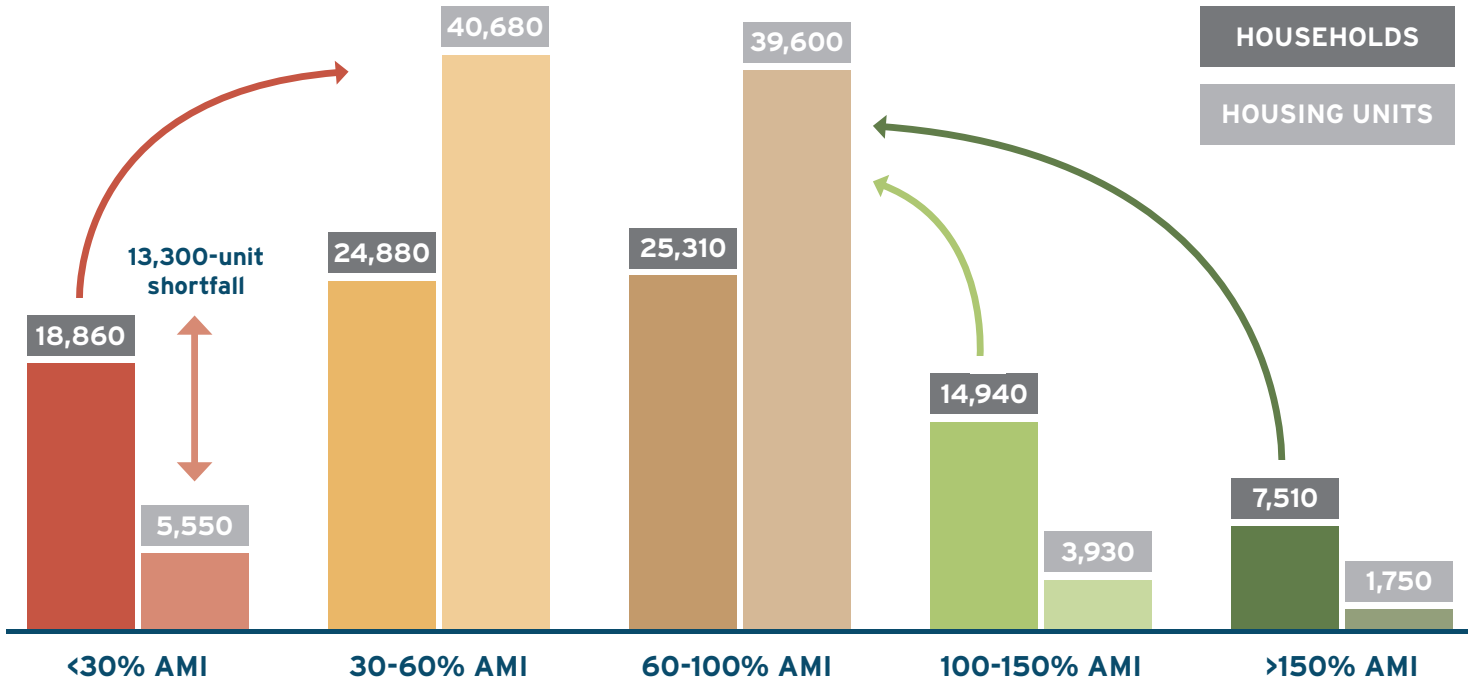
13,300

The amount of renter households under 30% AMI

The absence of affordable units indicates 70% of renter households earning less than 30% of AMI pay more than they can afford for housing.

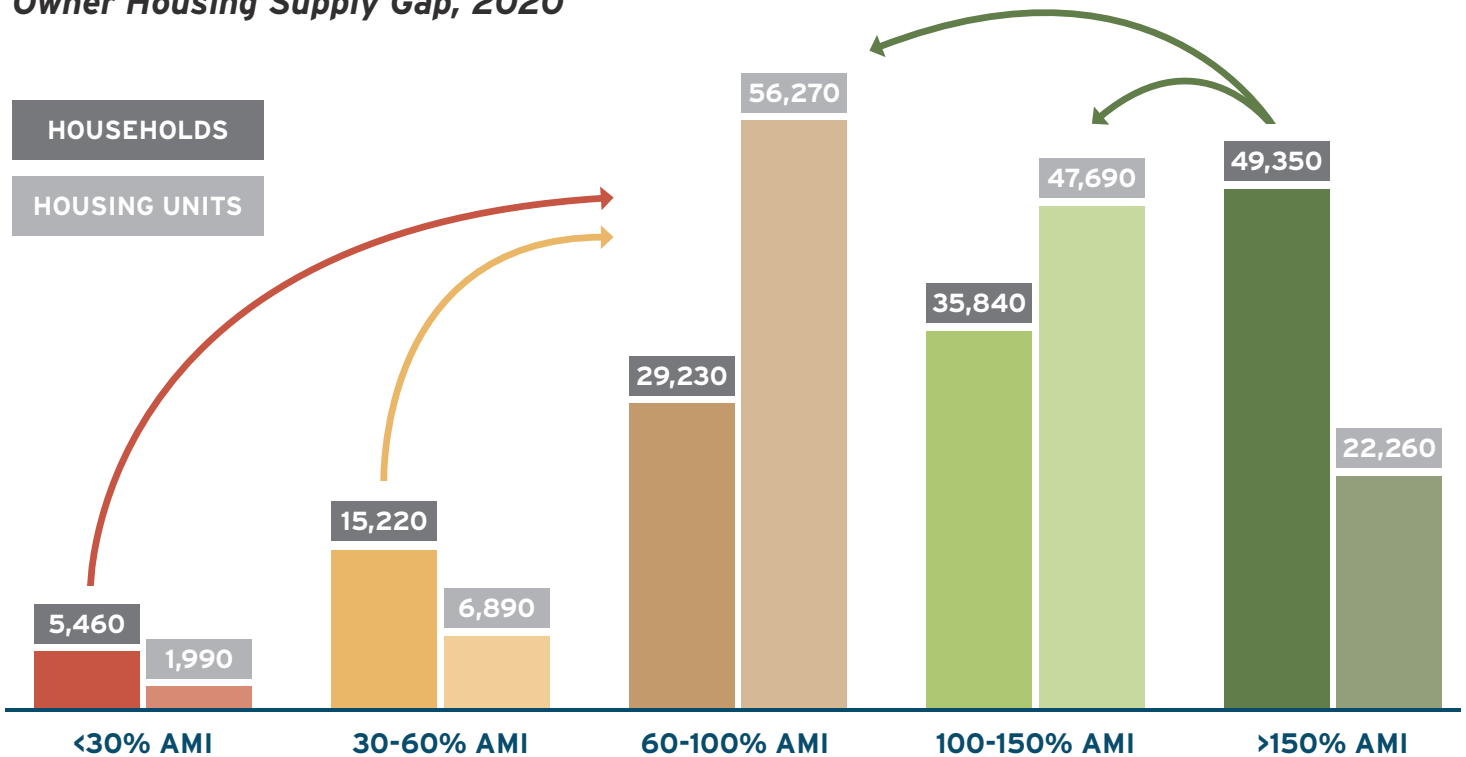
THE "BIG SQUEEZE"

Renter Housing Supply Gap, 2020



Source: HUD (FYs 2016-2020), ACS 5-Year Estimates (2016-2020), SB Friedman

Owner Housing Supply Gap, 2020



Source: HUD (FYs 2016-2020), ACS 5-Year Estimates (2016-2020), SB Friedman

OWNER HOUSING SUPPLY GAP

The number of owner households at various income levels and supply of owner-occupied housing units at those incomes was also evaluated. The number of housing units at each income level is based on Census-reported home values and the estimated monthly housing costs associated with those homes, including a typical mortgage payment, property taxes, home insurance and private mortgage insurance.

This analysis does not account for the situation of any particular homeowner, who may have purchased a home in earlier years at a lower price, may not have a mortgage or may have circumstances that differ from the assumptions. Furthermore, this analysis does not reflect the challenges prospective homebuyers face in trying to enter the for-sale market. Rather, it is intended to illustrate whether owner households at different income levels can afford typical ownership costs at a point in time, and to understand any potential gaps in the ownership supply.

The patterns in the Owner Housing Supply Gap, as shown on the previous page, are similar to those in the Renter Housing Supply Gap. The number of higher-income and lower-income owner households exceed the number of units affordable at their income levels. The detail by income group is described to the right.

HOUSEHOLDS UNDER 60% AMI: There are over 20,000 owner households earning less than 60% AMI, while fewer than 9,000 housing units are affordable at this income level. These households are more likely to be seniors or other households who have been in their homes for a long period. While these households might benefit from no longer having a mortgage, their homes are typically older and require more expensive upkeep and energy costs.

HOUSEHOLDS BETWEEN 60-100% AMI:

There is a surplus of approximately 27,000 units affordable at this income level, compared to the number of owner households earning 60-100% of AMI. However, housing costs have risen faster than incomes since the 2016-2020 ACS period that this data is based on, reducing affordability. In addition, households earning below 60% AMI and over 100% AMI purchase units in this range, increasing competition.

HOUSEHOLDS OVER 100% AMI: There are 85,000 owner households who earn more than 100% AMI, and 70,000 units affordable at that range of income. Many households therefore purchase units that are affordable at lower incomes, increasing pressure at lower price points (Census, HUD).



HOUSING DEMAND FORECAST

Dane County jurisdictions, developers, financial institutions and the County need to come together to reduce the current unmet need for affordable housing countywide, and to improve overall housing affordability for all residents. As the County continues adding new workers and residents over the next 20 years, jurisdictions also need to be proactive in ensuring sufficient housing supply is added to support the new households that will call Dane County home in the future.

NEW HOUSING UNIT PRODUCTION IS KEY TO ADDRESSING HOUSING SUPPLY GAPS. While housing production alone cannot solve all housing issues, it is a critical and primary tool to help ease housing costs and make housing more accessible to all Dane County residents. New housing supply creates more housing choice for residents and can improve housing diversity if jurisdictions prioritize housing types that are most needed. This housing demand forecast is based on CARPC’s Regional Development Framework and an analysis of the existing housing supply gap in the county. This forecast covers 2020 through 2040 and aims to provide housing for future residents as well as remedy existing housing shortages. See Appendix for more details.

COUNTYWIDE FORECAST

FROM 2020 THROUGH 2040, DANE COUNTY IS PROJECTED TO ADD OVER 89,000 NET NEW HOUSEHOLDS, A 38 PERCENT GROWTH IN HOUSEHOLDS. This projection is based only on current demographic trends, and represents almost 4,500 new households per year.

However, as described above, household growth in the county has been constrained by the shortage of housing relative to job growth. Current demographic data and projections only represent the people who live here now, not the families that work in the county and would have preferred to live in the county if housing had been available.

Our housing demand forecast incorporates not only future population but also addresses existing housing shortages and expected future job growth. The HAC’s stated goal is to close the housing supply gap quickly, which is vital to improve affordability.

DANE COUNTY WILL NEED TO ADD 139,000 NEW HOUSING UNITS (2020-2040) TO ADDRESS EXISTING UNMET NEEDS AND CREATE SUFFICIENT NEW HOUSING FOR FORECASTED GROWTH INCLUDING A HEALTHY VACANCY RATE. Production of 139,000 new units by 2040 also accounts for replacement of current units that will be removed before 2040, based on CARPC’s forecast of average replacement rates in the county. This forecasted housing demand includes approximately 64,700 new owner units (about 3,300 a year) and approximately 74,200 new renter units (about 3,700 a year), based on national trends around homeownership.

FORECAST BY JURISDICTION

Every jurisdiction in Dane County will need to do its part to address the regional housing affordability crisis. All Cities, Villages and Towns need to be part of the solution.

Dane County Housing Production Goals 2020-2040

139,000 *New housing units*

64,700 *New owner units*

74,200 *New renter units*

The table below shows housing demand projections for each Dane County jurisdiction based on our regional housing demand forecast and CARPC's Regional Development Framework. The 2040 housing unit goals include a healthy vacancy rate.

Households and Housing Units by Jurisdiction, 2020-2040

Jurisdiction	2020 Households	2020 Housing Units	2040 Households	2040 Housing Units	Annual New Housing Units Needed
Dane County	238,417	248,795	363,332	379,370	6,993
Madison	123,840	129,329	188,766	197,206	3,635
Towns	25,745	27,146	32,226	33,992	393
Sun Prairie	14,376	14,952	23,809	24,756	518
Fitchburg	13,214	13,833	22,200	23,208	495
Middleton	10,104	10,509	15,772	16,474	318
Stoughton	5,459	5,811	8,379	8,841	162
Verona	5,463	5,646	9,115	9,442	200
Waunakee	5,348	5,537	9,048	9,346	201
Oregon	4,345	4,446	7,205	7,467	159
Monona	4,161	4,342	4,945	5,168	49
DeForest	4,163	4,294	7,349	7,628	175
McFarland	3,598	3,711	5,875	6,082	125
Mount Horeb	3,005	3,115	4,836	5,051	103
Windsor	3,241	3,345	5,177	5,376	108
Cottage Grove	2,673	2,727	4,591	4,723	105
Cross Plains	1,689	1,726	2,720	2,823	58
Marshall	1,450	1,509	1,863	1,948	25
Deerfield	972	998	1,506	1,559	30
Shorewood Hills	919	969	1,091	1,142	10
Belleville	821	851	1,262	1,309	24
Mazomanie	731	760	1,071	1,113	19
Black Earth	625	651	848	881	13
Maple Bluff	553	591	641	669	5
Cambridge	630	665	974	1,014	19
Dane	417	425	656	679	13
Black Mounds	383	400	621	647	13
Brooklyn	355	364	593	612	13
Rockdale	89	93	121	126	2
Edgerton	48	50	86	89	2

Sources: US Census Bureau (2020), CARPC Regional Development Framework, Woods&Poole. Please see appendices for detailed explanation of housing demand forecast.

AFFORDABLE HOUSING

If the existing share of households under 60% AMI grows proportionately from 2020 to 2040, Dane County will add approximately 28,800 new households earning less than 60% AMI. Households under 30% AMI earn up to \$25,000-\$35,000 in 2022, depending on household size, and can afford monthly housing costs of \$625 for a one-person household up to \$875 for a four-person household (HUD FY 2022). Housing units at these monthly costs are the most challenging to find in Dane County. This underscores the need to continue producing new legally restricted affordable housing units, as well as new housing units that support a balanced housing supply.

Dane County should aim to produce approximately 35,300 new legally restricted affordable rental units from 2020 to 2040, in order to address the existing unmet need for lower-income households and meet the needs of new households 60% AMI and below. This translates to approximately 1,765 new affordable units per year, or 26 percent of overall housing unit production.

SENIOR HOUSING

Dane County's senior population, ages 65 or older, is forecasted to grow by about 25,300 people by 2040. As described above, about 17 percent of all current legally restricted affordable housing (LRAH) units in the county are reserved for seniors. Based on this current ratio, Dane County would need to produce about 6,000 legally restricted affordable housing units reserved for seniors, or about 300 per year.

6,000

*The number of **affordable** seniors housing units Dane County needs to add by 2040*

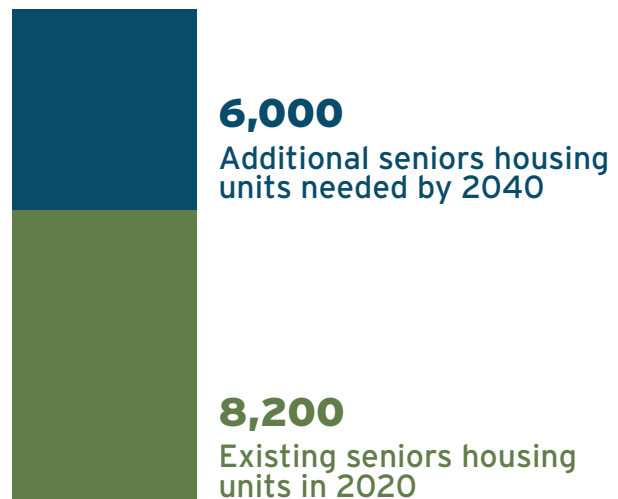
35,300

The number of new legally restricted affordable renter units Dane County needs to add by 2040

26%

The share of new housing units that should be legally restricted affordable units

Dane County Seniors Housing Existing Inventory and New Unit Production Goal, 2020-2040

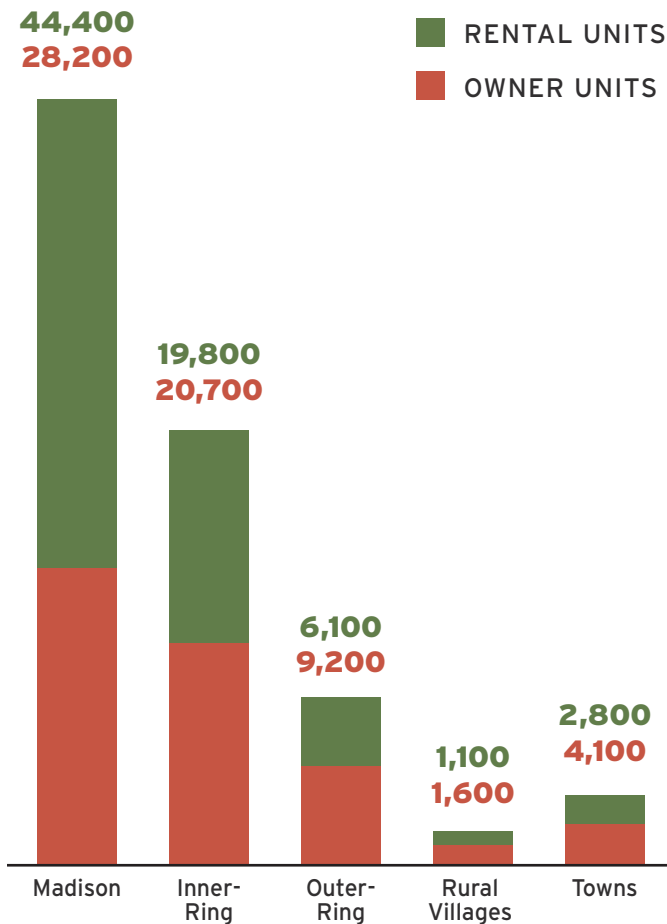


Source: NICMAP (2022), CARPC Regional Development Framework (2022), Woods and Poole (2022), Dane County, WHEDA, HUD, CoStar

HOUSING SUBAREAS

HOUSING PRODUCTION GOALS PRIORITIZE HOUSING DEVELOPMENT IN PLACES WITH EXISTING INFRASTRUCTURE AND PRESERVING FARMLAND WHEN POSSIBLE. Slightly over half (52%) of the new unit production forecasted is attributed to the City of Madison. The Inner- and Outer-Ring Suburbs together account for an additional 40% of the forecasted housing unit demand (29% in the Inner-Ring and 11% in the Outer-Ring Suburbs). Rural Villages and Towns account for 2% and 5% of the goal, respectively.

New Unit Production Goal, 2020-2040, by Housing Subarea

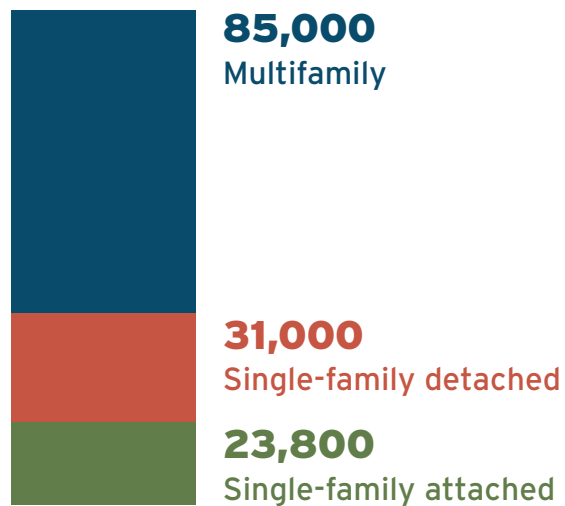


Source: CARPC, Census, ACS 5-Year Estimates (2016-2020)

HOUSING TYPES

About 85,000 new units are forecasted to be in multifamily buildings, which include duplexes, fourplexes, other small “walk-up” apartment buildings, and larger multifamily elevator buildings. While most multifamily units are typically rental, the multifamily unit goal also includes condo units. An additional 55,000 single-family units are forecasted, of which 31,000 are single-family detached and approximately 23,800 units are townhomes/attached single-family units.

New Unit Production Goal, 2020-2040, by Housing Type



Source: CARPC, Census, ACS 5-Year Estimates (2016-2020)

KEY TAKEAWAYS

- The number of households earning less than 30% AMI compared to the number of housing units affordable at that level in the County indicates a shortfall of over 15,000 housing units available to households earning less than 30% of AMI. Housing units at this price point are highly unlikely to be provided without public sector intervention.
- The “Big Squeeze” on the housing market in Dane County is the idea that households across all income levels tend to compete for the same pool of moderately priced housing – particularly housing affordable to households earning 60-100% AMI. Upward pressure from lower income households who don’t have more affordable alternatives combined with downward pressure from higher income households creates an environment where there is intense competition for moderate-cost housing units.
- To keep pace with household growth and address the current undersupply of housing, Dane County needs to add approximately 139,000 housing units by 2040. Developing enough housing to keep pace with forecasted growth requires participation of communities across Dane County – Cities, Villages and Towns alike.
- Rapid household growth will also require production of specific housing types, including seniors housing and legally restricted affordable housing.
- Households across Dane County have different housing needs. Diversifying the new housing stock is essential to ensuring there are affordable housing alternatives available to the wide variety of households seeking to live in communities across the county moving forward.



Dane County Regional Housing Advisory Committee (HAC) Meetings



CHAPTER 4

COMMUNITY ENGAGEMENT

The RHS process included a robust engagement strategy that incorporated input from a variety of stakeholder groups, including elected officials, policymakers, public, private and non-profit professionals in the housing space, employers, and Dane County residents. The major engagement activities that were conducted are described in this section.

HOUSING ADVISORY COMMITTEE

The Regional Housing Strategy process was informed by a Housing Advisory Committee (HAC) comprising representatives from:

- **PUBLIC SECTOR.** Elected officials, planning and housing staff from the County, Cities, Villages and Towns
- **NON-PROFIT SECTOR.** Non-profit affordable housing developers and providers, social service providers, advocacy organizations, and faith organizations
- **PRIVATE SECTOR.** Market-rate housing developers and homebuilders, realtors, financial institutions, and utility companies
- **INSTITUTIONS.** University of Wisconsin–Madison and other educational institutions, Wisconsin Housing and Economic Development Authority, Capital Area Regional Planning Commission, and the Greater Madison Metropolitan Planning Organization
- **MEMBERS OF THE PUBLIC.** Residents, including youth and senior representatives

Over 80 individuals participated in the HAC, which met 11 times from September 2022 through August 2023. Most HAC meetings were conducted in-person at the Lussier Family Heritage Center and the Alliant Energy Center. Two meetings were conducted virtually.

At the first HAC meeting, HAC members voted on RHS priorities to guide the focus of the strategic planning process. HAC members; priorities included 1) Reducing racial disparities in housing and homeownership; 2) Building capacity to address housing needs; and 3) Building relationships and enhancing partnerships/collaboration.



The RHS process included three distinct phases:



PHASE 1 - COLLECTIVE GOAL SETTING + REGIONAL HOUSING ANALYSIS. Presentation of findings on existing conditions related to the Dane County housing context; reflection and discussion related to discrimination in housing; and facilitated engagement exercises focused on goal setting for the RHS.

PHASE 2 - LOCAL POLICIES & PROGRAMS + VISIONING. Presentation and discussion of local housing policies and programs that jurisdictions have already implemented; visioning and engagement exercises to identify the core values and housing priorities; presentation of national best practices; and identification of local housing strategies to address housing priorities.

PHASE 3 - HOUSING STRATEGIES & REPORT + IMPLEMENTATION. Facilitated discussions to refine strategies; and identify implementation needs and partnerships.

Throughout the process, HAC members presented “strategy spotlights” to the group to highlight local best practices and innovative approaches to addressing housing issues. Presenters were as follows:

- The Village of Windsor
- The City of Sun Prairie
- The Village of McFarland
- Veridian Homes
- OWN IT-Building Black Wealth
- Dane County Division of Housing Access and Affordability Division
- Realtors Association of South Central Wisconsin



"[The RHS should] address the lack of [financial] education, training and lending opportunities for POC interested in homeownership."

- HAC Member

"We need to reframe the [housing] problem so that it is a community issue, and ensure that residents feel part of the solution."

- HAC Member



Dane County Regional Housing Advisory Committee (HAC) Meetings

"It is important to make sure any renter financial assistance programs include case management, and other types of support."

- HAC Member

"We are short on housing across the board and every minute we wait, the gap is getting larger and larger."

- HAC Member

"Include transportation options as part of the equation in housing affordability and equity."

- HAC Member

"Creatively solving the lack of affordable and workforce housing needs to be rooted in partnership, and not a 'one size fits all' approach."

- HAC Discussion

"This process and resulting policy needs to address the inequities of housing throughout the county and it needs to be a more comprehensive approach"

- HAC Member



FOCUS GROUPS

In the fall of 2022, Dane County organized six focus groups representing different stakeholders and identity groups that face distinct housing-related challenges in Dane County. The goals of the focus groups were to illuminate the experiences that individuals in each group face while navigating the Dane County housing market, as well as to identify existing actors and resources already supporting housing needs. The focus groups included: the Black community; the Hispanic/Latino community; the Hmong community; the LGBTQ+ and youth communities; the senior community; and people under 80% AMI who live in Cities.

Key takeaways from across the focus groups are provided below:

ACCESS TO TRANSIT & SERVICES

Proximity to reliable transit options is a key factor when residents look for housing, especially for seniors and people with disabilities. While housing costs are lower outside Madison, transit is unavailable or more challenging to access in those locations.

Lower-income people and people of color are often unable to find high-quality housing in locations that meet their needs. A growing number of people are being priced out of centrally located parts of Dane County, which have the strongest access to social networks and services. New construction housing further from Madison tends to be more affordable but has lower access to services.

ACCESS TO HOUSING INFORMATION

People who may be eligible for housing assistance programs often do not have access to key information about those programs. Residents report that the application processes for assistance are often complex and are a barrier to receiving assistance. Non-English speakers experience major barriers in accessing housing information.

*"Many of the minority populations are not aware of the processes of buying a home or renting a home. **Tons of resources are out there but it doesn't reach underrepresented populations.**"*

*- Hmong Community
Focus Group Participant*

*"Navigating the for-sale market was an **emotional roller coaster**. They speak a different language that we don't speak."*

*- Black Community Focus
Group Participant*

*"Latino families often have many kids and **need bigger affordable spaces**. Pay rates are not the greatest so people are not able to afford these types of housing."*

*- Hispanic/Latino
Community Focus
Group Participant*

LEGACY OF RACIAL & ECONOMIC SEGREGATION

Discriminatory practices continue to impact Black people and other people of color who are navigating the housing market. People have experienced being steered to certain neighborhoods when looking for housing based on their race, and not being provided the same access to housing information that is available to White people.

There is very limited representation of people of color within key real estate industry professions, such as realtors, developers, loan officers, and appraisers. Seeing more people of color in these roles could be impactful in ensuring people of color gain better access to housing opportunities. Residents suggested focusing on shifting the workforce in these industries.

Neighborhoods where affordable housing is located are often segregated and carry cultural stigma from those that live away from those areas. Desegregating affordable housing to create diverse communities and equitable opportunities needs to be a priority.

RENTER CONSIDERATIONS

Older affordable rental housing units in Dane County are more likely to be in poor condition unsafe or unsanitary conditions related to deferred maintenance outstanding repair needs. Tenants in these units can be vulnerable to safety hazards and unsanitary living conditions and have limited legal recourse.

People in rent-restricted units find it challenging to build financial equity because their rents increase as they move up the income ladder. Focus group participants viewed more flexible forms of rental assistance, as well as increased access to affordable homeownership opportunities as key for upward mobility.

HOMEOWNERSHIP CONSIDERATIONS

Residents without access to generational wealth are at a substantial disadvantage in trying to navigate the extremely competitive for-sale market. Participants reported losing out to investor-buyers and people with the resources to submit cash offers.

Participants reported that many for-sale homes that are affordable often require significant repairs before they become livable.

Many first-time homebuyer programs are relatively restrictive in terms of the income needed to qualify. OWN IT-Building Black Wealth, a first-time homebuyer program that provides financial assistance with more flexibility, is considered one of the few actors in Dane County that is meaningfully facilitating Black homeownership.

“Accessibility and education are key. It’s not affordable to live here. The living wage is insanity. This effort needs to go beyond this focus group.”

*- Black Community
Focus Group Participant*

“Need for more education and outreach about the programs and services throughout the county that are available to both renters and homeowners.”

*- Urban LMI Focus
Group Participant*

CONSIDERATIONS FOR SPECIFIC HOUSEHOLD TYPES

Dane County residents have varied housing needs, depending on their age, household size, family status and other factors. Focus group participants suggested that Dane County affordable housing policies should support the needs of diverse household types, including:

- **INTERGENERATIONAL HOUSEHOLDS.** Lower-income households, immigrant households, and households of color are also more likely to live in intergenerational households. Intergenerational households that depend on affordable housing assistance programs often require larger units than what has typically been produced in the County.
- **SENIORS.** Waiting lists for legally restricted units for seniors can be as long as two years, indicating that the need for senior affordable housing exceeds existing supply. Over the waiting list period, household eligibility and life circumstances often change. Participants suggested the County needs to further consider “aging-in-place” strategies when planning for affordable housing. This includes assistance for ADA accessibility improvements, such as ramps and other home modifications.
- **VULNERABLE YOUNG PEOPLE, INCLUDING LGBTQ+ YOUTH.** Focus group participants noted a lack of resources for LGBTQ+ youth and young adults, especially for people between ages 18 and 26 who have aged out of programs for minors. There is a need for transitional resources for housing-vulnerable young people struggling to maintain their current housing situation and experiencing homelessness. First-time renters often find it challenging to secure a unit because they have lower incomes and do not have a rental history or a credit score. Landlords often require cosigners for prospective renters in this position, which is often not possible for young adults without financial support.

*“We don’t have [housing] information and historically **things are set up to stop us getting it.**”*

*- Black Community
Focus Group Participant*

*“Once you face homelessness **it traumatizes you for life.**”*

*- Youth, LGBTQ+
Focus Group Participant*

*“**Multi-generational housing is big** for my family, and can be a good thing. My son lives with me now, and we just let some young kids move in. They pay a small fee and do the lawn, shoveling, and other tasks. Maybe there can be programs like that throughout Dane County.”*

*- Senior Community
Focus Group Participant*

STAKEHOLDER INTERVIEWS

In early 2023, the Project Team conducted one-on-one interviews with private, public and non-profit sector housing and real estate professionals who are intimately knowledgeable about housing opportunities and obstacles. Interviewees included affordable and market-rate developers, representatives from organizations dedicated to supporting housing rehabilitation, construction industry representatives, the Dane County Housing Authority, the Wisconsin Housing and Economic Development Authority (WHEDA), and the Dane County Division of Housing Access and Affordability. Many conversations reiterated challenges and opportunities that had been raised during earlier HAC meetings, but interview insights added depth and nuance to certain issues. A sample of key takeaways from interviews is below.

THE DANE COUNTY AFFORDABLE HOUSING DEVELOPMENT FUND (DCAHDF) HAS BEEN A “GAME CHANGER” IN ATTRACTING DEVELOPERS BUT COULD SUPPORT A MORE DIVERSE ARRAY OF PROJECTS ACROSS THE COUNTY. The County established DCAHDF in 2015 to provide gap funding for affordable housing development projects. The County allocates funds annually, including \$7 million in 2022. Multiple interviewees noted Dane County could better leverage the DCAHDF by making incremental changes, including extending the affordability period required and ensuring that projects at a variety of scales and geographies are funded. The DCAHDF includes a preference for projects that meet LIHTC criteria, which means projects that are not competitive for LIHTC are unlikely to receive DCAHDF funds. LIHTC is typically used for larger-scale, new construction rental developments, and less so for smaller projects, ownership housing, and NOAH acquisition/rehabilitation projects. This often means that smaller, more rural jurisdictions who tend to see proposals for developments under 50 units, are at a disadvantage in accessing LIHTC and County funds for affordable housing.

COVID-ERA RENTAL ASSISTANCE PROGRAMS HAVE BEEN A LIFELINE FOR LOWER-INCOME RENTERS AND LANDLORDS. The Eviction Diversion and Defense Partnership and the Emergency Rental Assistance Program have been valuable programs funded through COVID recovery funds. These programs, among others, have been impactful at stabilizing the renter market and preventing evictions. Federal funding from COVID stimulus packages is set to expire in 2026. Interviewees pointed to the importance of identifying alternate funding sources to maintain these essential programs after federal funds expire.



NON-PROFIT HOUSING DEVELOPERS AND BUILDERS COULD BE PRIORITIZED MORE INTENTIONALLY FOR LOCAL AFFORDABLE HOUSING FUNDING SOURCES AND RESOURCES. Dane County has a robust network of mission-driven, non-profit affordable developers and homebuilders. These non-profits provide housing and resources for households that the private market does not. Interviewees noted that jurisdictions could better collaborate with non-profits and facilitate more partnerships between non-profit and for-profit/conventional developers.

MODERATE- AND LOWER-INCOME HOMEBUYERS OFTEN PURCHASE OLDER HOMES, NEEDING MORE SUPPORT TO SUSTAIN THEIR INVESTMENT. Existing homebuyer assistance programs, which typically provide downpayment and closing cost assistance, are integral to allowing lower- and moderate-income households to become homeowners. However, assistance is generally not available to support those homebuyers after purchase. Interviewees pointed to the need for additional forms of ongoing assistance to help lower-income homeowners with the costly repairs and rehabilitation associated with older homes.

THE HOUSING CHOICE VOUCHER PROGRAM IS A CRITICAL LIFELINE FOR EXTREMELY LOW-INCOME HOUSEHOLDS. The County's largest housing assistance program is the federal Housing Choice Voucher Program. DCHA has historically had limited administrative capacity to identify and enroll participants in the program. Increased staff capacity

would help DCHA be able to effectively administer vouchers and potentially increase federal funding.

SOME DEVELOPERS EXPRESSED INTEREST IN CREATIVE PARTNERSHIPS TO IMPROVE HOUSING AFFORDABILITY IN DANE COUNTY. For-profit developers communicated that declining housing affordability in the County has led to limited housing mobility. A healthy housing market requires reasonably priced housing for first-time homebuyers. Modestly sized "starter homes" are important because they are more affordable and often an entry point to homeownership. Concerned about the absence of affordable starter homes, one developer has created a program in collaboration with a financial institution to offer second mortgages as downpayment assistance for prospective homebuyers on smaller homes.

A CONSTRUCTION LABOR SHORTAGE IN DANE COUNTY IS REDUCING THE NUMBER OF UNITS THAT ARE BUILT OR REHABILITATED, INCREASING THE PRICE OF NEW HOMES DUE TO LIMITED SUPPLY. Local construction firms reportedly are unable to fill construction jobs. Homebuilders indicated they could substantially increase unit production if there was an increase in construction workers. Homeowners seeking contractors for home repairs also reported facing lengthy wait times and upcharges for smaller jobs, indicating a need for additional construction labor. Developers also noted that identifying realistic growth corridors can ease supply constraints.



COMMUNITY HOUSING SURVEY

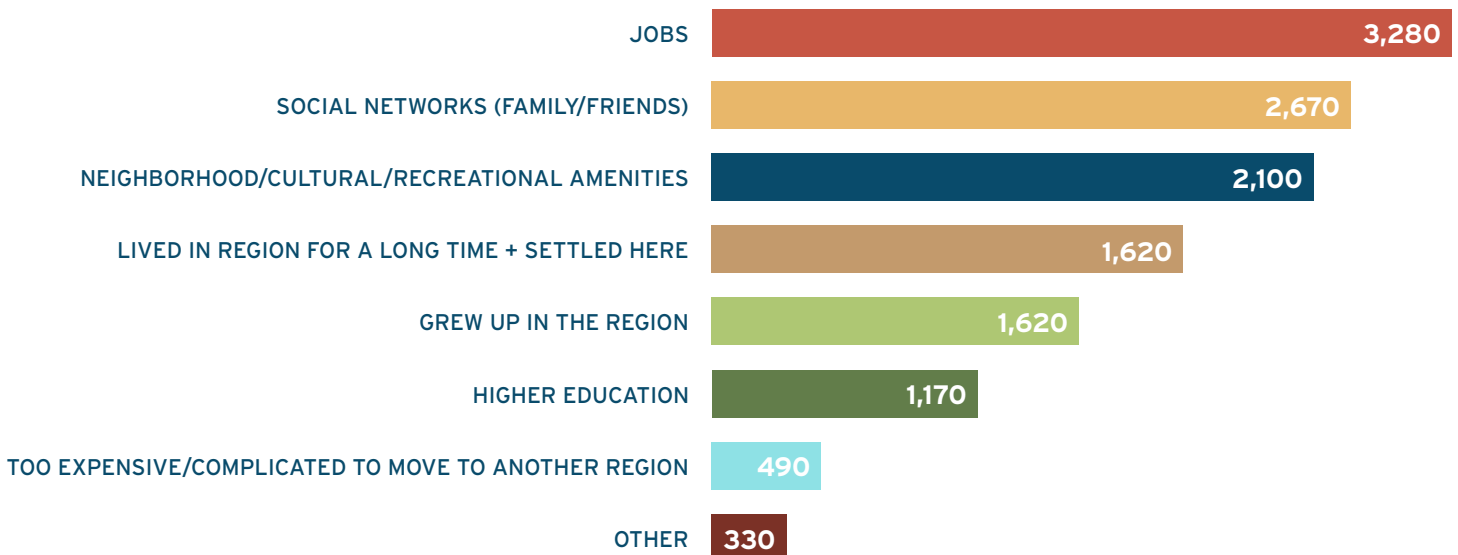
A community survey was open to the public from January 12th to February 9th, 2023 to gather broad input on housing issues and better understand resident experiences navigating the housing market in Dane County. Survey questions covered a variety of housing topics, including: perceptions about the housing supply; preferred housing types; and perceived housing gaps and needs. The survey was available in three languages: English, Spanish, and Hmong. The Project Team publicized the survey through a communications campaign that highlighted the urgency of the housing crisis, humanized the issue, and served as a public call-to-action for community members to participate. While most people completed the survey digitally, paper copies were also available at various community institutions, such as senior centers.



Approximately 6,380 people took the survey. Respondents were predominantly White (80%), between the ages of 25-40 (46%), and earning less than \$95,000 (54%). The typical survey respondent was more likely to be under the age of 40 and White, compared to the County overall. Nearly all respondents (97%) live in Dane County, while the remaining respondents likely commute into Dane County for work or school. Residents from every zip code in the County were represented. The appendix includes a full summary of questions and responses to the Community Housing Survey.

RESPONDENTS CHOSE TO LIVE IN DANE COUNTY BECAUSE OF ITS EMPLOYMENT OPPORTUNITIES AND HIGH QUALITY OF LIFE. Over half (53%) of respondents identified jobs as a key factor. Large shares of respondents also indicated that their social networks (46%) and cultural or recreational amenities (43%) also played a role in their choice to live in Dane County.

Community Survey Responses: "Why do you live in Dane County?"



WHILE PEOPLE'S SPECIFIC HOUSING DECISIONS INVOLVE MANY FACTORS, HOUSING COST IS THE MOST IMPACTFUL. Most respondents (63%) identified housing cost and housing affordability as a key factor in informing their housing decisions. Respondents also identified proximity to work or school (41%) and housing quality (39%) as important factors.

OVER 80% OF RESPONDENTS HAVE EXPERIENCED BARRIERS THAT PREVENT THEM FROM LIVING IN THEIR PREFERRED HOUSING TYPE. Approximately 57% indicated their preferred housing type is too expensive. Nearly 37% cited the competitive housing market as a barrier.

The survey underscored several existing unmet needs:

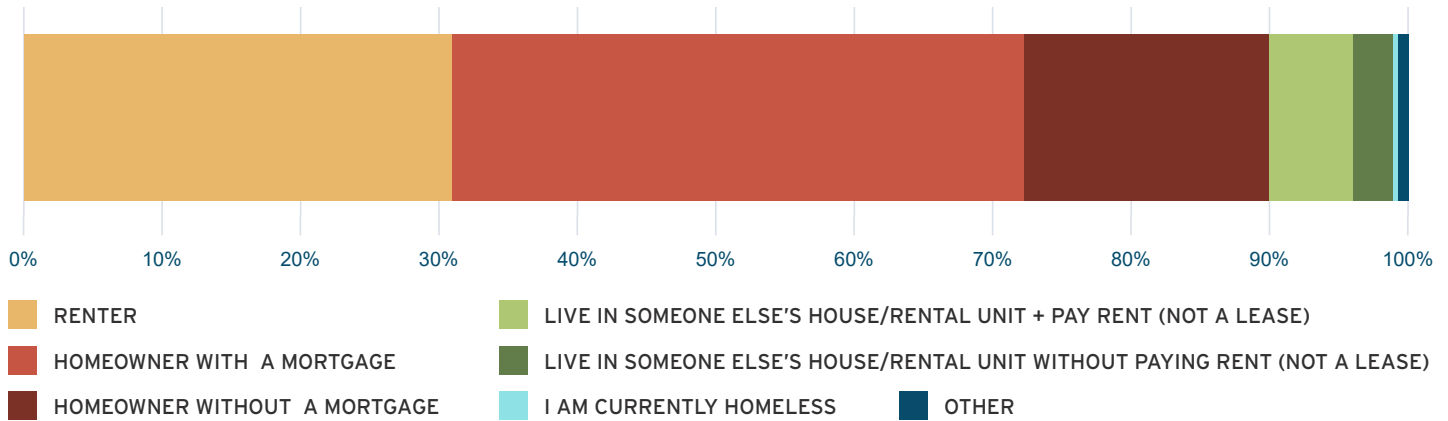
- **OWNER-OCCUPIED HOUSING.** The number of survey participants who indicated they are

current homeowners is lower than the number who indicated they would prefer to own rather than rent. 59% of respondents are currently homeowners and 31% are renters. However, 72% indicated a preference for homeownership and 17% for renting.

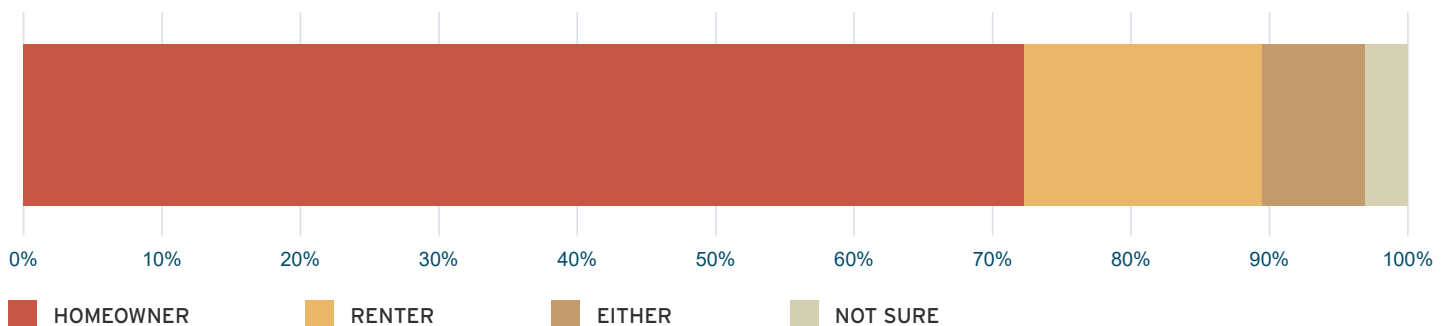
- **INCOME-RESTRICTED AFFORDABLE HOUSING AND SUPPORTIVE HOUSING.** 13% of all respondents report living in income-restricted or supportive housing. However, 20% indicated they prefer to live in an income-restricted or supportive housing unit.

- **SENIOR HOUSING AND ADA-ACCESSIBLE HOUSING.** 13% of all respondents report living in senior housing. However, 16% indicated they would prefer to live in age-restricted senior housing and 18% indicated they would prefer to live in accessible/ADA compliant apartments or homes.

Community Survey Responses: "Which of the following best describes your current housing situation?"



Community Survey Responses: "At the current time, would you prefer to be a homeowner or a renter?"



APPROXIMATELY ONE-THIRD OF RESPONDENTS INDICATED THEY EITHER CANNOT AFFORD, OR ARE STRUGGLING TO AFFORD, THEIR CURRENT MONTHLY HOUSING COSTS. Lower-income people and young people in particular said they were more likely to be struggling to afford their housing costs. Most respondents (68%) also specified there are not enough housing options within their price range in the County.

WHILE NEARLY ALL RESPONDENTS (96%) BELIEVE ALL DANE COUNTY RESIDENTS SHOULD HAVE ACCESS TO HOUSING, MOST DO NOT BELIEVE THAT HOUSING IS CURRENTLY ACCESSIBLE TO EVERYONE. Three-quarters of respondents indicated they do not feel housing in Dane County is attainable for residents at all income levels.

RESPONDENTS BELIEVE THAT ALL SECTORS HAVE A ROLE IN ADDRESSING THE HOUSING CHALLENGES FACING THE COUNTY. While 82% of respondents indicated local jurisdictions should address housing issues, 59% also indicated the private sector should work to address housing issues. Nearly half (49%) of respondents felt it was important that non-profits also play a role.

32% of all survey participants are struggling to afford or cannot afford their housing costs.

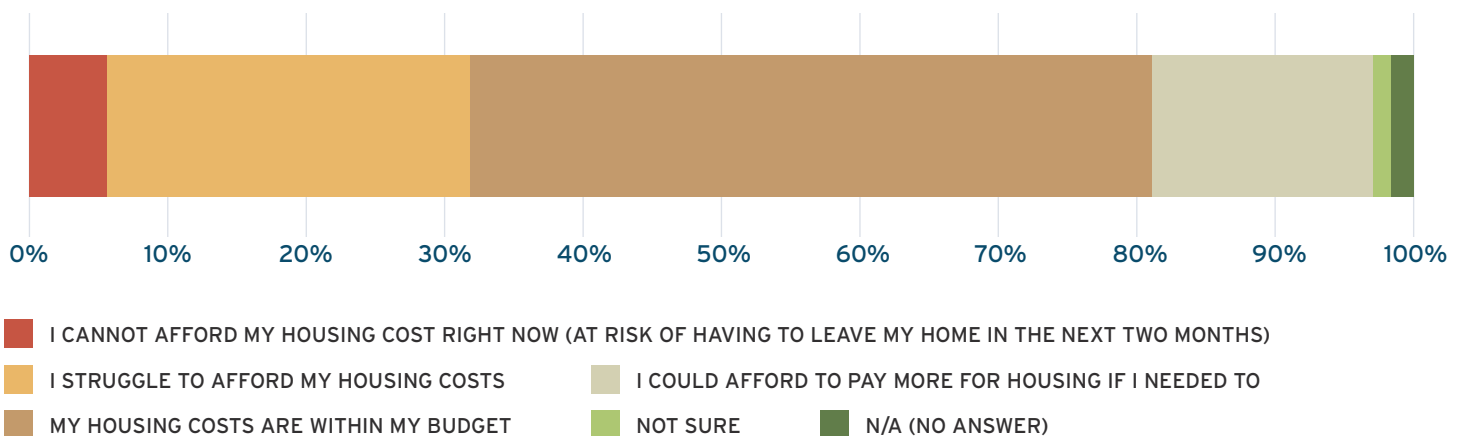
68% of respondents indicated there are not enough housing options within their price range.

42% of people ages 24 and under are struggling to afford or cannot afford their housing costs.

52% of households earning under \$75,000 are struggling to afford or cannot afford their housing costs.

96% of respondents believe that all Dane County residents should have access to housing.

Community Survey Responses: "How do your monthly housing costs compare to what you would be comfortable paying?"



PROGRAM INVENTORY AND RESOURCE ASSESSMENT (PIRA)

It is important to understand the policies, programs, tools and resources already being leveraged by Dane County municipalities to inform options for RHS implementation. The Program Inventory and Resource Assessment (PIRA) survey collected this information from Cities, Villages and Towns in 2023 to inform the development of the RHS housing priorities and strategies. The PIRA asked jurisdictions whether their municipality has implemented, or is in the process of implementing, 50 different policies, tools and programs that are often used to advance housing goals. Two surveys were created, one for Cities and Villages, and a second for Towns.

CITIES & VILLAGES PIRA

Most (23) of Dane County's 28 Cities and Villages participated, either through written submissions or through one-on-one phone interviews. The jurisdictions that participated represent 99% of the Dane County population that lives in Cities and Villages.

The survey was organized into five sections, based on different types of jurisdictional activities:

1. **FINANCIAL INCENTIVES AND ASSISTANCE.** Funding tools that encourage housing development, or specific funding sources for affordable housing initiatives.
2. **HOUSING AND LAND RESOURCES.** Tools that dedicate land or housing for legally restricted affordable housing.
3. **CAPACITY BUILDING.** Strategies and tools to foster support and partnerships for housing.
4. **HOMEOWNER AND RENTER PROGRAMS.** Tools that directly support residents, focused on renter and homeowner needs.
5. **LAND USE AND ZONING.** Tools that address planning, land use and zoning policies that impact housing.

If a jurisdiction responded that they had already implemented, or were in the process of implementing the policy, the survey then prompted a series of follow-up questions to understand whether:

1. The municipality was using the policy/program to achieve an affordable housing goal.
2. The goal focused on a specific income level or tenure (owner or renter).

The survey also contained qualitative questions including:

1. Whether the jurisdiction has viewed the policy as a success.
2. Identification of any unintended consequences related to racial equity.
3. Whether the policy could be scaled to other jurisdictions in the County.

The Project Team conducted follow-up interviews with selected jurisdictions that had a larger number of policies and programs to better understand challenges and successes.

Financial Incentives and Assistance

JURISDICTIONS OFTEN RELY ON TAX INCREMENTAL DISTRICT (TID)-RELATED ASSISTANCE TO FUND AFFORDABLE HOUSING INITIATIVES. Nearly all (22) Cities and Villages in Dane County have established TIDs, which are special districts where increases in property tax revenue from new development and property value increases within the district are dedicated to eligible project costs within the district. Some jurisdictions use TIDs to specifically support affordable housing development. Many jurisdictions (11) also use TID Extension Funding to generate funds for affordable housing initiatives. TID Extension Funding is a mechanism in Wisconsin which allows jurisdictions to keep a TID open for one extra year, provided that the property tax revenue generated during the final year is used for affordable housing-related initiatives. Respondents indicated TID

Extension Funding has been and will continue to be a critical revenue source for jurisdictions' affordable housing funds. Sun Prairie, Waunakee and Oregon all used TID Extension Funding to support their affordable housing initiatives.

15 out of 22

Jurisdictions using TID to support affordable housing objectives

9 out of 11

Jurisdictions using TID extension funding to support affordable housing objectives

PIRA: Financial Incentives or Assistance Responses

Program or Policy	Jurisdictions Indicating 'Yes, or in Progress of Being Adopted'	Jurisdictions Indicating Policy Supports Affordable Housing Objective
Tax Increment Financing (TIF) via Tax Increment Districts (TIDs)	22	15
TID Extension Funding	11	9
Parking Requirement Reductions	8	4
Fee Exemptions (Impact Fee Waivers, Permit Fee Waivers)	6	6
Gap Financing or Funding Assistance	6	4
Revolving Loan Funds	5	1
Property Retrofit Assistance to Property Owners	5	2
Support for / Encouragement of Sustainable Construction Practices	4	2
Streamlined Permitting and Approval for Certain Projects	4	1
Development Incentives or Density Bonus Programs	2	2
Financing Programs for Smaller Projects (ADUs, EECBG)	1	-
Energy Efficiency Funding for 80% AMI Multifamily Units	1	-

Land Use and Zoning

MANY (19) JURISDICTIONS ARE PURSUING STRATEGIES TO INCREASE THE DIVERSITY OF HOUSING TYPES BY ENCOURAGING HOUSING THAT IS NOT LARGE-LOT SINGLE FAMILY HOMES OR LARGE MULTIFAMILY BUILDINGS. Targeted housing types range in density from duplexes to smaller-scale apartment buildings. Jurisdictions are also prioritizing innovative single-family developments, such as small-lot single family housing and co-housing. Many of the desired housing types are often referred to as “Missing Middle” housing.

MOST (13) JURISDICTIONS CURRENTLY RELY ON THE “PLANNED UNIT DEVELOPMENT” (PUD) ENTITLEMENT PROCESS FOR PROJECTS WITH A MIX OF HOUSING TYPES, RATHER THAN ALLOWING A VARIETY OF HOUSING TYPES “BY-RIGHT” UNDER THEIR ZONING ORDINANCE. PUDs are a flexible zoning mechanism but can be costly, difficult and time-consuming to implement because each PUD is unique. The PUD tool provides jurisdictions

flexibility in the types of development they can consider. However, if a jurisdiction overuses the PUD tool, it indicates a jurisdiction’s zoning code may be out-of-sync with the real estate market. The PUD process also adds extra levels to the municipal and public review process, increasing time, expenses and unpredictability for developers.

ALTERNATIVES TO THE PUD PROCESS HAVE BEEN IMPLEMENTED IN FITCHBURG AND MADISON. Fitchburg implemented a SmartCode, which allows for proposed large-scale developments to receive administrative approval provided that the project abides by a set of established, objective design standards. The SmartCode allows a diverse range of housing types to be built by right. In 2023, Madison also implemented a zoning overlay for transit-oriented areas that increases the number of units that can be built by right in designated transit areas. The overlay allows duplexes by-right in existing single-family zones, and increases the maximum unit density allowed by-right in multifamily zones.

PIRA: Land Use and Zoning

Program or Policy	Jurisdictions Indicating ‘Yes, or in Progress of Being Adopted’
Comprehensive Plan with Housing Chapter	20
Planned Unit Developments	19
Housing Plan	11
Cooperative Planning Agreements with Neighboring Jurisdictions	9
Adaptive Reuse Building Subdivision Policies	8
Multifamily Building Subdivision Policies	8
Accessory Dwelling Units (Conditional/By Right)	7
“Missing Middle” Multifamily/Townhomes Housing Types (Conditional/By Right)	7
Farmland Preservation, Smart Growth, Anti-Sprawl Policies	6
Detached Single Family “Missing Middle” Housing Types (Conditional/By Right)	4
Zoning Overlays for Higher-Intensity Development	4
Form-based Code	3

Housing and Land Resources

COMMUNITY DEVELOPMENT AUTHORITIES ARE THE BEDROCK OF AFFORDABLE HOUSING PRODUCTION STRATEGIES FOR MANY COMMUNITIES. Most jurisdictions in Dane County (15) have community development authorities (CDAs) that oversee development. CDAs can be used in a variety of ways, including overseeing the use of TIDs to provide public assistance or acting as the lead developer for affordable housing.

A LIMITED NUMBER (5) OF JURISDICTIONS HAVE USED LAND BANKING, WHICH INVOLVES THE JURISDICTION FACILITATING LAND ACQUISITION AND DISPOSITION TO MEET COMMUNITY GOALS. Land banking typically involves a municipality or other entity acquiring, holding, and then transferring land to partners to meet affordable housing or other community goals. Partners often include mission-driven entities like community land trusts, affordable developers, or other non-profits. The City of Madison has the most established land bank in the County, and commits general fund revenue to the program annually to increase properties within the land bank.



PIRA: Housing and Land Resources

Program or Policy	Jurisdictions Indicating 'Yes, or in Progress of Being Adopted'
Local Community Development Authority	15
Dane County Housing Authority (DCHA) Authorization	14
Dane County Urban Consortium Member	12
Land Bank	5
Housing Trust Fund	3
Local Housing Authority	3
Community Land Trust Partnerships	2
Impact/Linkage Fees for Affordable Housing	0

Renter and Homeowner Assistance

Some jurisdictions also have programs that directly support renters and homeowners in navigating the housing market or improving the quality of their existing housing.

ONLY FIVE (5) JURISDICTIONS PROVIDE, OR PLAN TO PROVIDE, DIRECT FINANCIAL SUPPORT TO HOMEOWNERS. Existing homeowner programs currently include a property rehabilitation assistance grant for income-eligible homeowners in Waunakee; a pilot rent-to-own program in Fitchburg; a downpayment assistance program for homebuyers in Monona; and a variety of programs available in Madison.

MOST JURISDICTIONS THAT PROVIDE RENTER ASSISTANCE DO SO THROUGH NAVIGATION SUPPORT. Madison and Fitchburg have rent abatement policies, which provide renters financial recourse if landlords do not make needed property repairs. Very few municipalities have permanent renter financial assistance programs; most programs have been temporarily funded through pandemic-associated federal assistance funds.

"[There are] challenges getting the word out on these programs, especially for down payment programs. Timing may also be an issue in such a tight housing market to wait for approval of any loan."

- City PIRA Respondent

PIRA: Renter and Homeowner Assistance

Program or Policy	Jurisdictions Indicating 'Yes, or in Progress of Being Adopted'
Financial Assistance to Homeowners/Buyers	5
Tenant Protection or Eviction Prevention Policies	4
Tenant Resource Guide	3
Assistance/Programming for Small Property Owners	2
Financial Assistance to Renters	1
Housing Choice Voucher Acceptance Among Landlords	1
Rental Resource Referrals Dedicated Staff	1

Capacity Building

LARGER MUNICIPALITIES REPORTED MORE CAPACITY-BUILDING PROGRAMS THAN SMALLER MUNICIPALITIES. Several larger jurisdictions, including Madison and many Inner-Ring Suburbs, have staff dedicated to housing-related goals. For example, Sun Prairie recently used TID Extension Funding to create a new full-time staff member focused on equitable development and housing planning. Middleton convenes a Workforce Housing Committee, which has led housing studies and other initiatives.

SMALLER JURISDICTIONS—INCLUDING MANY OUTER-RING SUBURBS AND RURAL VILLAGES—TEND TO HAVE LIMITED STAFF RESOURCES. It is rare for staff in smaller jurisdictions to have the capacity to focus exclusively on housing programs or policies. Despite acknowledging the importance of housing, many smaller municipalities noted that staff are required to juggle multiple responsibilities and had limited bandwidth to focus on housing initiatives.

**“Capacity is time.
We need more time.”**

- HAC Member

“Staff administration of too many PUDs has taken time away from administering new housing initiatives like the revolving loan fund for first-time homebuyers and BIPOC community members.”

- City PIRA Respondent

PIRA: Capacity Building

Program or Policy	Jurisdictions Indicating ‘Yes, or in Progress of Being Adopted’	Jurisdictions Indicating Policy Supports Affordable Housing Objective
Guiding Policies from Housing Study	11	10
Affordable Housing Entities Receiving Grants	10	10
Employer-Assisted Housing	6	6
Dedicated Housing Staff	5	5
Dedicated Webpage with Housing Information	5	4
Communication/Education Initiatives	5	3
Racial Equity and Inclusion Training	5	3
Development Community Outreach	5	3
Non-Profit Outreach	5	4
Active Housing Committee/Commission	4	4
Code Enforcement Training for Property Owners	3	1
Philanthropic Outreach	2	2
Active Housing Task Force	2	2

TOWN PIRA

The County developed a second survey for Towns to complete. This more streamlined survey included questions on:

1. The key housing-related challenges that Towns face.
2. What rural development areas Towns have planned for housing, and the type of housing permitted in those areas.
3. Planning agreements with neighboring jurisdictions.
4. Staff capacity to undertake planning related to housing.

“There is a lack of legally restricted affordable housing in rural areas. Low-wage service jobs exist everywhere, so we still need it.”

- HAC Member

The Town PIRA Survey had 43 respondents representing 27 of Dane County’s 33 Towns. Responses to the PIRA demonstrated the range of housing-related challenges Towns are facing. The top issues are summarized below.

FARMLAND PRESERVATION IS A PRIORITY AMONG TOWNS. Dane County boasts over 500,000 acres of farmland, most of which are in Towns. Agriculture is an important aspect of the region’s economy, and farmland preservation also supports environmental conservation goals.

NEW GROWTH AREAS IN TOWNS SHOULD BE ALLOCATED STRATEGICALLY TO THE AREAS WHERE INFRASTRUCTURE AND BASIC SERVICES ALREADY EXIST OR WHERE THEY CAN BE MORE EASILY PROVIDED. A LACK OF INFRASTRUCTURE AND SERVICES MAKES IT CHALLENGING TO ATTRACT AND ACCOMMODATE LARGER-SCALE DEVELOPMENT. New development within Towns would primarily be “greenfield” development, which requires significant investment to bring roads and utilities to future residents. Most (20) Towns do not currently have sanitary sewer service, which is often considered a prerequisite for multifamily housing development. Residents in Towns also experience slow broadband access and tend to be farther from services.

TOWNS LACK AFFORDABLE LAND AND HOUSING OPTIONS FOR FIRST-TIME HOMEBUYERS. As in Cities and Villages, land and housing costs in Towns are often higher than what people can afford, especially after accounting for higher transportation costs.



TOWNS FIND IT CHALLENGING TO ATTRACT AFFORDABLE HOUSING OPERATORS WITH THE CAPACITY TO DEVELOP AND ADMINISTER LEGALLY RESTRICTED AFFORDABLE HOUSING IN RURAL AREAS. Affordable housing development tends to locate in areas with transit and other services, which is often a prerequisite for affordable housing operators and tends to be prioritized by funding sources.

OLDER RESIDENTS DO NOT HAVE MANY OPTIONS TO REMAIN IN TOWNS. The housing inventory in Towns tends to be older, and can require significant repairs or updates to support seniors who want to “age in place.” There are also limited senior housing alternatives in Towns for seniors that are interested in moving.

PIRA: Housing Challenges Facing Towns

Housing Challenges	Towns Indicating that Challenge was a Top Issue
Lack of Affordable Land / Housing Options for First-Time Homebuyers	22
High Housing Costs (including Land Costs)	18
Lack of Options for Older Town Residents to “Age in Place”	18
Lack of Infrastructure to Attract/Accommodate Development (i.e., Road Network, Broadband Access, Public Sewer/Water)	17
Limited Development Potential Based on Current Policies	14
Land Use Conflicts Between Homeowners and Farming or other Rural Industries	10
Lack of Affordable Housing Options for Town Workforce (e.g., Farm Workers, Others)	7
Insufficient Supply of Rental Housing	5
Limited Development Potential due to ETJ, Attachments from Neighboring Jurisdictions	4
Lack of Broadband Access	3
Quality of Existing Housing Stock/Need for Housing Rehabilitation	2
Insufficient Supply of Owner-Occupied Housing	2

KEY TAKEAWAYS

- Housing is a unifying issue in Dane County - from students to seniors, housing professionals to municipal staff and elected officials. In discussions throughout the strategic planning process, people described the many facets of the housing crisis and emphasized a need for near-term solutions and action.
- Housing access varies widely across the county. Despite federal changes in housing policy, the legacy of racial and economic segregation in the county has resulted in longstanding wealth disparities - and therefore homeownership disparities.
- The Community Housing Survey identified discrepancies between housing preferences and housing conditions for many. Nearly 30% of respondents indicated they cannot afford or struggle with their housing costs. While 60% of respondents were homeowners, over 70% of respondents indicated they would like to be.
- Many municipalities already leverage local funding and regulatory tools to address housing needs. The Program Inventory and Resource Assessment provided insight into existing municipal programs and will be a resource for the County moving forward.



Dane County Regional Housing Advisory Committee (HAC) Meetings



CHAPTER 5 **IMPLEMENTATION**

This section includes the near-term goals and action plan for achieving the RHS vision for Dane County housing.

RHS 5-YEAR STRATEGIC ACTION PLAN

The Regional Housing Strategic Action Plan is focused on tactical actions that the community, public, private and non-profit sectors can undertake in the next 3-5 years to address the most critical housing needs in Dane County. In order to ensure that the final housing priorities and recommendations were consistent with the overall vision, the HAC identified six core values to guide and underpin their work.



DANE COUNTY RHS | VISION STATEMENT

The RHS envisions an **equitable** and **environmentally sustainable** future, where all residents have access to **quality** and **affordable** housing in connected neighborhoods.



ACCOUNTABILITY | CORE VALUE

All entities - public, private, and nonprofit alike - accept and share responsibility for providing attainable housing.



AFFORDABILITY | CORE VALUE

All people have access to housing they can afford.



ECONOMIC GROWTH | CORE VALUE

Housing production keeps pace with employer growth and meets employee needs.



EMPOWERMENT | CORE VALUE

Residents, practitioners, and elected officials have a shared understanding of housing needs and are equipped to discuss and leverage housing resources and programs.



EQUITY | CORE VALUE

Historically excluded populations and lower-income households have access to quality housing.



SUSTAINABLE DEVELOPMENT | CORE VALUE

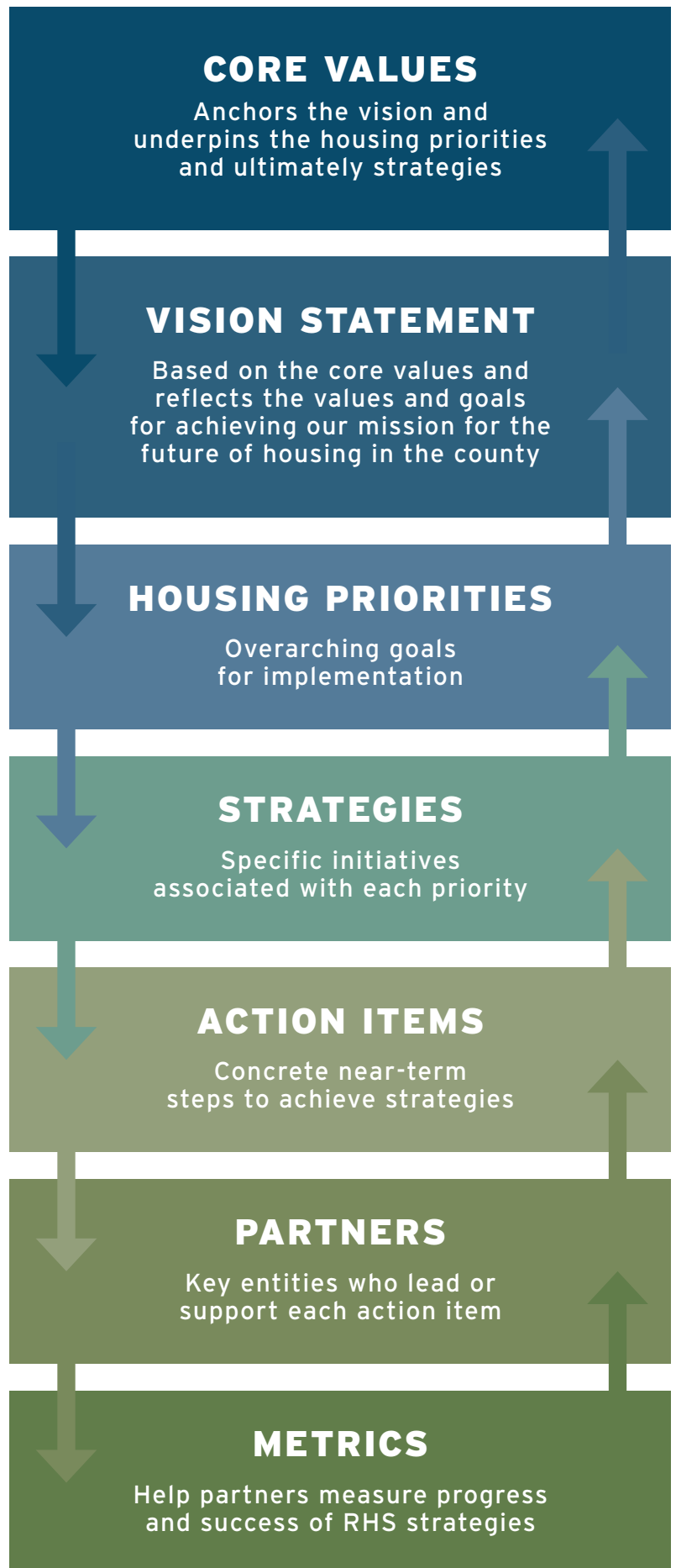
Housing is located near existing services, infrastructure, transit, amenities and jobs, reducing environmental impacts and improving quality of life for all residents.

Through HAC engagement and feedback, the HAC defined five housing priorities that articulated the overarching goals the County aims to accomplish through the RHS. These priorities are underpinned by the core values and aimed at achieving the RHS vision. The HAC then reviewed policies and strategies already used regionally, as well as national best practices related to each housing priority. Through an iterative process, the HAC prioritized 17 specific strategies to be included in the RHS, each associated with a particular priority. These strategies leverage current policies and programs, and bring new approaches to address the county's housing crisis.

HAC members identified action items (i.e., concrete near-term steps) to implement each strategy. They also identified specific partners to lead or support implementation of each action item. Finally, the HAC selected at least one measurable metric for each strategy to measure implementation progress and success.

The following pages include a summary of housing priorities, strategies, and action items, as well as an implementation matrix that will serve as a guide for all housing partners to make progress toward achieving the vision for housing in Dane County over the next five years.

RHS is a partnership of housing stakeholders across municipalities and sectors. It is committed to ongoing education and learning, and to pursuing the priorities, strategies and action steps laid out in the RHS Strategic Action Plan. A work plan will be published annually for the next five years to enable the participating municipalities, businesses, organizations and residents to share their work with each other and the general public. The work plans will be posted at <https://danehousing.countyofdane.com>. By moving forward in partnership, and implementing the action items together, the RHS aims to make substantial progress towards addressing the housing crisis in Dane County.





REGIONAL HOUSING PRIORITIES, STRATEGIES AND ACTION ITEMS 2024 - 2028

HOUSING PRIORITIES AND STRATEGIES, 2024-2028

HOUSING PRIORITY:

INCREASE THE NUMBER OF HOUSING UNITS ATTAINABLE TO LOW- AND MODERATE-INCOME HOUSEHOLDS.

STRATEGY 1: **EXPAND OR CREATE AFFORDABLE HOUSING FUNDS.**

STRATEGY 2: **INCREASE THE USE OF TID FUNDING TO CREATE AFFORDABLE HOUSING UNITS.**

STRATEGY 3: **EXPAND USE OF COMMUNITY LAND BANKS.**

HOUSING PRIORITY:

INCREASE THE OVERALL NUMBER OF HOUSING UNITS.

STRATEGY 4: **ADVANCE ZONING REFORMS AND UPDATE LOCAL ZONING CODES.**

STRATEGY 5: **INCREASE LOCAL CONSTRUCTION WORKFORCE AND DEVELOPMENT CAPACITY.**

STRATEGY 6: **LEAD COUNTYWIDE EDUCATION TO SUPPORT AFFORDABLE HOUSING.**

STRATEGY 7: **ASSESS POTENTIAL FOR HOUSING IN RURAL DEVELOPMENT AREAS.**

HOUSING PRIORITY:

PROVIDE HOUSING, RESOURCES AND PROTECTIONS FOR THE MOST VULNERABLE POPULATIONS.

STRATEGY 8: **EXPAND RACIAL EQUITY AND INCLUSION TRAINING, EDUCATION AND COMMUNICATIONS AROUND HOUSING.**

STRATEGY 9: **DEVELOP OR EXPAND RENTER ASSISTANCE PROGRAMS.**

STRATEGY 10: **UTILIZE TAX INCREMENT DISTRICT (TID) EXTENSION FUNDING FOR AFFORDABLE HOUSING.**

STRATEGY 11: **EXPAND RESOURCES FOR FAIR HOUSING ENFORCEMENT.**

HOUSING PRIORITY:

REHABILITATE AND PRESERVE AFFORDABILITY OF EXISTING HOUSING.

STRATEGY 12: **SUPPORT ACQUISITION AND REHABILITATION OF AFFORDABLE UNITS.**

STRATEGY 13: **INCREASE ASSISTANCE FOR ENERGY EFFICIENCY RETROFITS AND UPGRADES.**

STRATEGY 14: **EXPAND/CREATE LOAN FUNDS FOR HOME RENOVATIONS.**

HOUSING PRIORITY:

PROVIDE MORE PATHWAYS TO HOMEOWNERSHIP.

STRATEGY 15: **EXPAND/CREATE HOMEBUYER EDUCATION AND ASSISTANCE PROGRAMS.**

STRATEGY 16: **INCREASE AFFORDABLE HOMEOWNERSHIP PRODUCTION.**

STRATEGY 17: **EXPAND USE OF COMMUNITY LAND TRUSTS (CLTs).**

STRATEGY 1: EXPAND OR CREATE AFFORDABLE HOUSING FUNDS.

HOUSING PRIORITY: INCREASE THE NUMBER OF HOUSING UNITS ATTAINABLE TO LOW- AND MODERATE-INCOME HOUSEHOLDS.		
ACTION STEPS	IMPLEMENTATION PARTNERS	
	LEAD	SUPPORT PARTNERS
1.1 Increase private sector, municipal, County and State funding for affordable housing, including grants, beyond what currently exists.	Private Sector, County, State, Municipalities, WHEDA	
1.2 Build 250 affordable single-family for-sale homes through acquisition and rehabilitation or new development annually.	Public & Private Sector, State, Non-profit	
1.3 Partner with the private sector on a fundraising initiative (such as a per employee donation) and identify use of funds to support affordable and workforce housing.	Private Sector, County	Chambers, Municipalities, Workforce Development Board
1.4 Collaborate with Madison Workforce Housing Fund to scale efforts.	Madison Development Corporation, United Way, Employers, County	
1.5 Expand Dane County funding to support broader types of projects, including smaller multi-family projects; acquisition/rehab; owner-occupied; projects that are not competitive for LIHTC 9% tax credits; prioritize projects with public transit access and connectivity, low energy use, green infrastructure and climate resiliency.	County	
1.6 Require longer affordability periods for projects receiving support from the Dane County Affordable Housing Development Fund.	Housing Advocates, Residents	County
1.7 Advocate for local bond financing that supports affordable housing goals.	Municipalities	Residents, Non-Profit Housing Organizations, Developers/Builders, Realtors
METRICS		
<ul style="list-style-type: none"> • Annual funding from County and municipalities for affordable housing • Annual funding from the private sector for affordable housing • Number of new affordable units funded annually, both rental and for sale single family 		

STRATEGY 2: INCREASE THE USE OF TIF FUNDING TO CREATE AFFORDABLE HOUSING UNITS.

HOUSING PRIORITY: INCREASE THE NUMBER OF HOUSING UNITS ATTAINABLE TO LOW- AND MODERATE-INCOME HOUSEHOLDS.		
ACTION STEPS	IMPLEMENTATION PARTNERS	
	LEAD	SUPPORT PARTNERS
2.1 Provide model TIF policies for prioritizing affordable housing and evaluating proposed developments.	Cities and Villages Association	County, WAPA, University of Wisconsin-Madison
2.2 Update municipal TIF policies to incentivize use of TIF for housing that achieves desired policy objectives (e.g., affordability, equity, sustainability, location near jobs, schools, transit).	Cities and Villages	Private Sector, County, Developers
2.3 Create incentives (e.g. grants, CDBG, matching funds) that work with and leverage TIF to create affordable and workforce housing and achieve other policy outcomes (e.g., housing near jobs, schools, childcare, grocery, transit).	Municipalities, County	Private Sector/ Developers
METRICS		
<ul style="list-style-type: none"> • Number of affordable housing units supported with TIF • Number of municipalities that update their TIF policies to promote affordable housing • Number of municipalities that use bond financing for affordable housing 		

STRATEGY 3: EXPAND THE USE OF COMMUNITY LAND BANKS.

HOUSING PRIORITY: INCREASE THE NUMBER OF HOUSING UNITS ATTAINABLE TO LOW- AND MODERATE-INCOME HOUSEHOLDS.		
ACTION STEPS	IMPLEMENTATION PARTNERS	
	LEAD	SUPPORT PARTNERS
3.1 Identify best practices and lessons learned from the City of Madison land bank experience.	City of Madison, County	
3.2 Increase education/awareness among stakeholders about the community land bank tool.	County	Affordable Housing Action Alliance (AHAA)
3.3 Identify publicly owned land (or land bank land) that could be developed and included in local land trust.	County, MACLT	
3.4 Develop working group to evaluate creating a regional entity that facilitates collaboration among municipal land banks and Dane County.	AHAA	Cities, Villages, Badger State Housing Alliance, County
3.5 Support capacity building and increased funding for Madison Area Community Land Trust (MACLT)	County, Municipalities	MACLT
METRICS		
<ul style="list-style-type: none"> • Number of residential lots or acres from land banks that become affordable housing • Number of lots or acres added to land banks 		

STRATEGY 4: ADVANCE ZONING REFORMS AND UPDATE LOCAL ZONING CODES.

HOUSING PRIORITY: INCREASE THE OVERALL NUMBER OF HOUSING UNITS.		
ACTION STEPS	IMPLEMENTATION PARTNERS	
	LEAD	SUPPORT PARTNERS
4.1 Identify housing as a priority in comprehensive planning processes.	Municipalities, County	
4.2 Plan for, support and incentivize growth, including a mix of housing types, in mixed-use, walkable and transit-supportive areas and corridors.	Capital Area Regional Planning Commission (CARPC), Greater Madison Metropolitan Planning Organization, County	Cities and Villages
4.3 Identify funding sources for local zoning amendments to better facilitate the creation of a variety and number of new of housing units.	Cities and Villages, County, WHEDA, State of WI	
4.4 Draft model ordinances that incorporate best practices and options for a variety of zoning updates.	County	
4.5 Increase education efforts to build the case for zoning reforms for both elected officials and residents, including new state incentives related to zoning and regulatory reforms.	Cities and Villages	County, Cities and Villages Association, Madison Area Builders Association, Developers/Builders, Realtors
4.6 Streamline the permit process to reduce approval and development time, housing costs, and development uncertainty (e.g., reducing the number of levels of approval).	Cities and Villages	
4.7 Support, encourage and incentivize private and non-profit housing developers to work together to increase supply.	Cities and Villages, Non-profits, Banks, County, Community Development Finance Institutions (CDFIs)	County
4.8 Update zoning codes to allow context-appropriate multifamily by right in certain residential zones.	Cities and Villages	County
4.9 Eliminate minimum lot sizes, and reduce set-back requirements and minimum parking requirements.	Cities and Villages	
METRICS		
<ul style="list-style-type: none"> • Share of residential-zoned areas that permit up to four units per lot by right • Jurisdictions with specific zoning elements • Number of communities that have implemented housing-related zoning reforms (and what they're doing) 		

STRATEGY 5: INCREASE LOCAL CONSTRUCTION WORKFORCE AND DEVELOPMENT CAPACITY.

HOUSING PRIORITY: INCREASE THE OVERALL NUMBER OF HOUSING UNITS.		
ACTION STEPS	IMPLEMENTATION PARTNERS	
	LEAD	SUPPORT PARTNERS
5.1 Conduct feasibility study to identify strategies to expand construction workforce supply.	County, Technical Colleges, Building Trades, Workforce Development Board, Big Step, Employers, Madison Area Builders Association, Developers	
5.2 Provide additional funding to increase building trade programming at technical colleges.	Building Trades, Builders, Employers, Technical Colleges	
5.3 Increase partnerships/collaboration with the local building trade council and local technical colleges to increase apprenticeship opportunities and other employment pathways, including for formerly incarcerated and other marginalized populations.	Technical Colleges, UW Madison School of Real Estate, Workforce Development Board of South Central Wisconsin, Building Trades, Madison Region Economic Partnership (MADREP), WHEDA, State of WI	
5.4 Actively train, support and recruit private and non-profit housing developers (i.e. ACRE participants, and others); including provide seed capital for new and emerging developers in the form of equity, predevelopment funds, low interest loans, grants or loan guarantees.	Technical Colleges, UW Madison School of Real Estate, Workforce Development Board of South Central Wisconsin, Building Trades, WHEDA, State of WI, City of Madison, Madison Development Corporation, Forward Community Investments, County	
METRICS		
<ul style="list-style-type: none"> Workers in construction industry Students/trainees at local technical colleges and in building trades apprenticeships Number of construction job vacancies Number of apprenticeships offered by local trade unions 		

STRATEGY 6: LEAD COUNTYWIDE EDUCATION TO SUPPORT AFFORDABLE HOUSING.

HOUSING PRIORITY: INCREASE THE OVERALL NUMBER OF HOUSING UNITS.		
ACTION STEPS	IMPLEMENTATION PARTNERS	
	LEAD	SUPPORT PARTNERS
6.1 Identify a champion of housing education and vision within each community; or create local housing coalition or municipal housing committee.	Municipalities	County
6.2 Track, evaluate and report annually on RHS metrics and progress with partners.	County, Municipalities, Non-Profit Housing Organizations, WHEDA, Private Sector	
6.3 Create a comprehensive countywide housing website.	County	
6.4 Prepare education booklet for Accessory Dwelling Units (ADUs).	County	
6.5 Prepare education booklet for “Missing Middle” housing types.	County	
6.6 Develop a countywide communication and marketing plan and campaign to educate the public about the housing crisis, the need for affordable housing and the root causes of housing inequities.	County, Realtors	
METRICS		
<ul style="list-style-type: none"> • Total mailings/ trainings/ housing website clicks/ downloads/ visitors • Booklets distributed by location and outreach method • Traffic to and number of clicks on RHS and comprehensive housing websites 		

STRATEGY 7: ASSESS POTENTIAL FOR HOUSING IN RURAL DEVELOPMENT AREAS.

HOUSING PRIORITY: INCREASE THE OVERALL NUMBER OF HOUSING UNITS.		
ACTION STEPS	IMPLEMENTATION PARTNERS	
	LEAD	SUPPORT PARTNERS
7.1 Increase funding for infrastructure improvements to increase accessibility to services and amenities for rural residents.	County	Towns
7.2 Tailor education strategy to geographic and socioeconomic characteristics of individual towns.	County	Towns
7.3 Identify and inventory housing types (twin homes, ADUs, condos, etc.) and strategies to support rehabilitation of existing units and new construction in rural development areas.	County	Towns, Market-rate and Affordable Developers
7.4 Explore incentives for rural housing production from the USDA Rural Development Department, Associated Bank, etc. and publish sources on County website.	County	Towns
METRICS		
<ul style="list-style-type: none"> • Acres identified and zoned for housing in rural areas • Number of existing and new rental units in towns and small villages • Extent that there is adequate infrastructure in rural housing areas (for healthcare, food, transit, employment, amenities) 		

STRATEGY 8: EXPAND RACIAL EQUITY AND INCLUSION TRAINING, EDUCATION AND COMMUNICATIONS COUNTYWIDE.

HOUSING PRIORITY: PROVIDE HOUSING, RESOURCES AND PROTECTIONS FOR THE MOST VULNERABLE POPULATIONS.		
ACTION STEPS	IMPLEMENTATION PARTNERS	
	LEAD	SUPPORT PARTNERS
8.1 Develop or identify educational resources, and identify intended forums and community audiences, working with local experts on racial equity issues.	County, City of Madison, County Office of Equity and Inclusion	
8.2 Conduct programs and training on racial equity and inclusion around housing to reduce racial disparities in housing and homeownership	County, City of Madison	Municipalities, Non-profits
METRICS		
<ul style="list-style-type: none"> • Number and type of new racial equity and inclusion training programs • Number of residents who received outreach, including clerks, mailings, and pre-post outreach surveys • Number of people of color employed in real estate and banking industry 		

STRATEGY 9: DEVELOP OR EXPAND RENTER ASSISTANCE PROGRAMS.

HOUSING PRIORITY: PROVIDE HOUSING, RESOURCES AND PROTECTIONS FOR THE MOST VULNERABLE POPULATIONS.		
ACTION STEPS	IMPLEMENTATION PARTNERS	
	LEAD	SUPPORT PARTNERS
9.1 Increase funding to expand non-profit and municipal staff capacity for renter assistance, as well as for programs that support existing renters at risk of displacement, that provide case management services, and help transition COVID-era rental assistance to ongoing assistance.	County	
9.2 Identify dedicated staff to connect renters with programs or resources (e.g. Tenant Resource Center and Legal Action Wisconsin) and strengthen partnerships and funding toward those resources.	County	
9.3 Develop Dane County website with renter assistance programs.	County	
9.4 Create policy requiring landlords receiving County assistance provide proof of housing choice voucher acceptance.	County	
9.5 Continue funding for eviction prevention funds.	County, City of Madison	
9.6 Identify or draft sample ordinances that jurisdictions can adopt on rent abatement/anti-retaliation.	City of Madison, County, Building Inspection Department	
METRICS		
<ul style="list-style-type: none"> • Annual funding dedicated to rental assistance • Number of households served by rental assistance programs • New programs or partnerships that provide housing support services or housing navigation services 		

STRATEGY 10: UTILIZE TAX INCREMENT DISTRICT (TID) EXTENSION FUNDING FOR AFFORDABLE HOUSING.

HOUSING PRIORITY: PROVIDE HOUSING, RESOURCES AND PROTECTIONS FOR THE MOST VULNERABLE POPULATIONS.		
ACTION STEPS	IMPLEMENTATION PARTNERS	
	LEAD	SUPPORT PARTNERS
10.1 Advocate for State legislative changes to increase flexibility in TID extension funding, and allow for 2-or 3-year extensions.	Cities and Villages Association, State of WI	Towns Association
10.2 Conduct outreach and programming for municipal partners to share resources, best practices, and experiences with using TID Extension Funds.	County	
10.3 Develop educational materials to communicate benefits of TID Extension funding for affordable housing objectives to community members, elected officials and taxing jurisdictions (e.g. school districts).	County	
METRICS		
<ul style="list-style-type: none"> • Amount of TID Extension funding available • Amount of TID extension funding used • Upcoming TID Closure dates • TIDs that will expire without extension • Sources used to leverage funding 		

STRATEGY 11: EXPAND RESOURCES FOR FAIR HOUSING ENFORCEMENT.

HOUSING PRIORITY: PROVIDE HOUSING, RESOURCES AND PROTECTIONS FOR THE MOST VULNERABLE POPULATIONS.		
ACTION STEPS	IMPLEMENTATION PARTNERS	
	LEAD	SUPPORT PARTNERS
11.1 Increase funding for investigative staff to enforce fair housing laws at the County level.	County	
11.2 Increase funding for fair housing community organizations that provide legal representation/mediation services.	County	
11.3 Identify and share sample ordinances on fair housing.	County, Municipalities, WI Fair Housing Council	
11.4 Expand partnerships with the Fair Housing Council, and between the Madison Civil Rights Office, Office of Equity and Inclusion, and other county stakeholders.	County, City of Madison, Municipalities, County Office of Equity and Inclusion	
11.5 Expand outreach and education efforts around fair housing, including to communities to increase violation reporting, and to landlords to increase awareness of fair housing laws.	City of Madison, Dane County, WI Fair Housing Network, Local Building Inspectors	
METRICS		
<ul style="list-style-type: none"> • Jurisdictions with rent abatement or fair housing ordinances • Amount of funding for fair housing enforcement • New fair housing programming 		

STRATEGY 12: SUPPORT ACQUISITION AND REHABILITATION OF AFFORDABLE UNITS

HOUSING PRIORITY: REHABILITATE AND PRESERVE AFFORDABILITY OF EXISTING HOUSING.		
ACTION STEPS	IMPLEMENTATION PARTNERS	
	LEAD	SUPPORT PARTNERS
12.1 Increase funding to non-profit housing groups to acquire/ rehabilitate and maintain properties (e.g. MACLT, Common Wealth) to create permanent affordable housing.	County, Municipalities, Private Sector	
12.2 Increase funding to non-profit entities for acquisition/ rehabilitation with energy efficiency modifications.	Municipalities, County	
12.3 Develop a fact sheet explainer on the importance of affordable housing preservation and investment.	County	
12.4 Inventory and map older housing stock (NOAH) in 1) low- and moderate-income census tracts, 2) rural census tracts, and 3) countywide, to protect and preserve older units.	County	
12.5 Develop list of expiring tax credit properties and identify strategies, and best practices (e.g., lease to purchase programs) to retain affordability.	WHEDA, County, City of Madison	
12.6 Develop model legal language that can be used to deed restrict properties to require long-term affordability.	UW Law, Private Law Firms	County, City of Madison
12.7 Educate communities and industry on new state loans targeted to small-scale rehab and conversion of commercial space to affordable residential.	WHEDA, County	
METRICS		
<ul style="list-style-type: none"> • Homeownership units acquired and rehabbed annually, (with focus on percent increase, and share that is affordable/attainable) • Annual funding dedicated to affordable housing preservation • Rental units rehabbed annually 		

STRATEGY 13: INCREASE ASSISTANCE FOR ENERGY EFFICIENCY RETROFITS AND UPGRADES.

HOUSING PRIORITY: REHABILITATE AND PRESERVE AFFORDABILITY OF EXISTING HOUSING.		
ACTION STEPS	IMPLEMENTATION PARTNERS	
	LEAD	SUPPORT PARTNERS
13.1 Identify funding source for additional energy efficiency grants for multifamily properties that ensure affordability, and for income-qualified homeowners.	County, Municipalities	Utility Companies, Focus on Energy
13.2 Increase partnerships between municipalities and Elevate Energy, Sustain Dane and Project Home.	Municipalities	County
13.3 Partner with the County's Office on Climate Change on housing education initiatives, funding opportunities, and other energy and sustainability projects.	County, Municipalities	
13.4 Expand homebuyer roundtable programs related to home maintenance, repair and rehabilitation, and energy efficiency for homeowners of all income levels, particularly people of color and other underrepresented groups	Home Buyers Round Table of Dane County, Project Home, County, WI Apartment Owners Association, Banks	
13.5 Incorporate green infrastructure into residential development to help reduce stormwater runoff, lower surface temperatures and lower utility costs.	CARPC, Municipalities	
METRICS		
<ul style="list-style-type: none"> • Number of units rehabbed with energy retrofits, including data by household income of recipient and by NOAH status (whether the rents meet FMR standards) • Amount of energy saved/ climate impact or amount people saved with retrofits 		

STRATEGY 14: EXPAND/CREATE LOAN FUNDS FOR HOME RENOVATIONS.

HOUSING PRIORITY: REHABILITATE AND PRESERVE AFFORDABILITY OF EXISTING HOUSING.		
ACTION STEPS	IMPLEMENTATION PARTNERS	
	LEAD	SUPPORT PARTNERS
14.1 Identify funding sources, grants and loans, and expand existing programs for homeowner renovations, energy efficiency upgrades, and remediation. Ensure access to people of color and under-represented groups.	Municipalities, County	
14.2 Create a fact sheet and/or programming about available programs, including eligibility criteria.	WHEDA, County, Non-Profits	
METRICS		
<ul style="list-style-type: none"> • Number of homes renovated through the fund • Amount of money in the program(s) • Number of people of color served 		

STRATEGY 15: EXPAND/CREATE HOMEBUYER EDUCATION AND ASSISTANCE PROGRAMS.

HOUSING PRIORITY: PROVIDE MORE PATHWAYS TO HOMEOWNERSHIP.		
ACTION STEPS	IMPLEMENTATION PARTNERS	
	LEAD	SUPPORT PARTNERS
15.1 Increase funding, education and support for: a) First-time homebuyer education; b) Credit score coaching; c) Financial literacy classes, and post-purchase support; d) Home repair/rehab grants for homebuyers that are purchasing older homes; and e) Programs that support historically marginalized groups, including Urban Triage, Own It - Building Black Wealth.	County, Municipalities, Private Sector, WHEDA	
15.2 Build 250 affordable single-family for-sale homes through acquisition and rehabilitation or new development annually.		
15.3 Develop list of expiring tax credit properties and identify strategies and best practices to retain affordability.	County, WHEDA, Banks, CDFIs	
15.4 Expand collaboration between developers and financial institutions offering second mortgage programs.	Developers, Banks, County	
15.5 Develop technical assistance trainings on LIHTC conversions for non-profit developers and tenants interested in pursuing lease-to-purchase programs.	County	
15.6 Conduct outreach and education to key stakeholders on new WHEDA funding for homeowner assistance.	Real Estate Industry, WHEDA, Homebuyers Roundtable	County
METRICS		
<ul style="list-style-type: none"> • Homeownership rate for low- and moderate-income households and Black households • Annual number of households completing homeownership programs, credit score coaching and financial literacy classes, including participation by race/ethnicity • Number of first-time homebuyers and vouchers to see if more support is needed 		

STRATEGY 16: INCREASE AFFORDABLE HOMEOWNERSHIP PRODUCTION.

HOUSING PRIORITY: PROVIDE MORE PATHWAYS TO HOMEOWNERSHIP.		
ACTION STEPS	IMPLEMENTATION PARTNERS	
	LEAD	SUPPORT PARTNERS
16.1 Partner with non-profit and mission-based developers to scale their capacity.	County, Municipalities, Non-Profit Housing Providers	Real Estate Industry
16.2 Increase flexible funding and access to funding for Habitat for Humanity, Madison Area Community Land Trust, Wisconsin Partnership for Housing Development, and similar entities to create new permanent affordable housing.	County	
16.3 Identify and facilitate sale or lease of publicly owned land to non-profit and private developers for affordable homeownership housing developments.	Municipalities	County
METRICS		
<ul style="list-style-type: none"> Affordable homeownership units built, including detail on housing type and project type Number of units converted to permanent affordable housing, with detail on housing type and project type Requirements/criteria necessary to qualify for funding 		

STRATEGY 17: EXPAND USE OF COMMUNITY LAND TRUSTS (CLTS).

HOUSING PRIORITY: PROVIDE MORE PATHWAYS TO HOMEOWNERSHIP.		
ACTION STEPS	IMPLEMENTATION PARTNERS	
	LEAD	SUPPORT PARTNERS
17.1 Identify best practices and education guide for CLTs, working with Wisconsin Community Land Trust Network and Grounded Solutions Network.	MACLT, County	Wisconsin Community Land Trust Network
17.2 Identify potential land that could be developed and included in a CLT.	Municipalities	County, School District
17.3 Create financial incentives for developers to build units in partnership with MACLT (e.g., provide density bonus if units are added to community land trust).	Municipalities	County
METRICS		
<ul style="list-style-type: none"> • Number and location of homes in CLTs • Track use and outcomes of land banks • How land trusts affect affordability and resident tenure 		



APPENDIX

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- Figure 2 - Dane County Households by Householder Type, 2010-2020
- Figure 3 - Dane County Historic Population Growth, 2000-2020
- Figure 4 - Dane County Growth in Households Under 30% AMI, 2010-2020
- Figure 5 - Annual Population Change in Wisconsin and Dane County, 2010-2019
- Figure 6 - Dane County Major Employers, 2022
- Figure 7 - Dane County 2021 Workforce Composition by Sector
- Figure 8 - Dane County Workforce Growth by Sector, 2010-2021
- Figure 9 - Dane County Average Wages by Sector, 2021
- Figure 10 - Movers to Dane County by County, Annually
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- Figure 12 - Median Household Income in Dane County
- Figure 13 - AMI by Race and Ethnicity in Dane County
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- Figure 15 - Household Cost Burden by Age Cohort in Dane County, 2020
- Figure 16 - Share of Cost Burdened Renters by Municipality
- Figure 17 - Share of Cost Burdened Owners by Municipality
- Figure 18 - Homeownership Rates by Age Cohort in Dane County
- Figure 19 - Dane County Municipalities: Homeownership Rates

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- Figure 20 - Dane County Municipalities: Housing Units by Number of Units in Building
- Figure 21 - Single-Family Detached Units as Share of Total Units by Block Group
- Figure 22 - Dane County Municipalities: Housing Units by Year Built
- Figure 23 - Median Year Unit Built by Block Group
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- Figure 29 - Housing Costs for Newer Market Rate Rental Units Built Since 2010

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- Figure 31 - Rental Unit Affordability Breakdown: Naturally Occurring Affordable Housing (NOAH), Legally Restricted and Higher-Cost
- Figure 32 - Legally Restricted Affordable Housing Units by Municipality
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- Figure 35 - HAC-Preferred Distribution of New LRAH Units 2020-2050, vs Recent Distribution

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- Figure 37 - Median Home Value by Census Tract
- Figure 38 - Housing Costs for Newer For-Sale Homes
- Figure 39 - Affordability Breakdown of For-Sale Units
- Figure 40 - NOAH Owner Units as a Share of Total Owner Units

CURRENT AND FUTURE HOUSING NEEDS-

HOUSING DEMAND FORECAST

- Figure 41 - Projected New Housing Units in Dane County by Jurisdiction, 2020-2040
- Figure 42 - Annual Housing Unit Production Goal in Dane County by Jurisdiction, 2020-2040
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- Figure 44 - Dane County Projected Household Growth by AMI, 2020-2040

COMMUNITY HOUSING SURVEY

Dane County Regional Community Housing Survey Response Data

SECTION 2 - GLOSSARY OF HOUSING STRATEGIES

SECTION 1. SUPPLEMENTAL ANALYSES

EXISTING CONDITIONS

COUNTY DEMOGRAPHICS

Figure 1. Dane County Average Household Size, 2010-2020

2010	2.36
2020	2.33

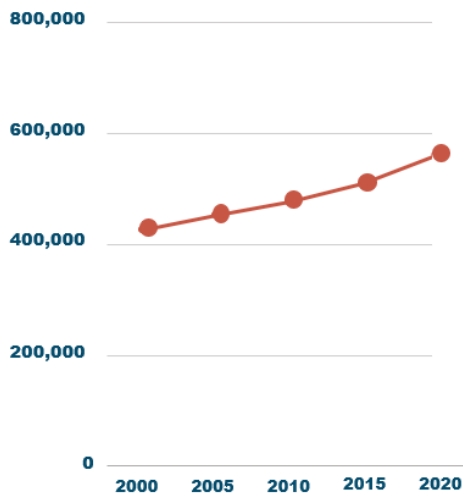
Source: American Community Survey (ACS) 5-Year Estimates (2006-2010, 2016-2020), SB Friedman

Figure 2. Dane County Households by Householder Type, 2010-2020

	2010	2020
Married Couple Family Household	47%	44%
Single Female Householder, Family Household	8%	8%
Single Male Householder, Family Household	3%	3%
Non-Family Household	42%	44%

Source: ACS 5-Year Estimates (2006-2010, 2016-2020), SB Friedman

Figure 3. Dane County Historic Population Growth, 2000-2020



New residents 2010-2020

1.1%

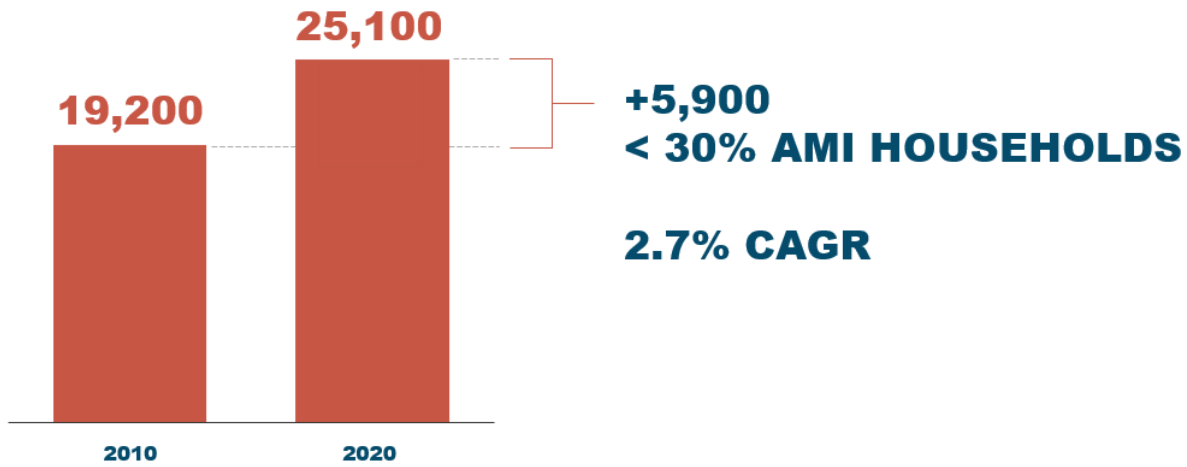
2000-2010 Compound Annual Growth Rate (CAGR)

1.6%

2010-2020 CAGR

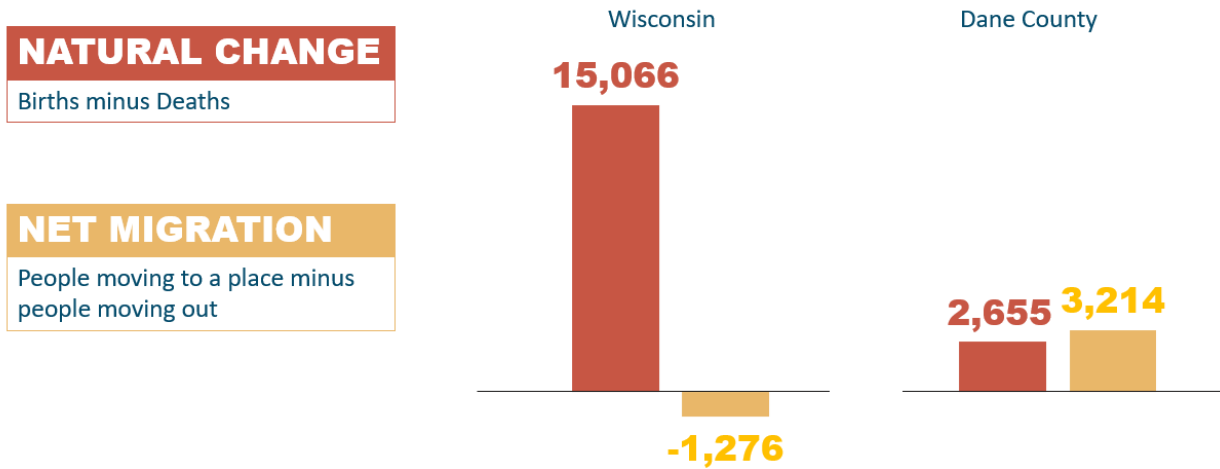
Source: US Census Bureau 2020, SB Friedman

Figure 4. Dane County Growth in Households Under 30% AMI, 2010-2020



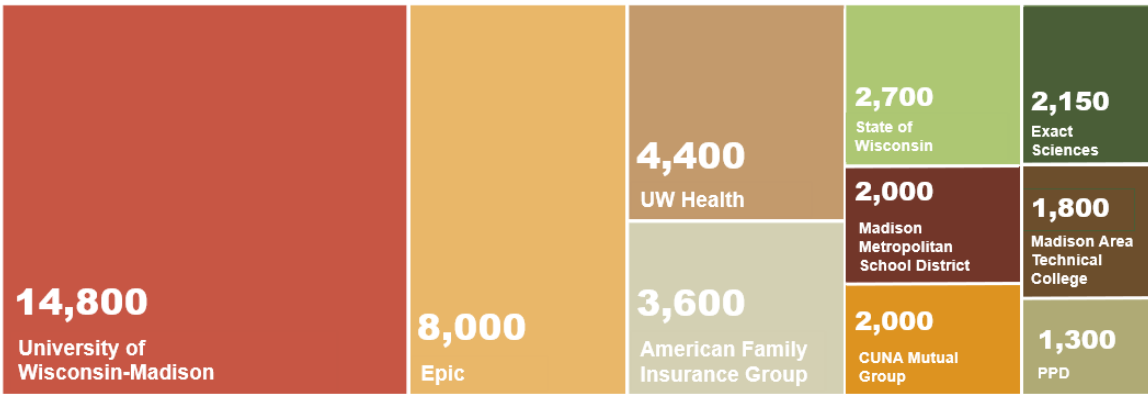
Source: Public Use Microdata Sample (PUMS) ACS 5-Year Estimates (2016-2020), Dane County Housing Needs Assessment 2019, SB Friedman

Figure 5. Annual Population Change in Wisconsin and Dane County, 2010-2019



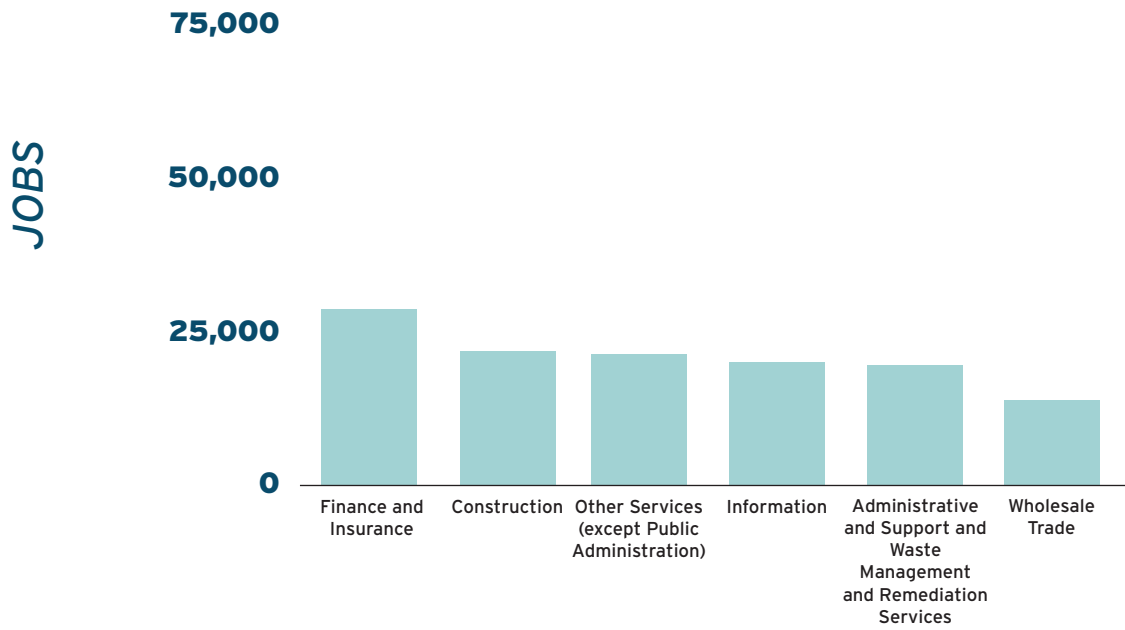
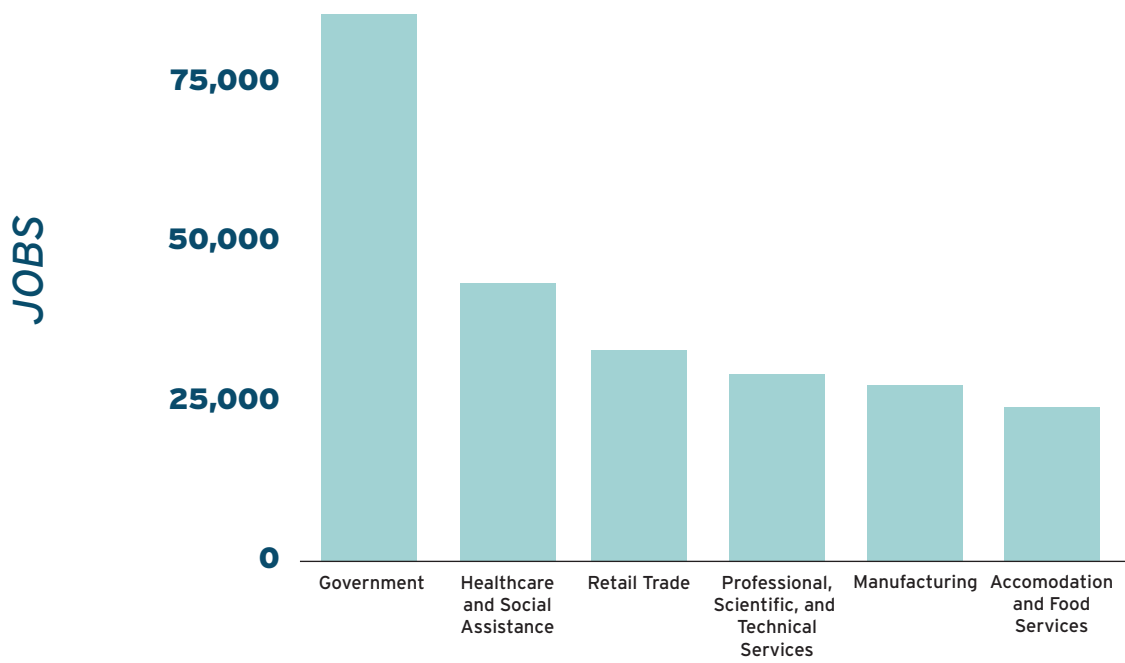
Source: Census Annual Estimates of the Components of Resident Population Change: 2010 to 2019, SB Friedman

Figure 6. Dane County Major Employers, 2022



Source: Lightcast, SB Friedman

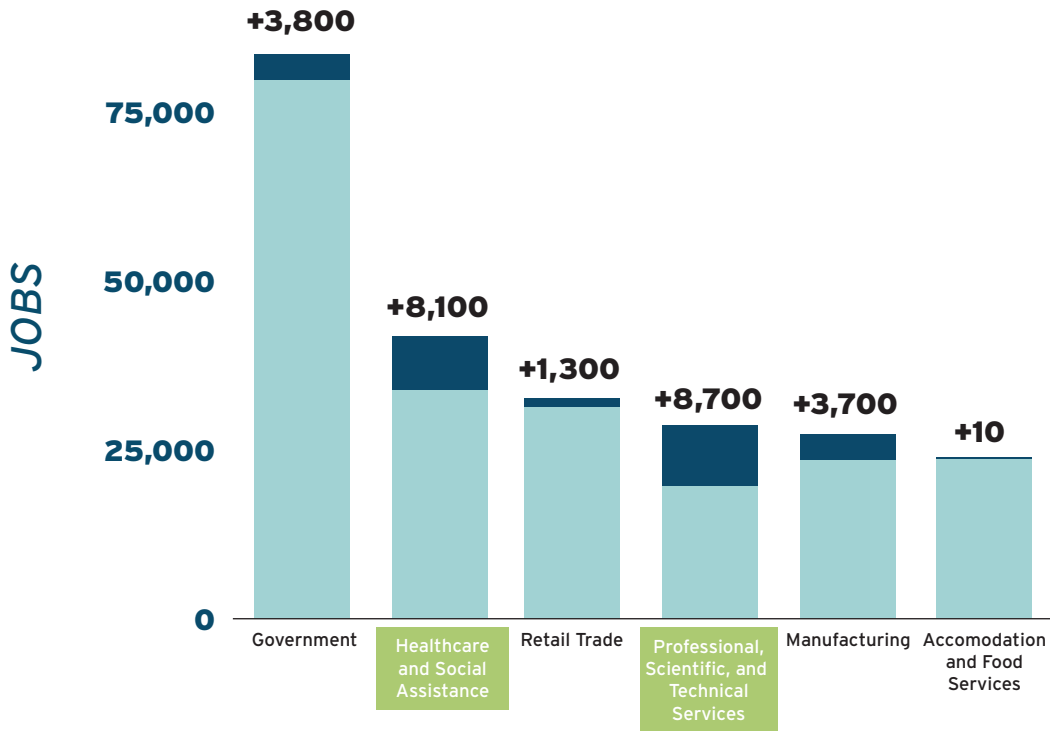
Figure 7. Dane County 2021 Workforce Composition by Sector



Note: Chart excludes sectors with less than 10,000 employees

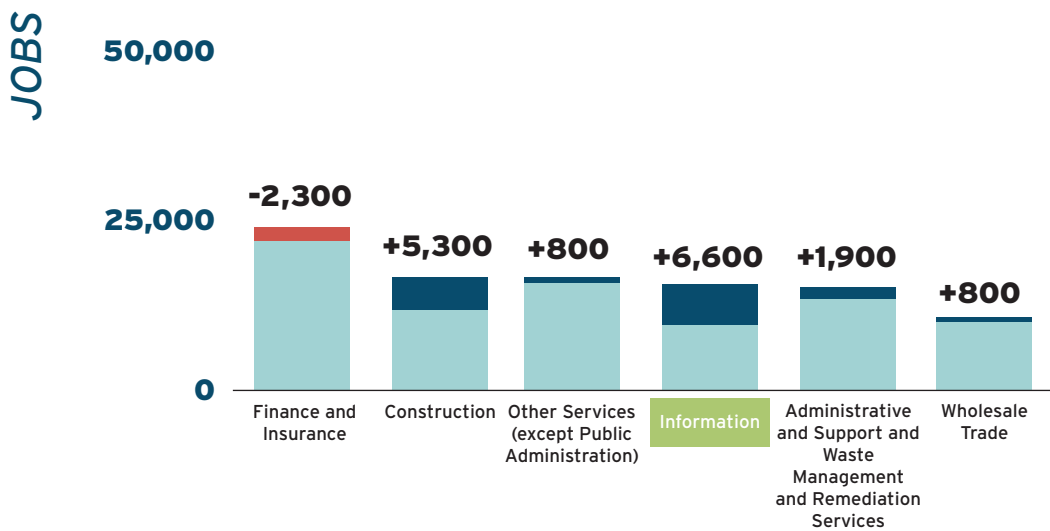
Source: Lightcast, SB Friedman

Figure 8. Dane County Workforce Growth by Sector 2010-2021



FASTEST GROWING

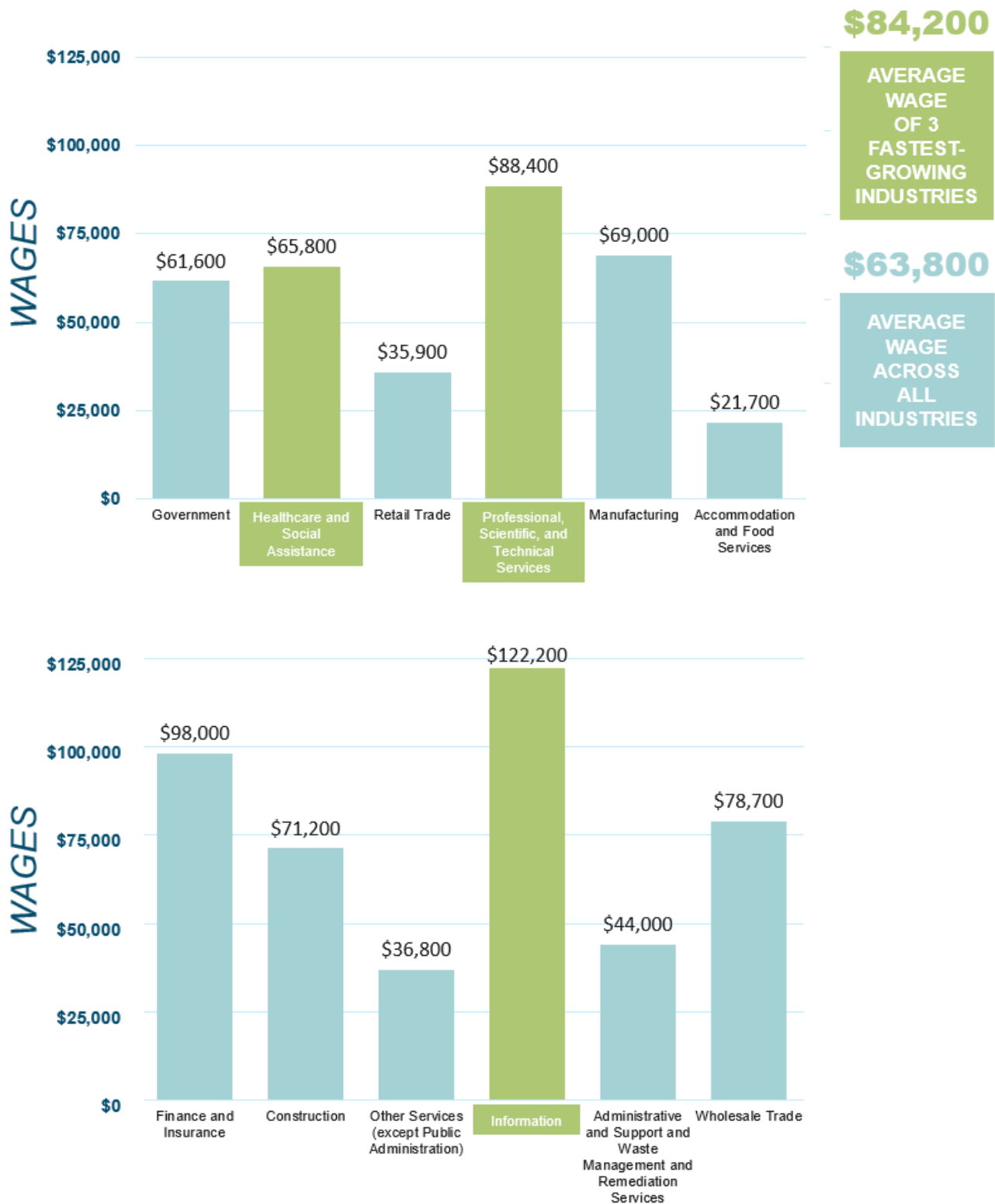
2010-2021 JOB INCREASE



Note: Chart excludes sectors with less than 10,000 employees

Source: Lightcast, SB Friedman

Figure 9. Dane County Average Wages by Sector, 2021

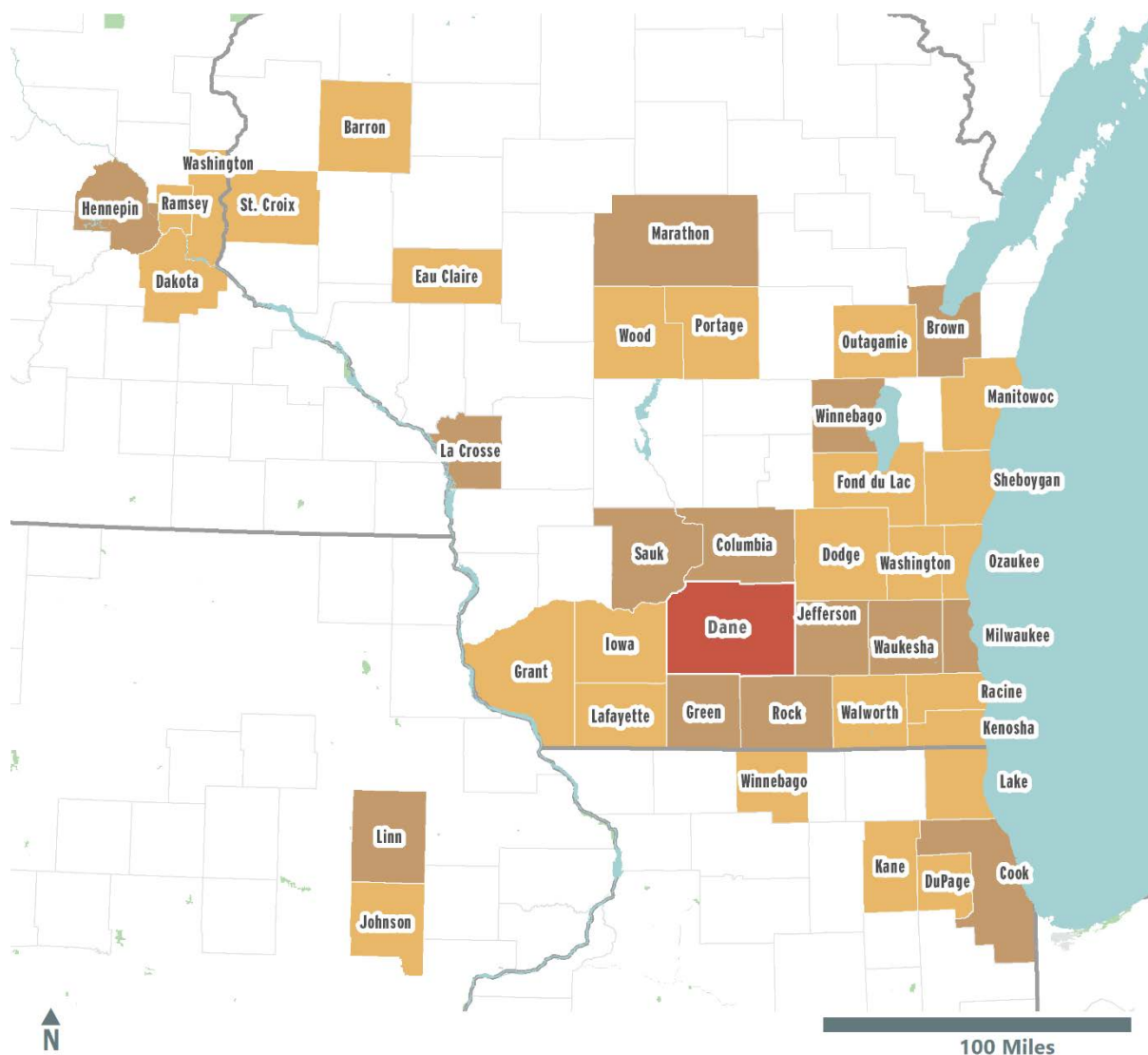
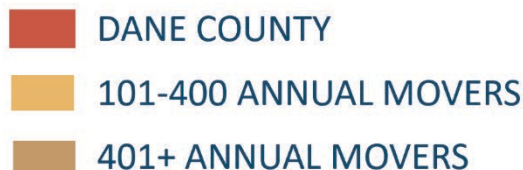


Source: Lightcast, SB Friedman

Figure 10. Movers to Dane County by County, Annually

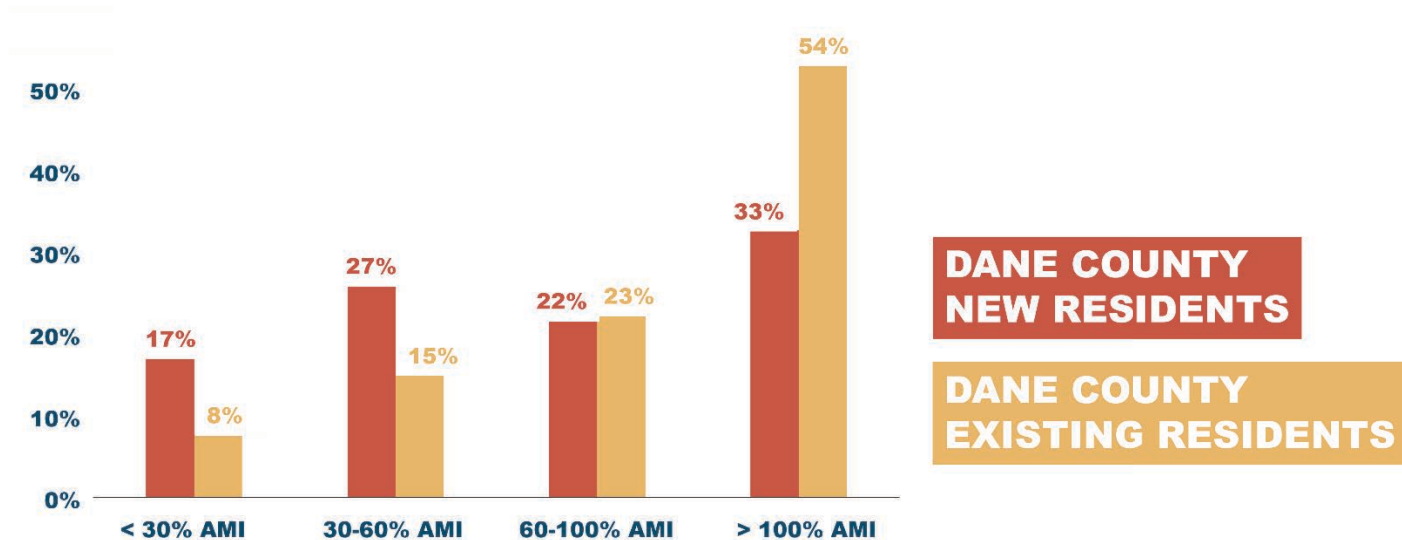
TOP 5 COUNTIES REPORTING ANNUAL MOVERS TO DANE COUNTY

1. WAUKESHA COUNTY (1,900)
2. COOK COUNTY (1,700)
3. MILWAUKEE COUNTY (1,400)
4. HENNEPIN COUNTY (960)
5. ROCK COUNTY (960)



Source: US Census County to County Migration Patterns ACS 5-Year Estimates (2016-2020), SB Friedman

Figure 11. Income Distribution of New Households to Dane County



Note: Students are excluded from data
 Source: PUMs ACS 5-Year Estimates (2016-2020), SB Friedman

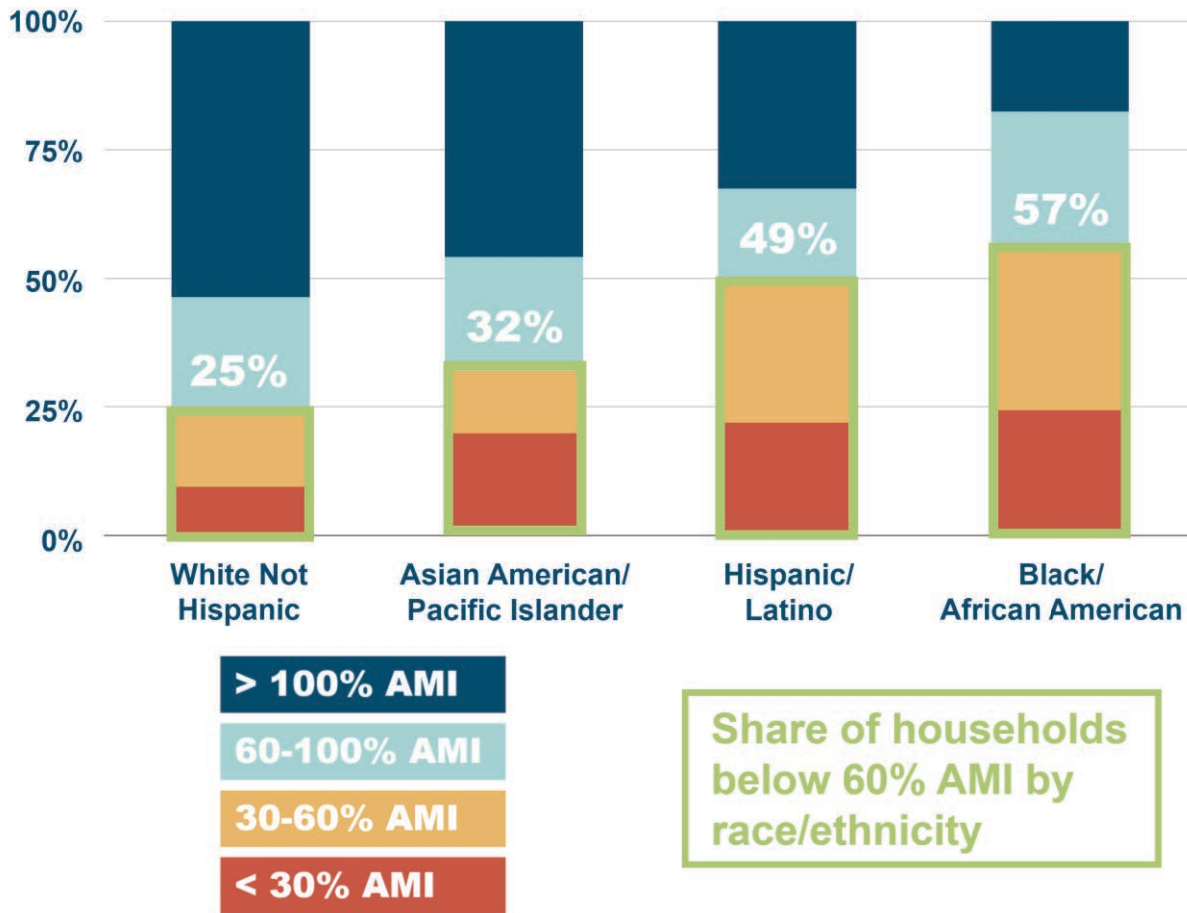
UNDERSTANDING HOUSING AFFORDABILITY

Figure 12. Median Household Income in Dane County



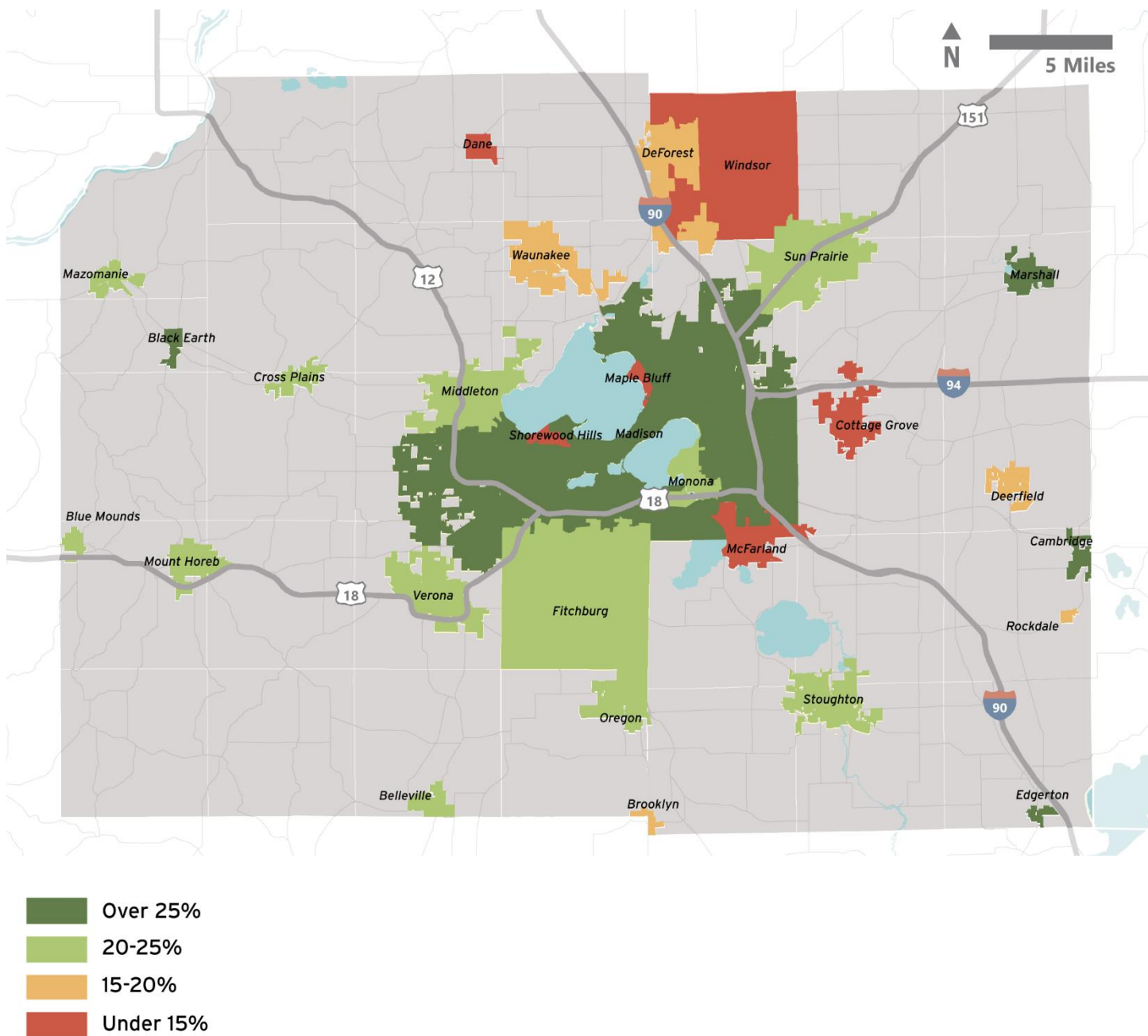
Source: PUMs ACS 5-Year Estimates (2016-2020), SB Friedman

Figure 13. AMI by Race and Ethnicity in Dane County



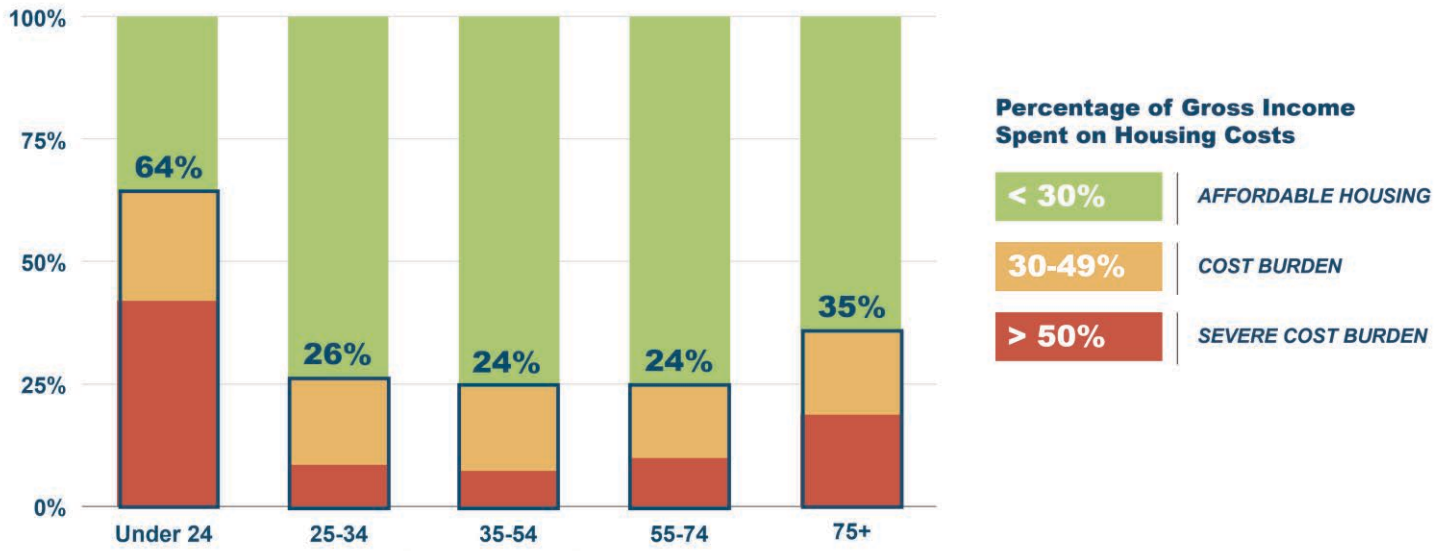
Source: PUMS ACS 5-Year Estimates (2016-2020), SB Friedman

Figure 14. Share of Lower-Income Households (Households Under 60% AMI) by Municipality, 2020



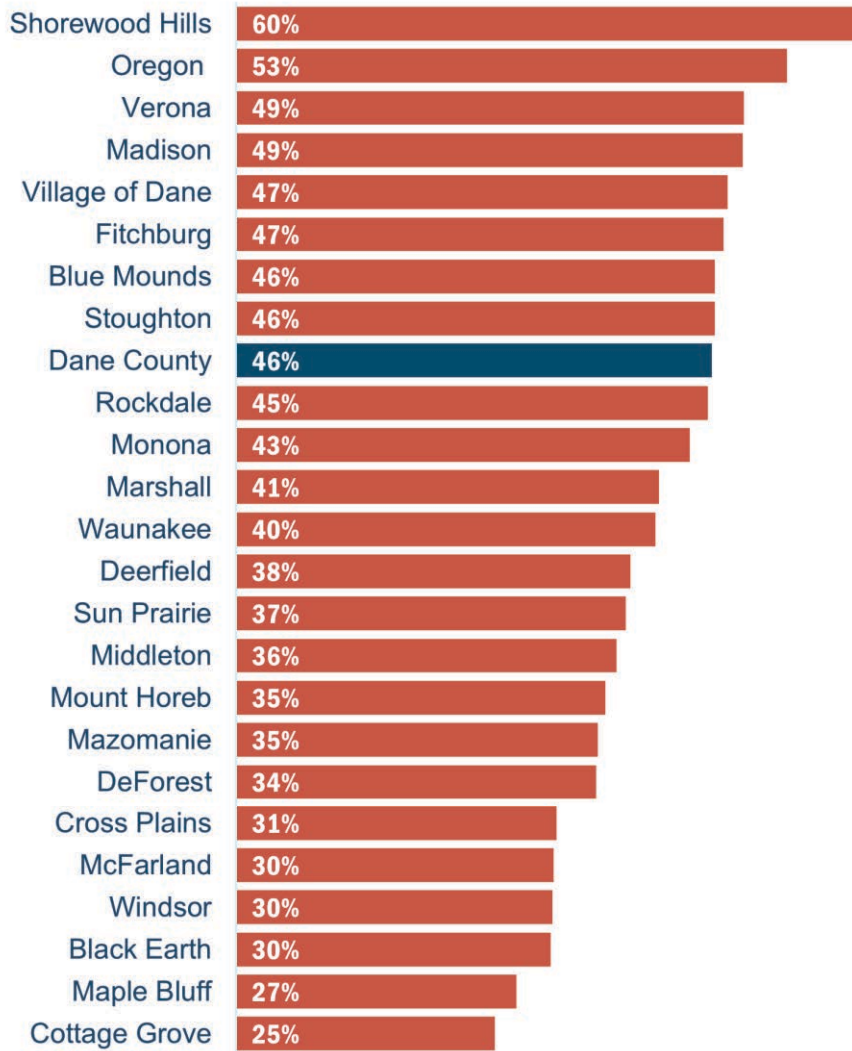
Source: ACS 5-Year Estimates (2016-2020), SB Friedman

Figure 15. Household Cost Burden by Age Cohort in Dane County, 2020



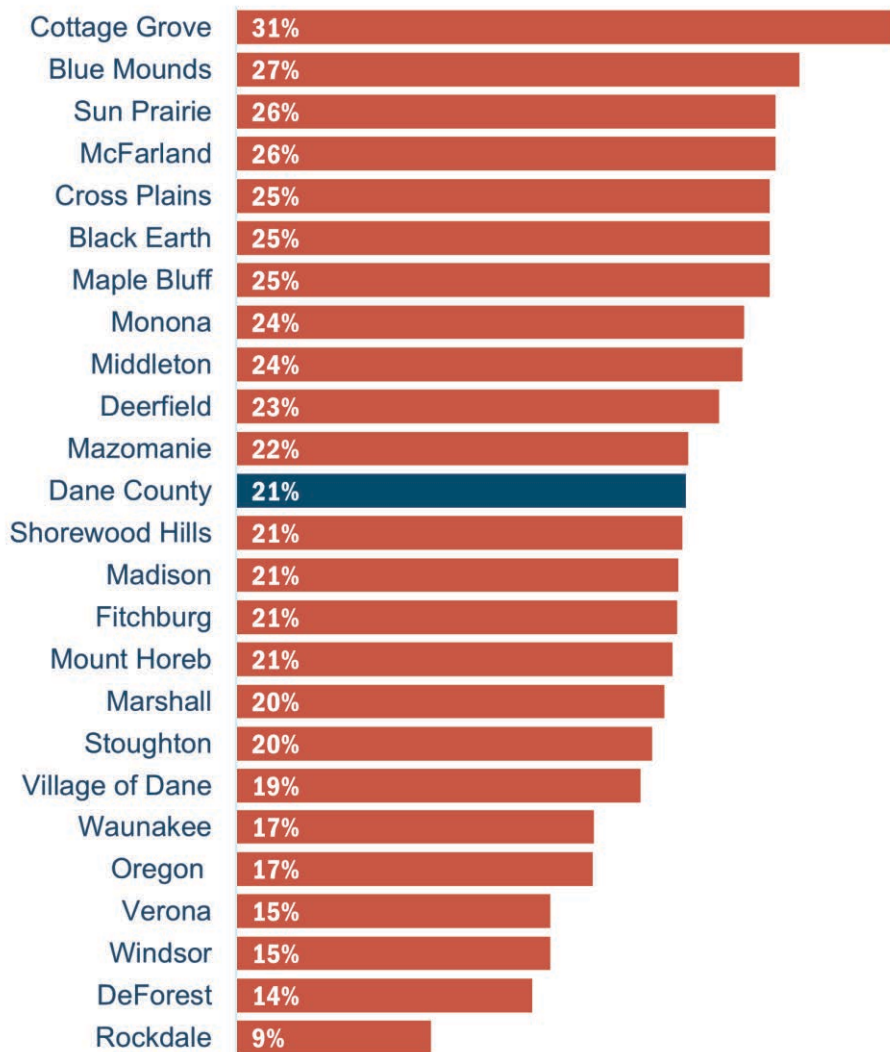
Source: PUMS ACS 5-Year Estimates (2016-2020), SB Friedman

Figure 16. Share of Cost-Burdened Renters Across All Income Levels by Municipality



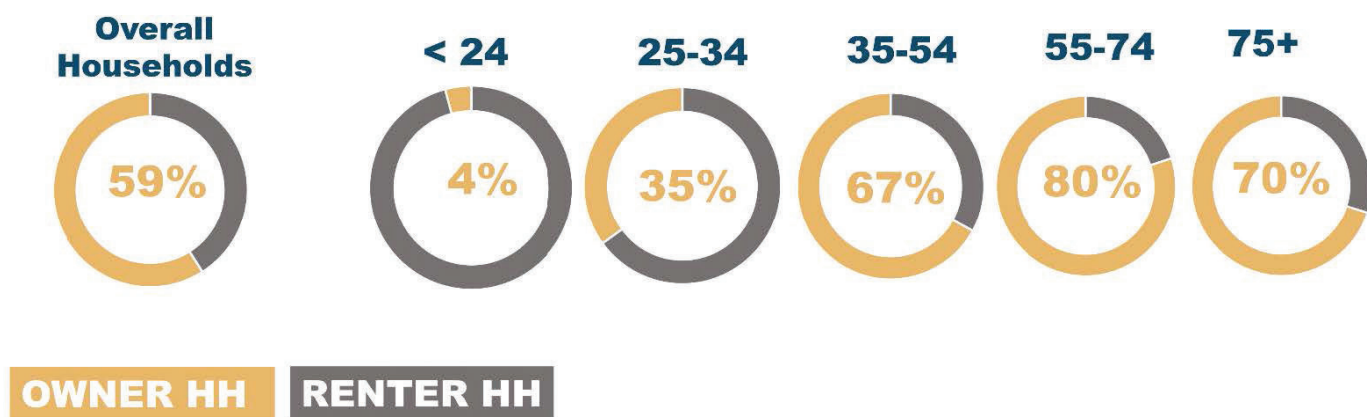
Source: ACS 5-Year Estimates (2016-2020), SB Friedman

Figure 17. Share of Cost-Burdened Owners Across All Income Levels by Municipality



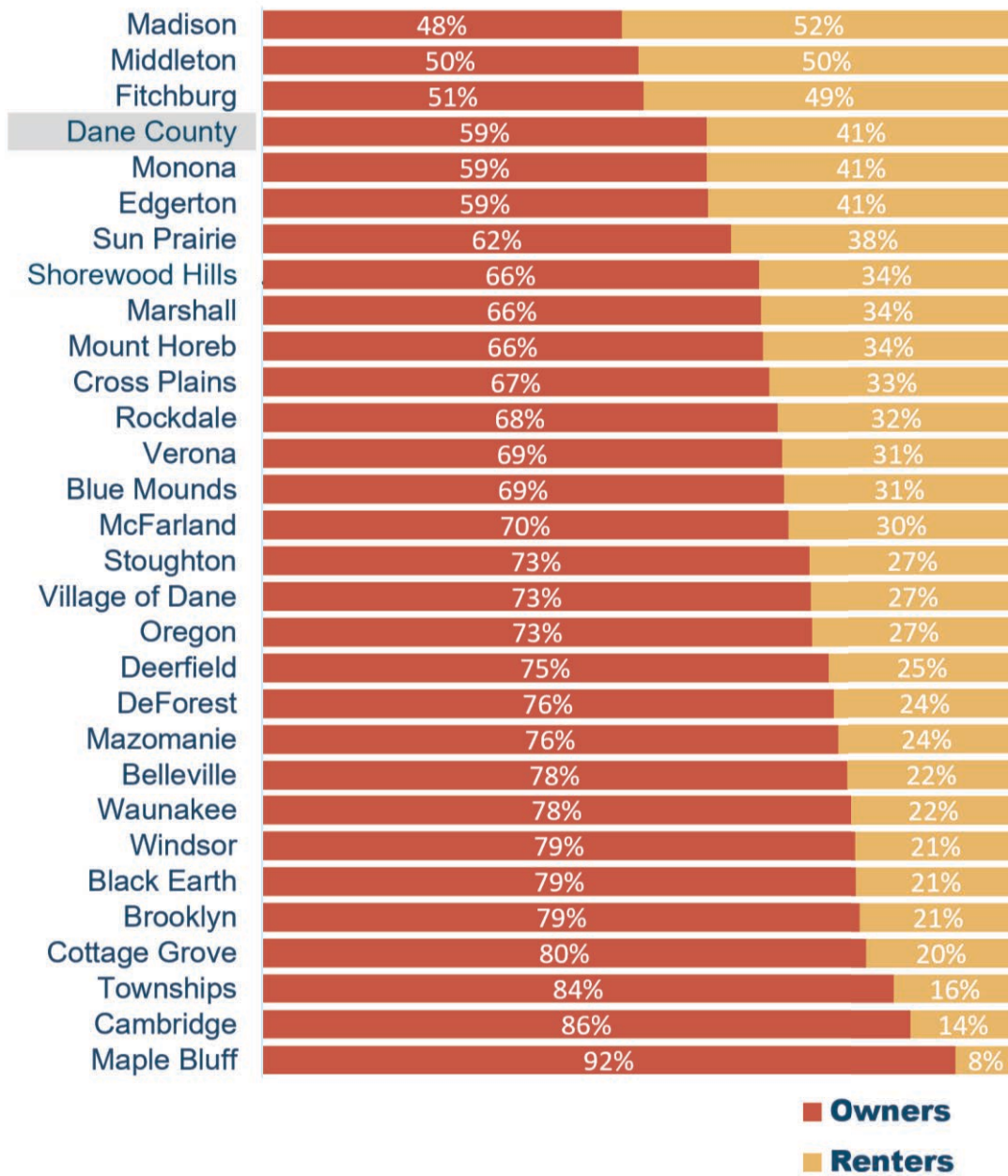
Source: ACS 5-Year Estimates (2016-2020), SB Friedman

Figure 18. Homeownership Rates by Age Cohort in Dane County



Source: PUMS ACS 5-Year Estimates (2016-2020), SB Friedman

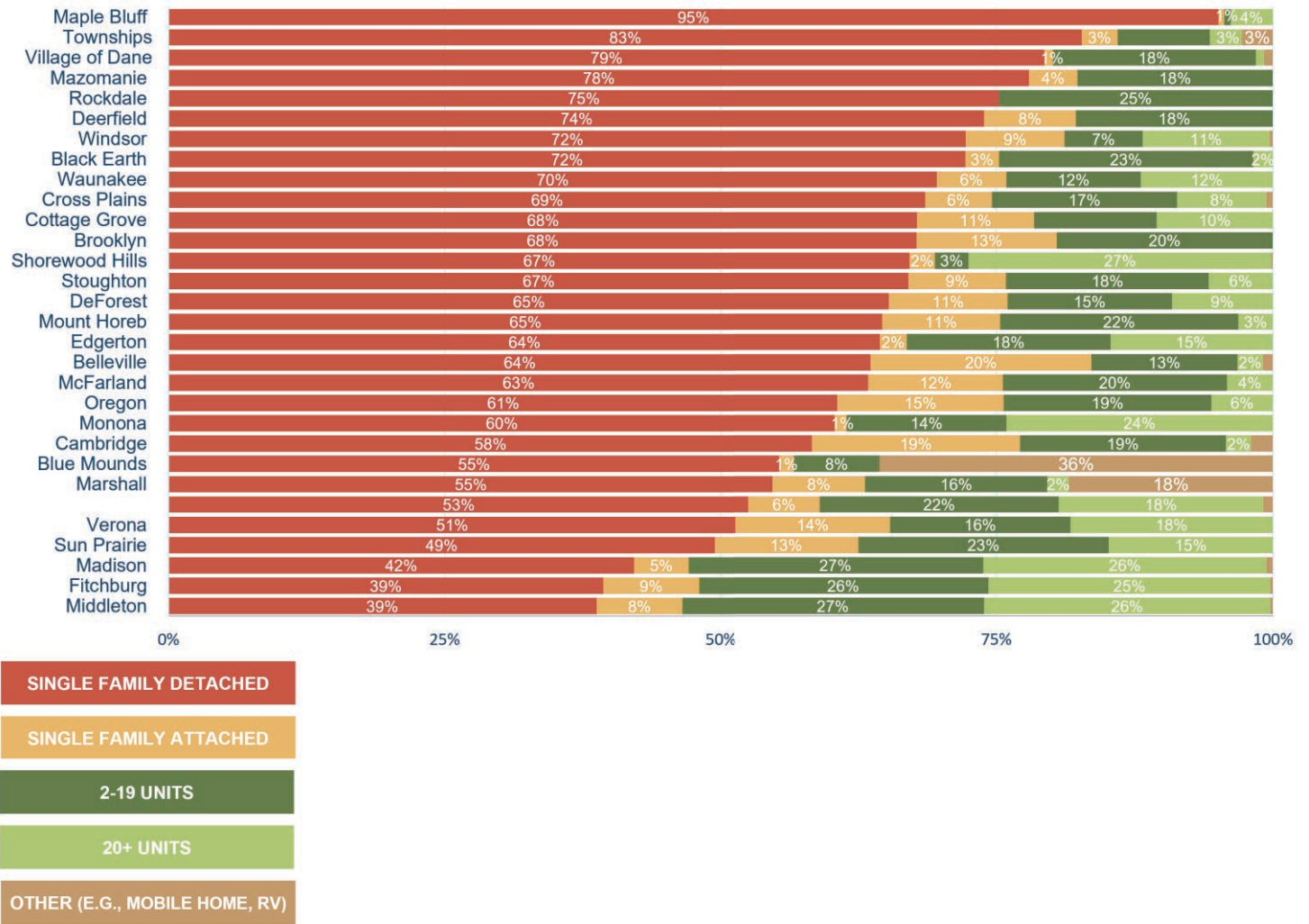
Figure 19. Dane County Municipalities: Homeownership Rates



Source: ACS 5-Year Estimates (2016-2020), SB Friedman

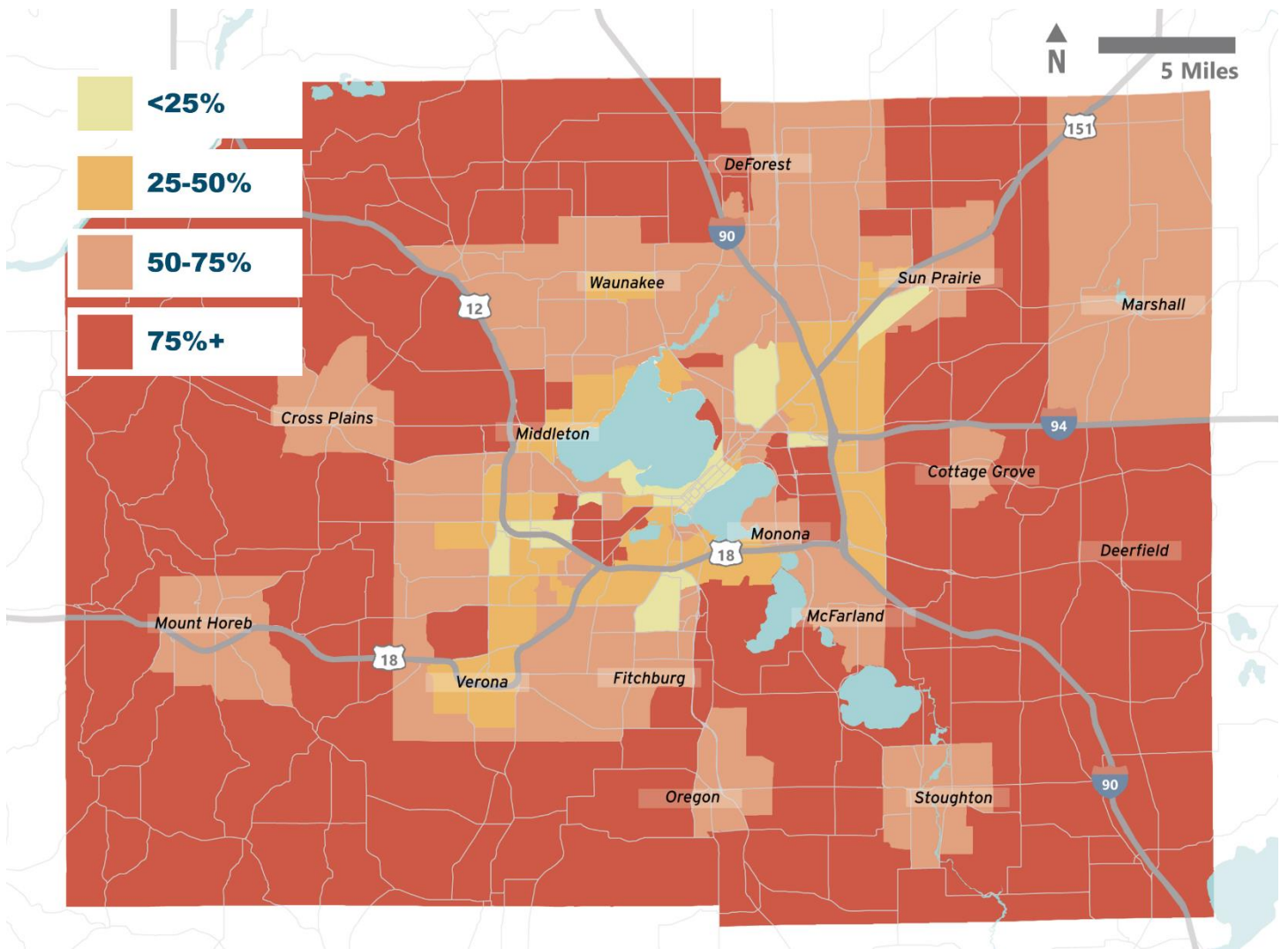
HOUSING STOCK OVERVIEW

Figure 20. Dane County Municipalities: Housing Units by Number of Units in Building



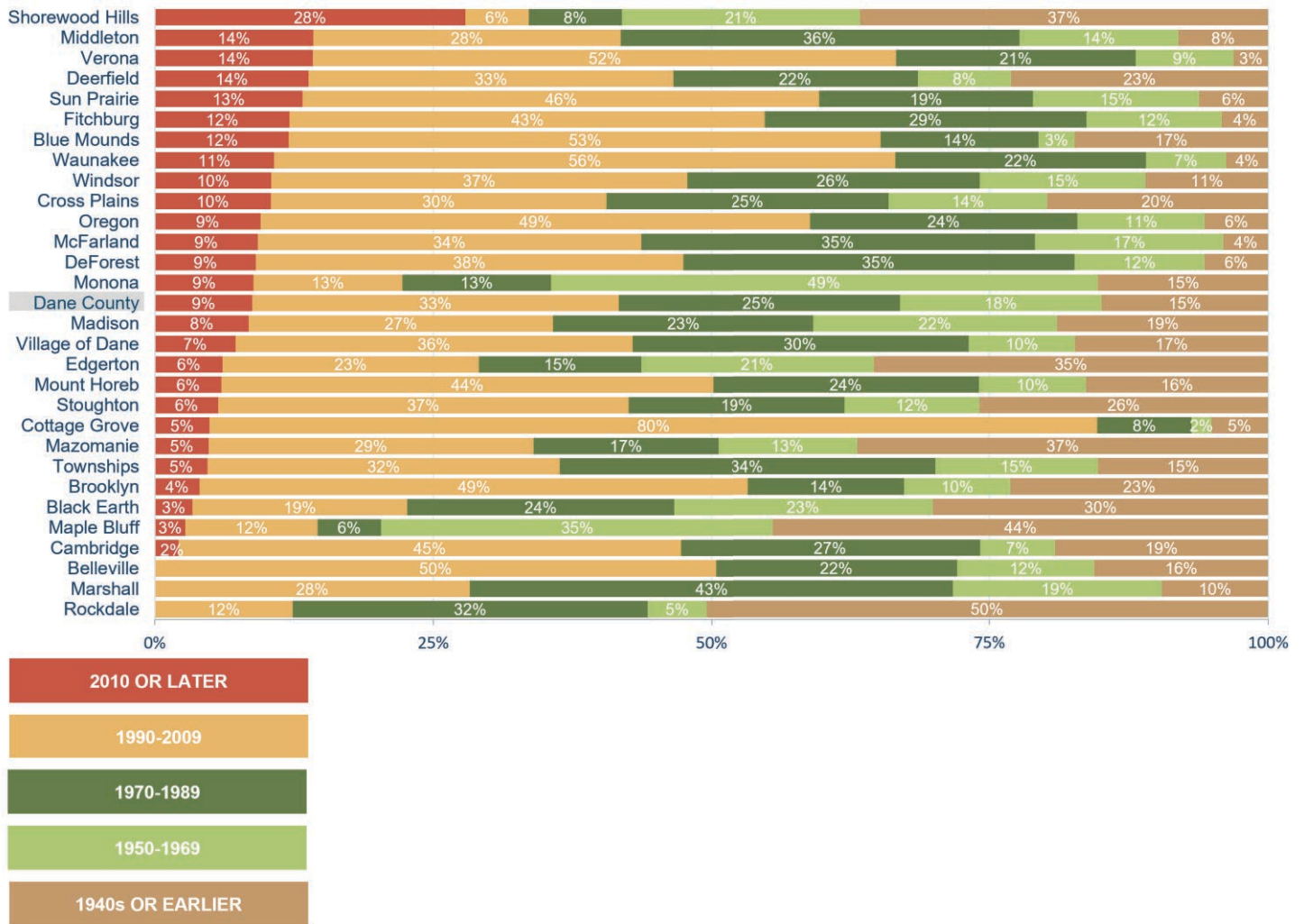
Source: ACS 5-Year Estimates (2016-2020), SB Friedman

Figure 21. Single-Family Detached Units as Share of Total Units by Block Group



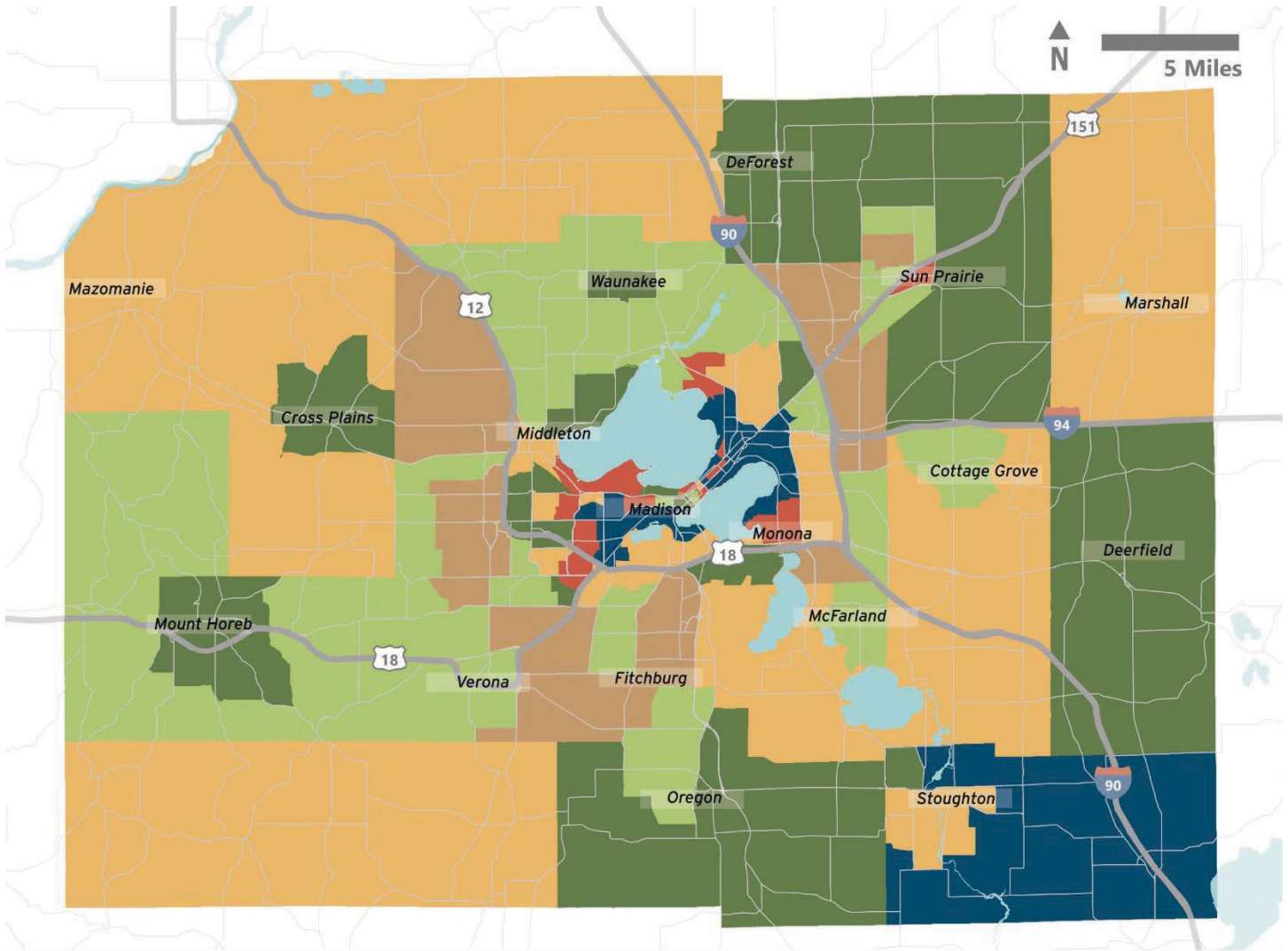
Source: ACS 5-Year Estimates (2016-2020), SB Friedman

Figure 22. Dane County Municipalities: Housing Units by Year Built



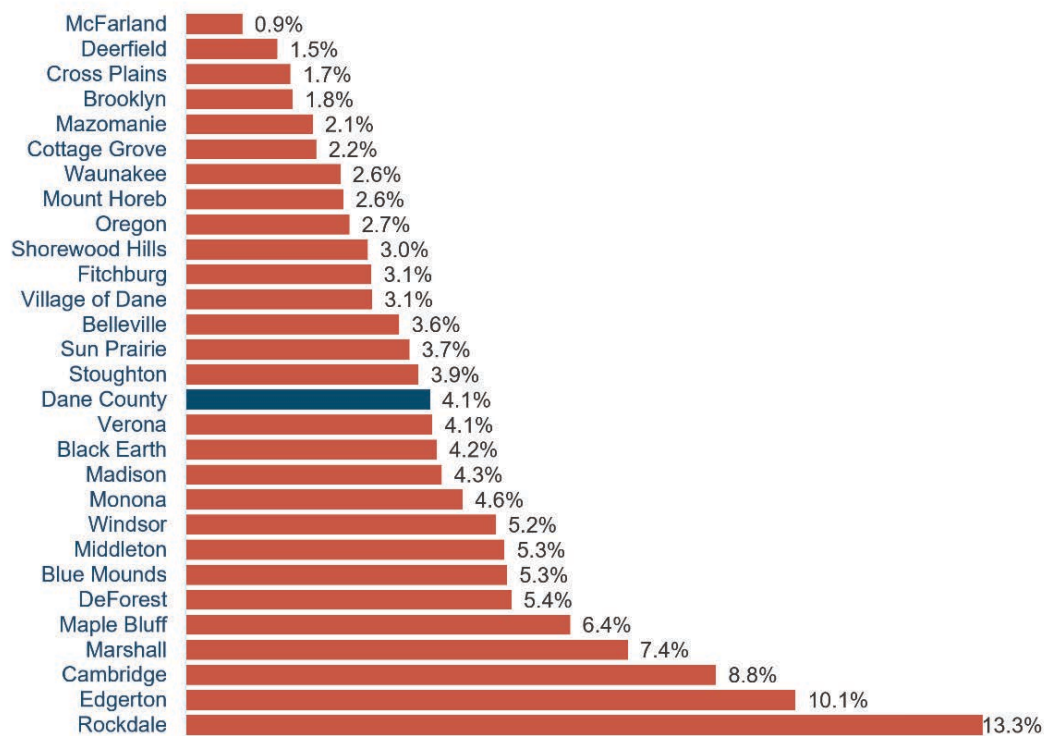
Source: ACS 5-Year Estimates (2016-2020), SB Friedman

Figure 23. Median Year Unit Built by Block Group



Source: ACS 5-Year Estimates (2016-2020), SB Friedman

Figure 24. Dane County Municipalities: Housing Unit Vacancy Rate (2016-2020 Estimates)



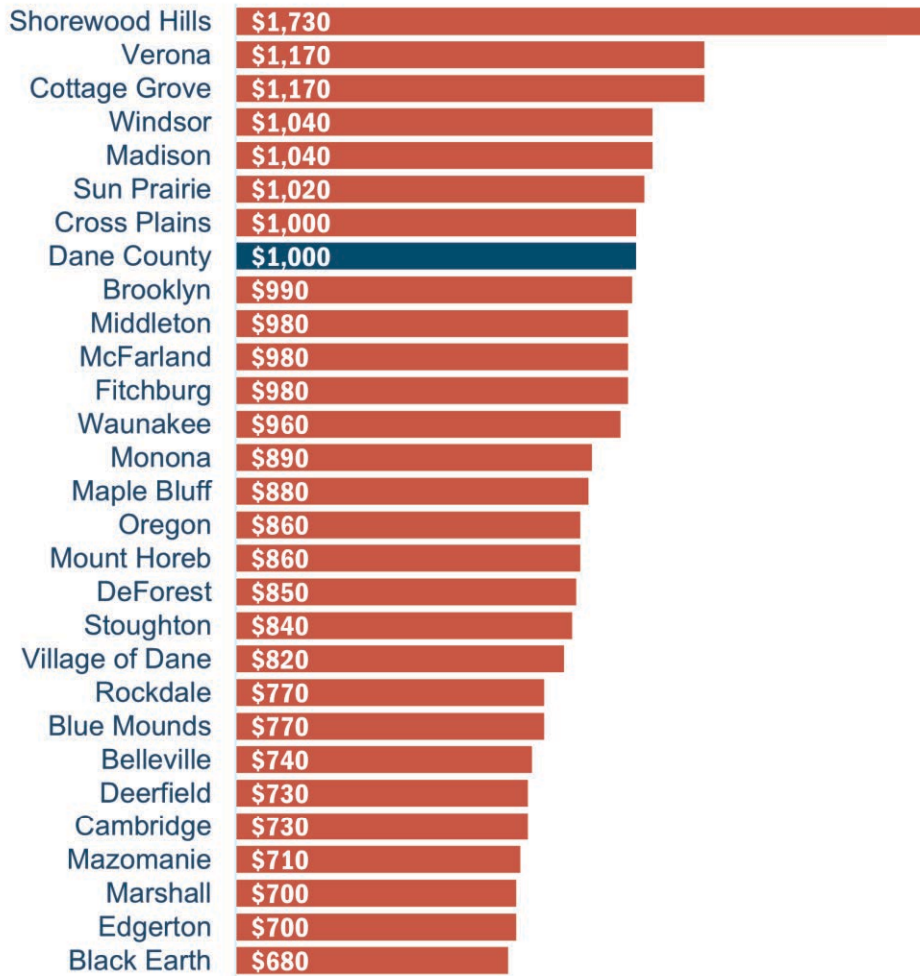
10%
NATIONAL
VACANCY RATE

11%
WISCONSIN
VACANCY RATE

Source: ACS 5-Year Estimates (2016-2020), US Decennial Census (2020), SB Friedman

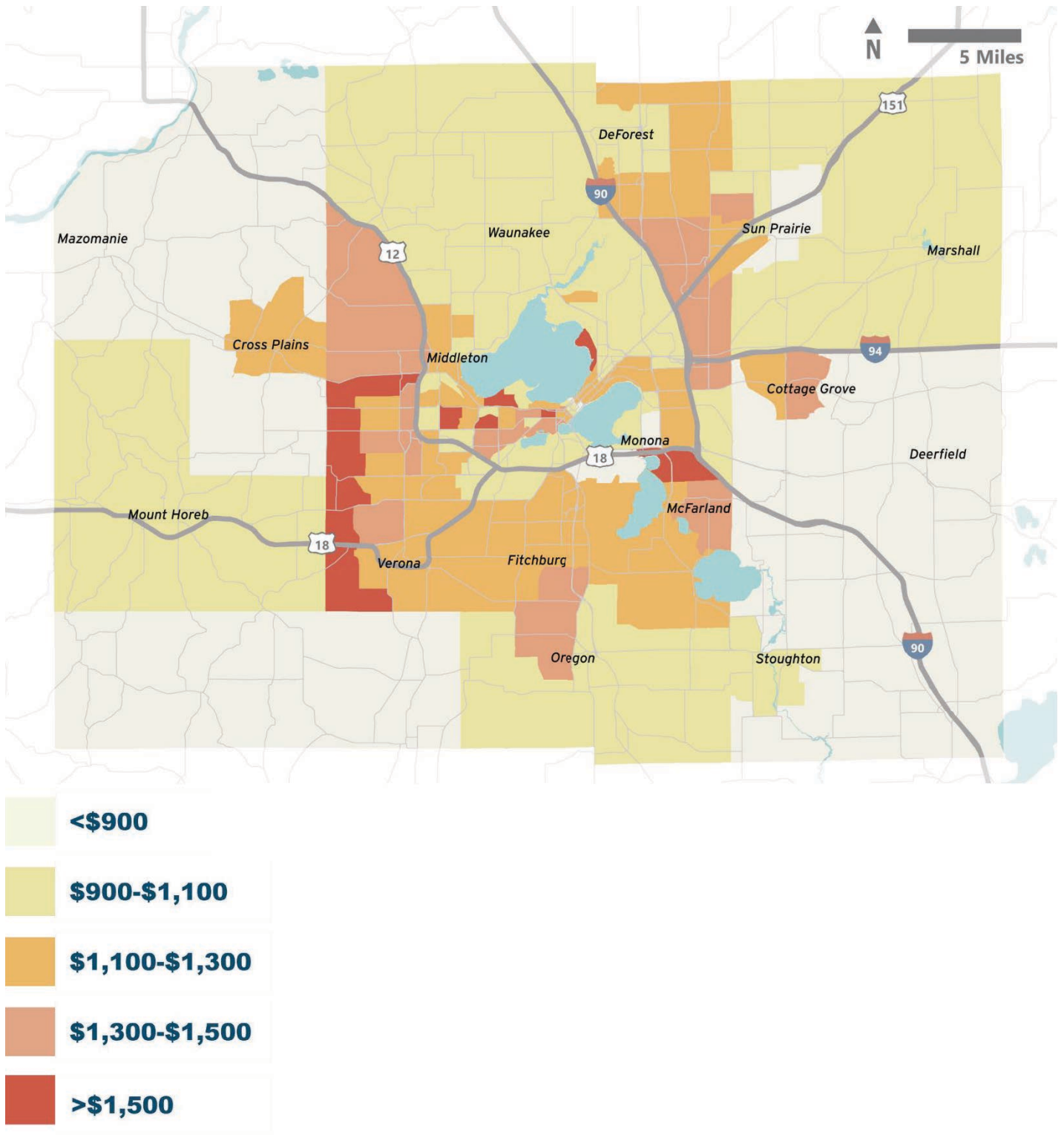
RENTAL TRENDS

Figure 25. Median Contract Rent by Municipality (2016-2020 Estimates)



Source: ACS 5-Year Estimates (2016-2020), SB Friedman

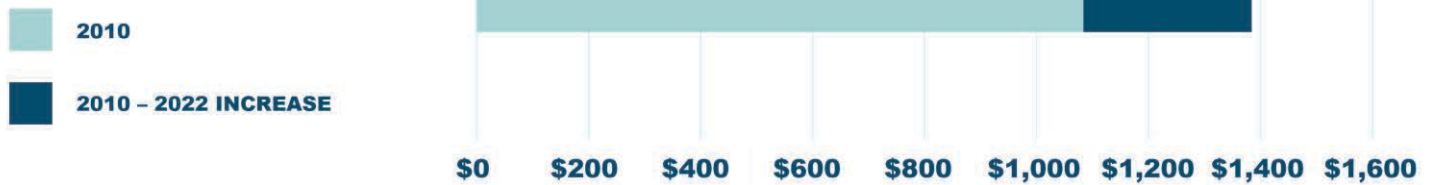
Figure 26. Median Renter Housing Costs by Block Group (2016-2020 Estimates)



Source: ACS 5-Year Estimates (2016-2020), SB Friedman

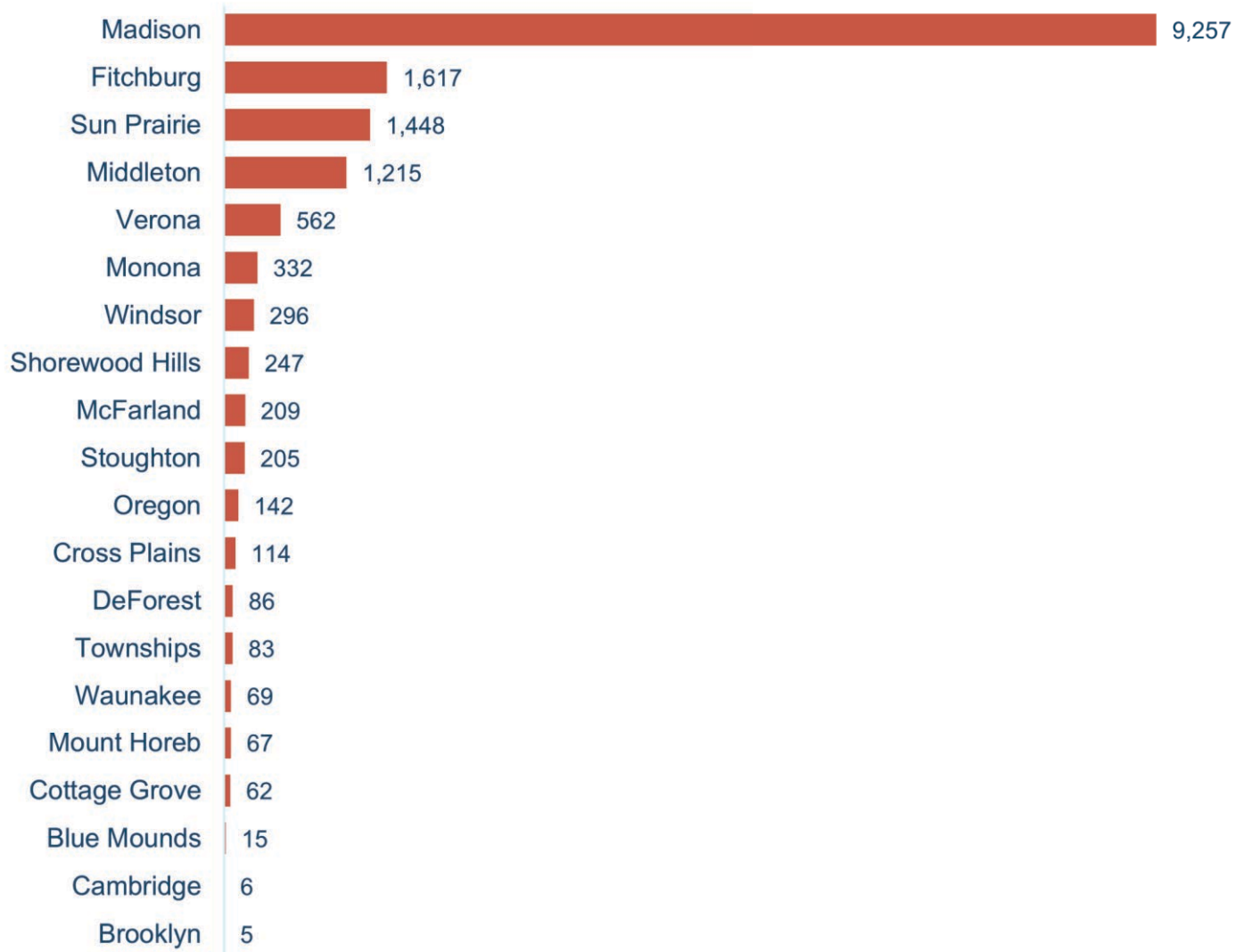
Figure 27. Dane County Rent Growth (2010-2022)

The average renter in **DANE COUNTY** is paying **\$300 more** per month in 2022 than in 2010.




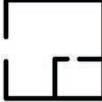
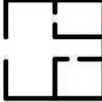

Source: CoStar, SB Friedman

Figure 28. Dane County Municipalities: Rental Units Built 2010-2021



Source: ACS 5-Year Estimates (2017-2021), SB Friedman

Figure 29. Housing Costs for Newer Market Rate Rental Units Built 2010-2021

				
	STUDIO	1-BEDROOM	2-BEDROOM	3-BEDROOM
AVERAGE RENT FOR NEW CONSTRUCTION	\$1,250	\$1,500	\$1,950	\$2,240
MIN. INCOME FOR UNIT TO BE AFFORDABLE	\$52K	\$64K	\$83K	\$101K

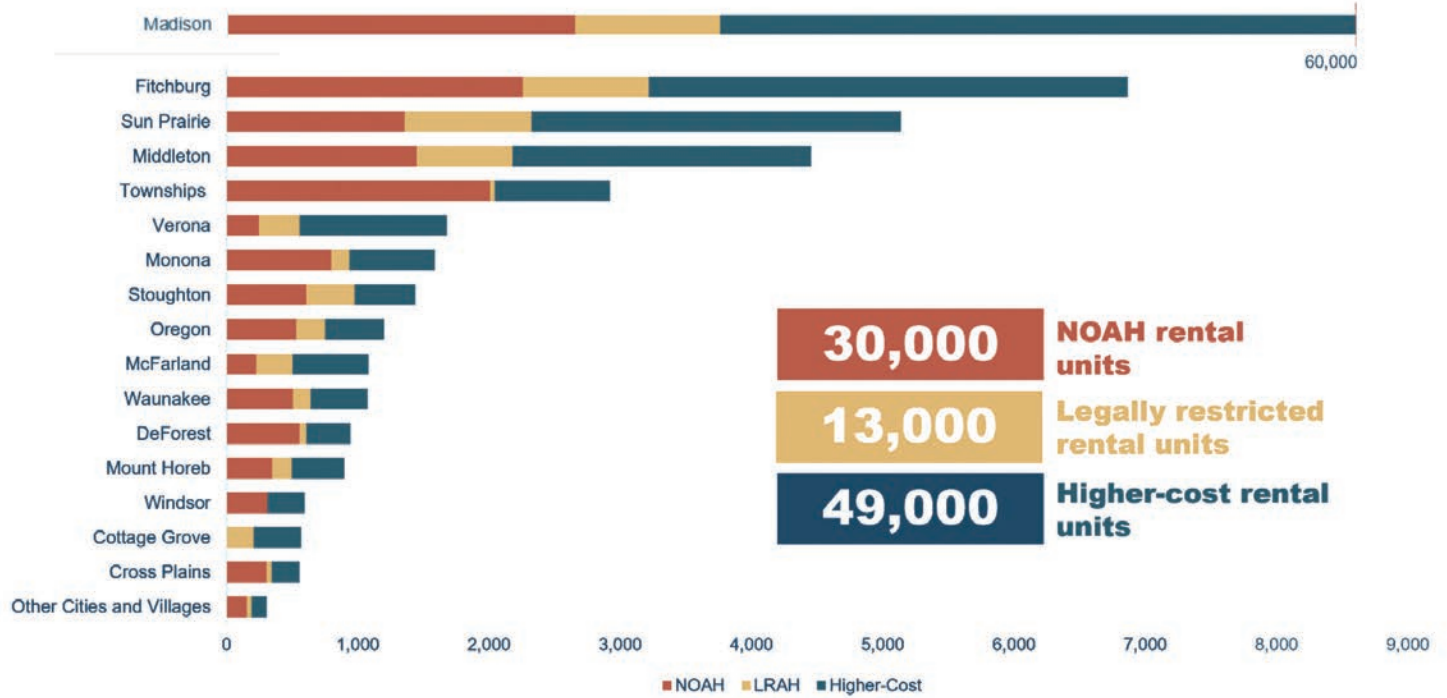
Source: CoStar, SB Friedman

Figure 30. Share of Newer Market Rate Rental Units Affordable to Households by Household Size

60% AMI Household	One-Bedroom	Two-Bedroom
One-Person (\$48,500)	4%	
Two-Person (\$55,500)	21%	1%
Three-Person (\$62,000)		4%

Note: Units built since 2010
 Source: CoStar, SB Friedman

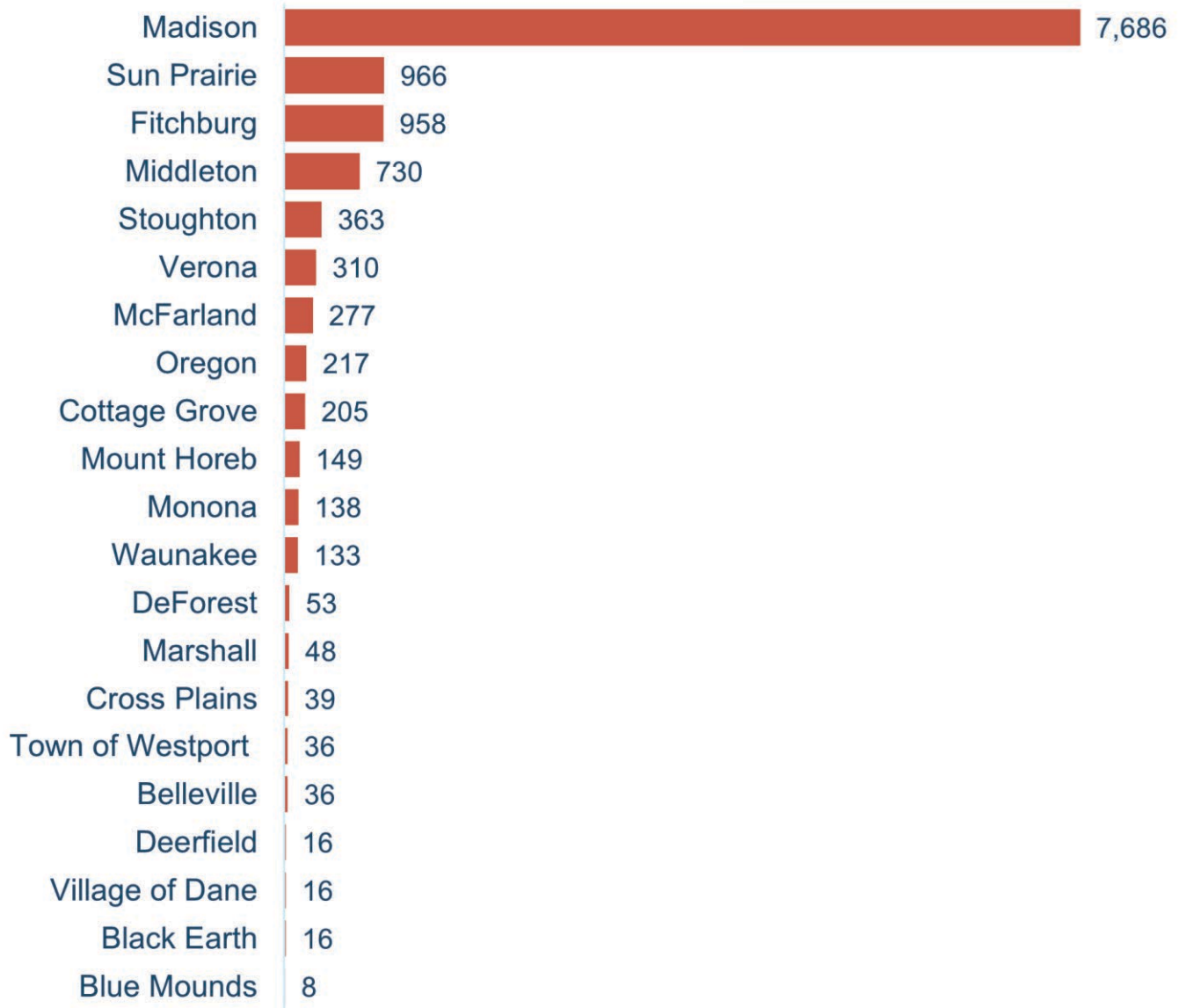
Figure 31. Rental Unit Affordability Breakdown: Naturally Occurring Affordable Housing (NOAH), Legally Restricted and Higher-Cost



Note: Madison is scaled differently from other municipalities for visibility

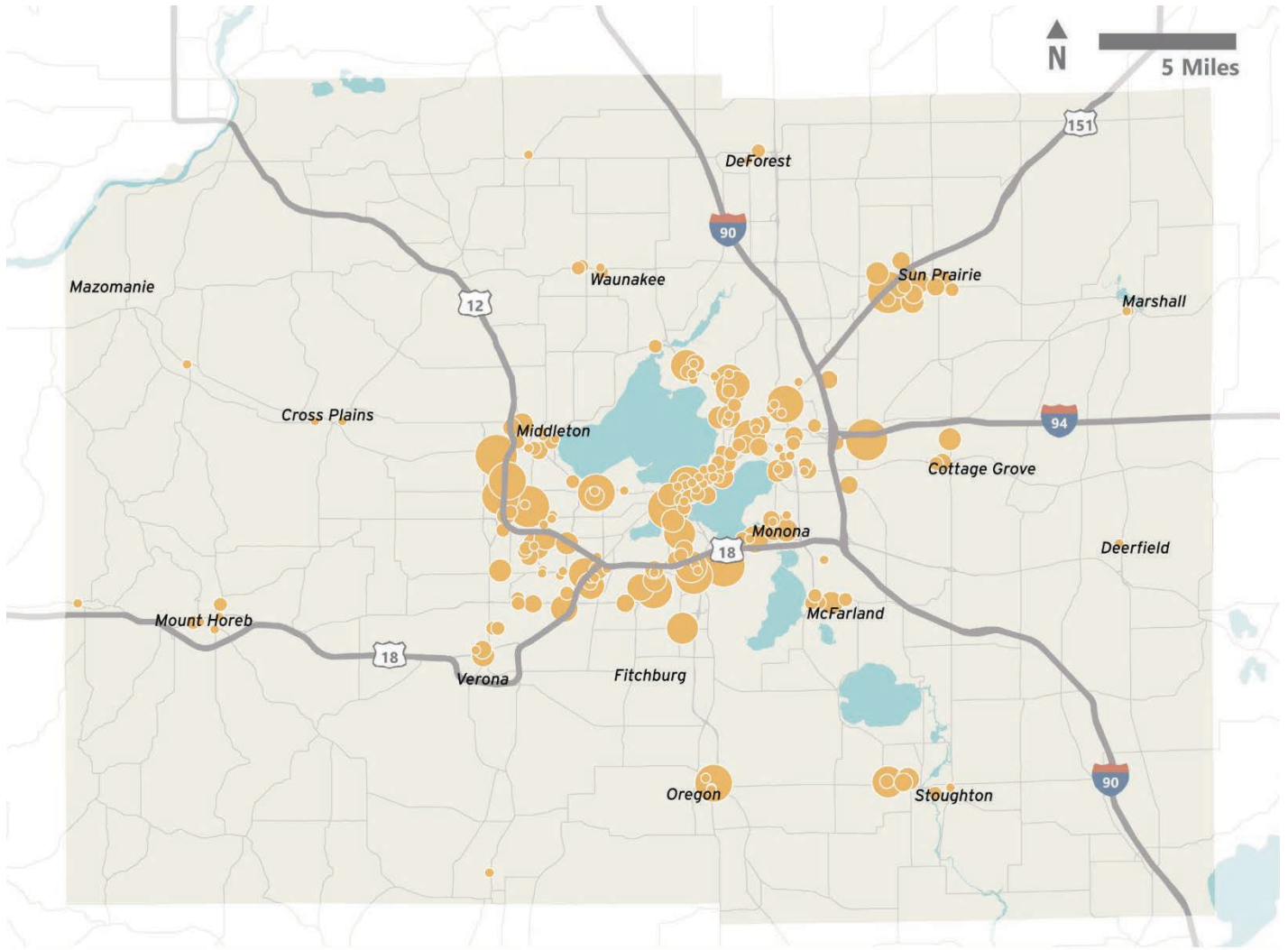
Source: ACS 5-Year Estimates 2016-2020, SB Friedman

Figure 32. Legally Restricted Affordable Housing Units by Municipality

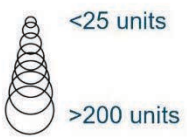


Source: Dane County, HUD, WHEDA, SB Friedman

Figure 33. Dane County Legally Restricted Affordable Housing Developments by Project Size



LRAH UNITS



Source: Dane County, HUD, WHEDA, SB Friedman

Figure 34. Distribution of Legally Restricted Affordable Housing Units and Household Growth in Madison vs Other Jurisdictions, 2010 to Present



Source: Dane County, HUD, WHEDA, SB Friedman

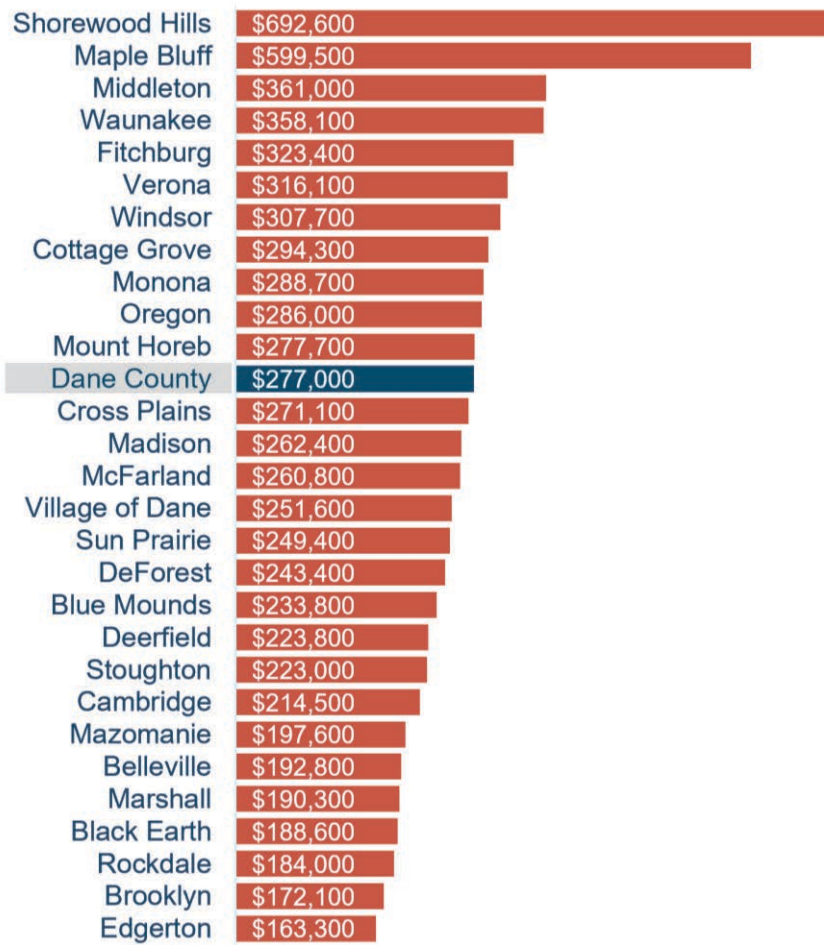
Figure 35. HAC-Preferred Distribution of New LRAH Units 2020-2050 vs Recent Distribution

% of New LEGALLY RESTRICTED Housing	HAC Future Distribution	Recent Distribution of New Units (2010-2021)
Madison	45%	58%
Inner-Ring Suburbs	30%	37%
Outer-Ring Suburbs	15%	5%
Rural Villages	7%	0%
Townships	4%	0%
TOTALS (49 votes):	≈100%*	≈100%*

Source: HAC Meeting #5 Workbook

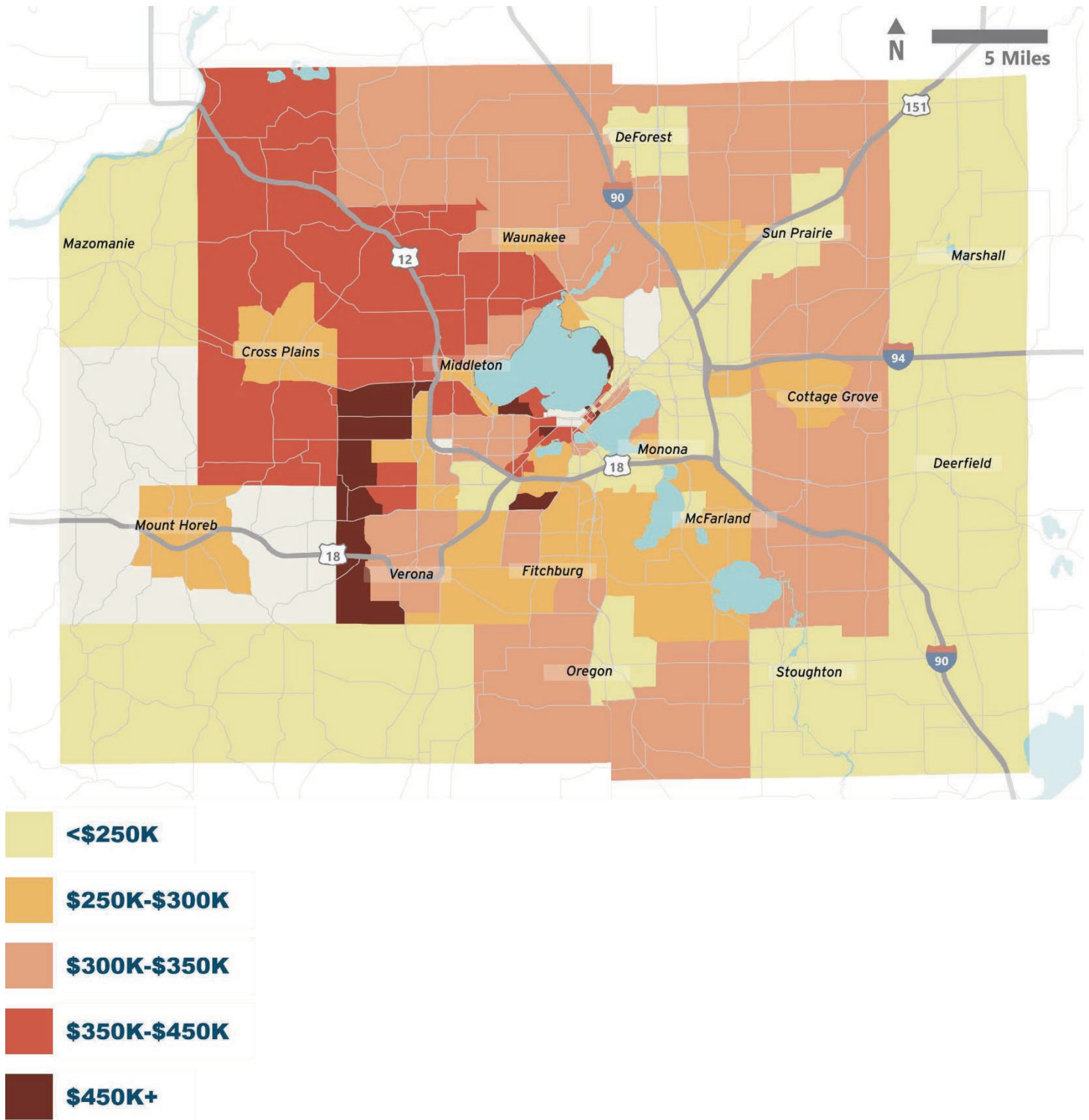
FOR-SALE TRENDS

Figure 36. Median Home Value for Cities and Villages



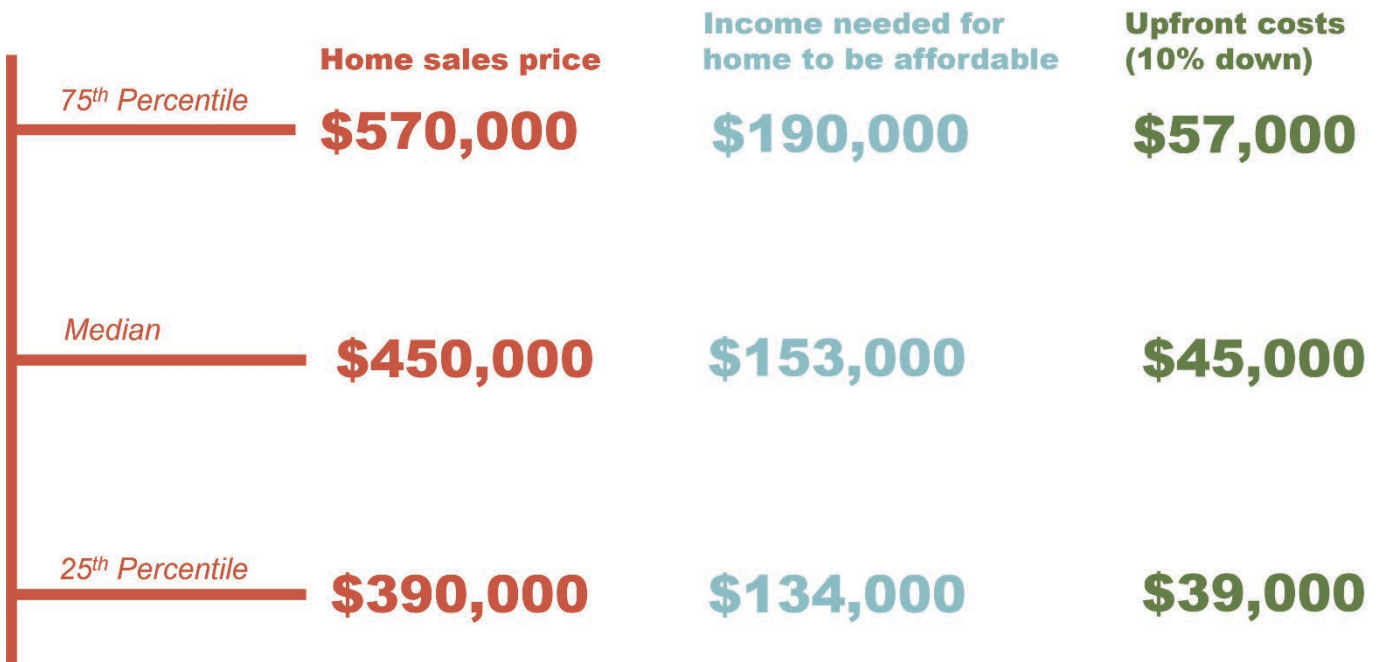
Source: ACS 5-Year Estimates (2016-2020), SB Friedman

Figure 37. Median Home Value by Census Tract



Source: ACS 5-Year Estimates (2016-2020), SB Friedman

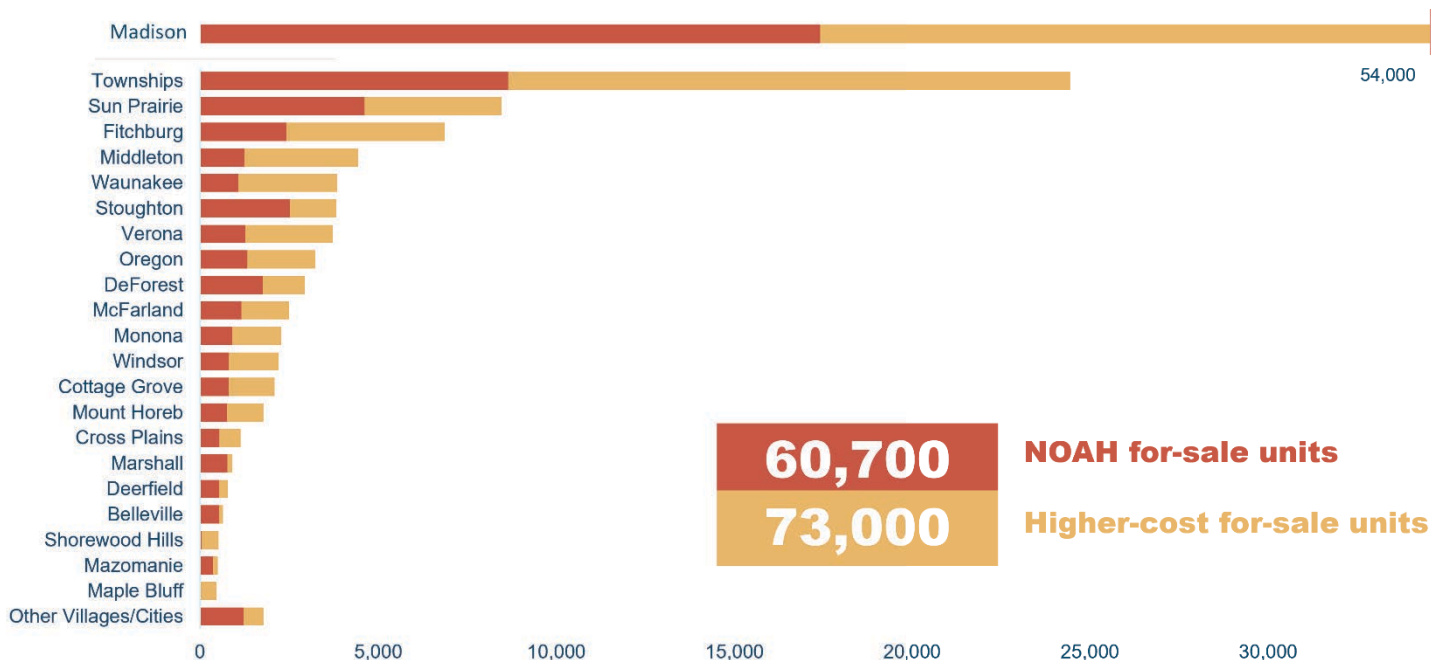
Figure 38. Housing Costs for Newer For-Sale Homes



Note: Includes homes built from 2010 to 2022 that sold from November 2021 to November 2022

Source: Redfin, SB Friedman

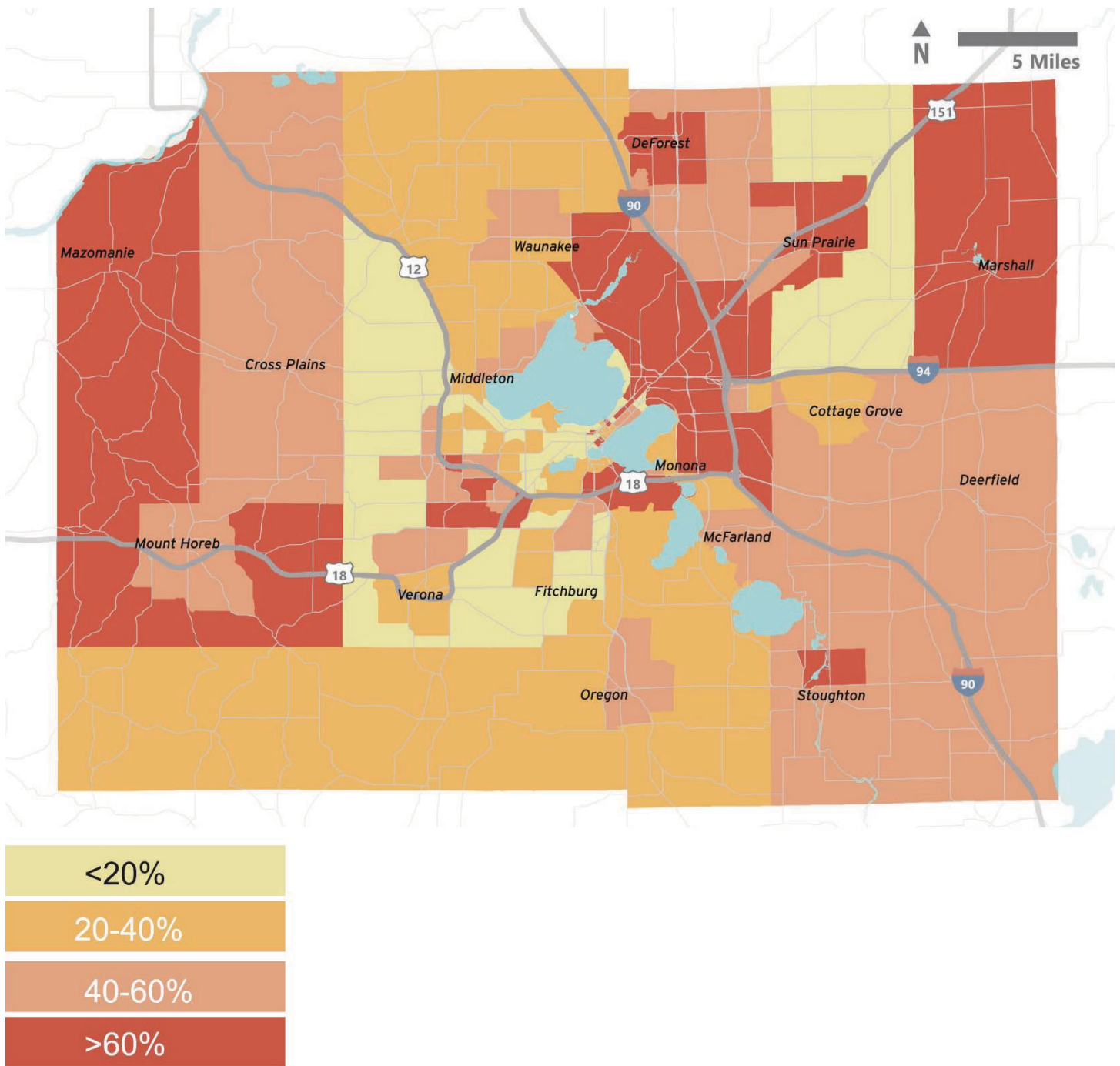
Figure 39. Affordability Breakdown of For-Sale Units



Note: Madison is scaled differently from other municipalities for visibility. Analysis assumes a household income of \$83,000, the average 3-person AMI during the analysis period (2016-2020).

Source: ACS 5-Year Estimates (2016-2020), SB Friedman

Figure 40. NOAH Owner Units as a Share of Total Owner Units

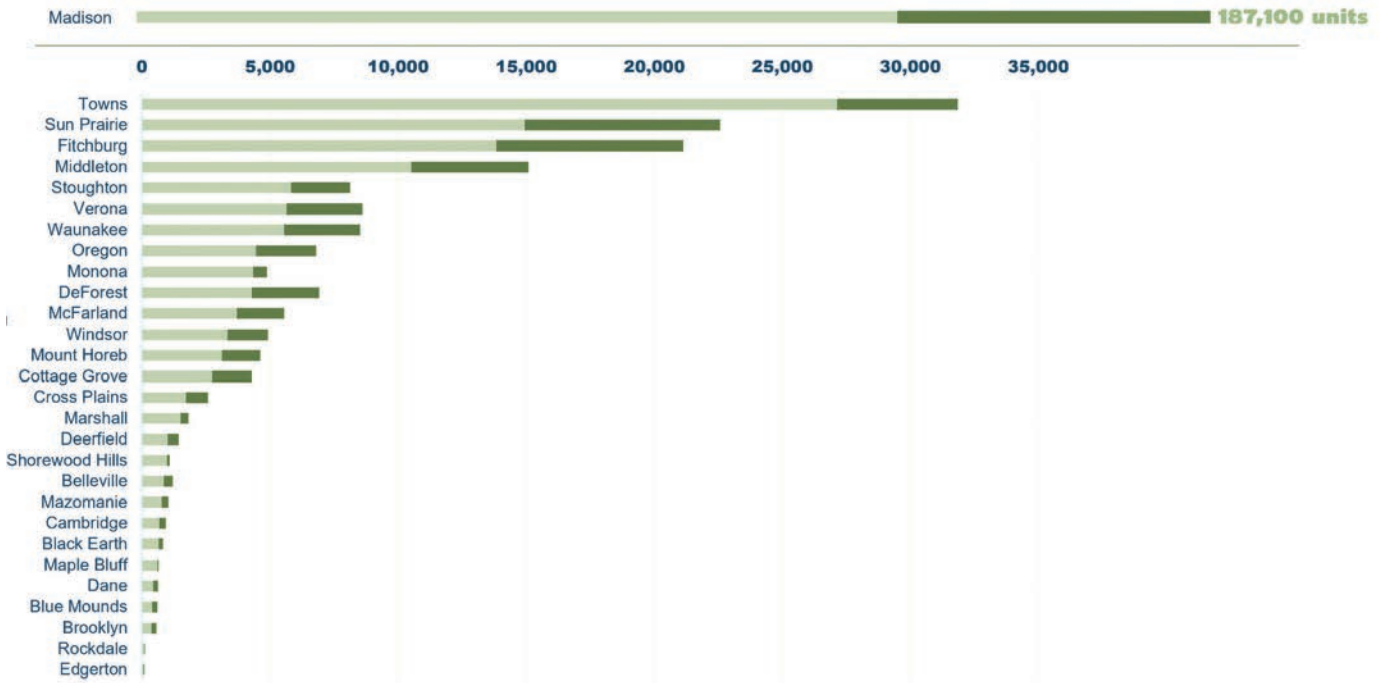


Source: ACS 5-Year Estimates (2016-2020), SB Friedman

CURRENT AND FUTURE HOUSING NEEDS

HOUSING DEMAND FORECAST

Figure 41. Projected Housing Units in Dane County by Jurisdiction, 2020-2040



2020-2040:

52%

Projected household and housing unit growth

72,700

Projected units in Madison

65,700

Projected units outside Madison

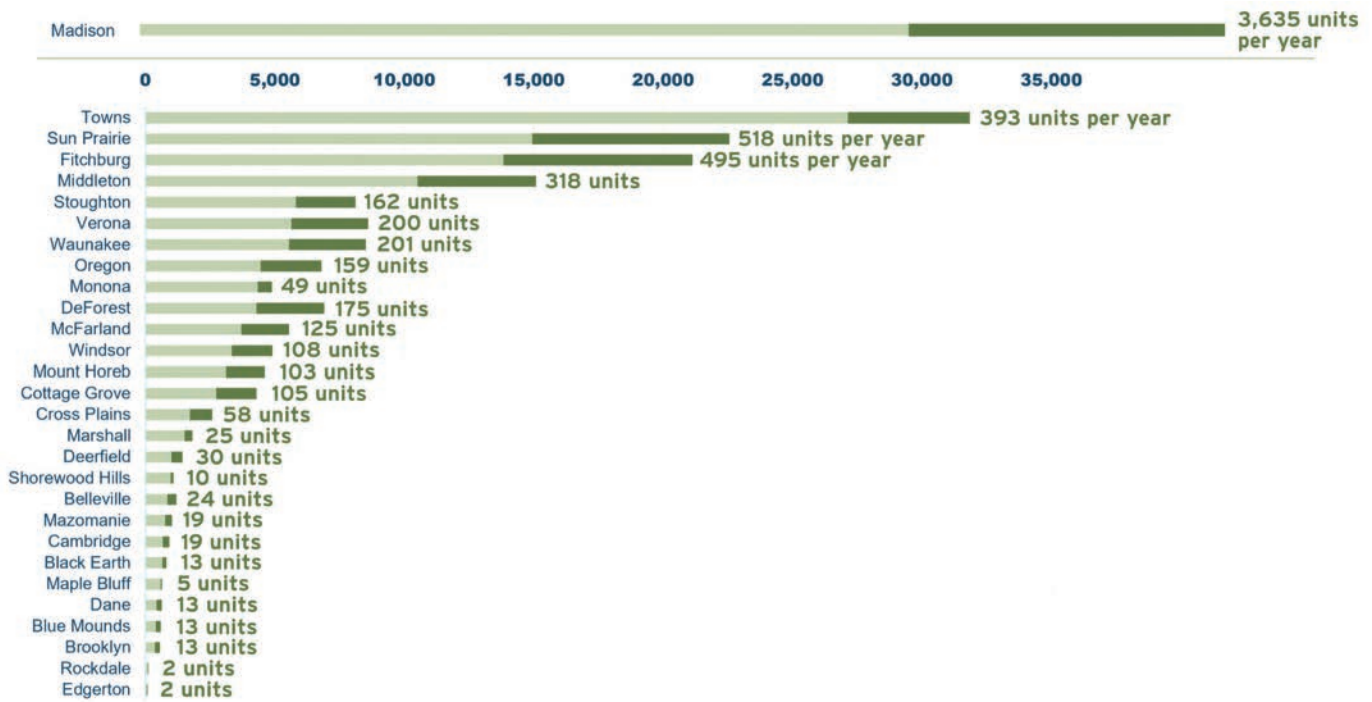
2020 units

2020-2040:
Projected new units

Note: Madison is scaled differently from other municipalities for visibility.

Source: CARPC, Census, Woods&Poole

Figure 42. Annual New Housing Production Goal in Dane County, by Jurisdiction, 2020-2040



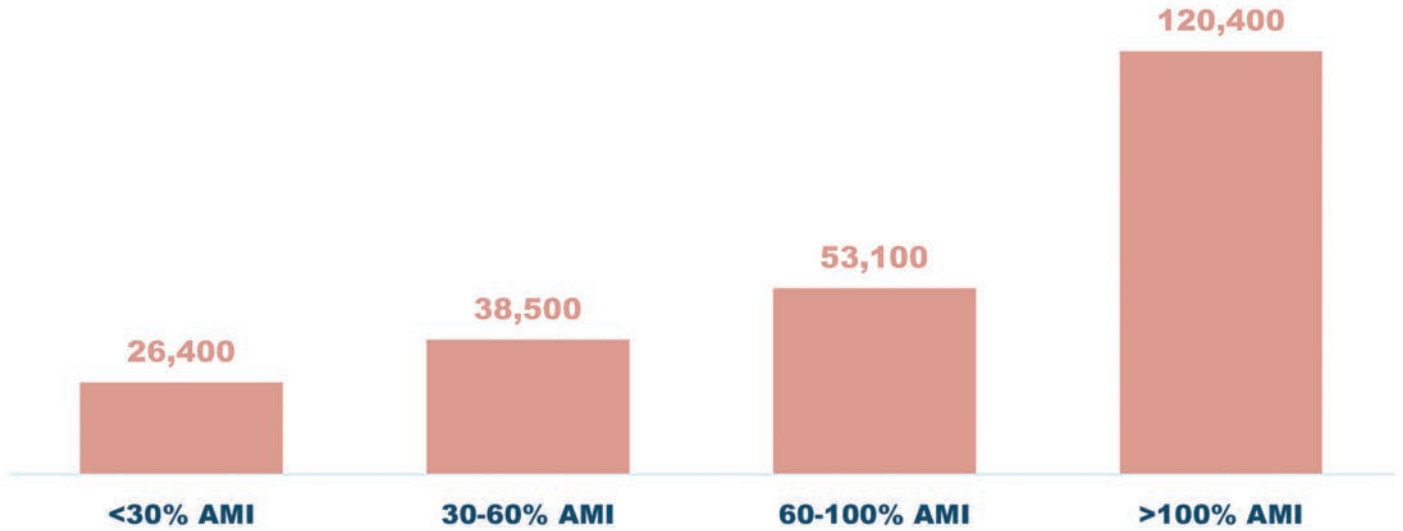
2020 units

**2020-2040:
Projected
new units**

Note: Madison is scaled differently from other municipalities for visibility.

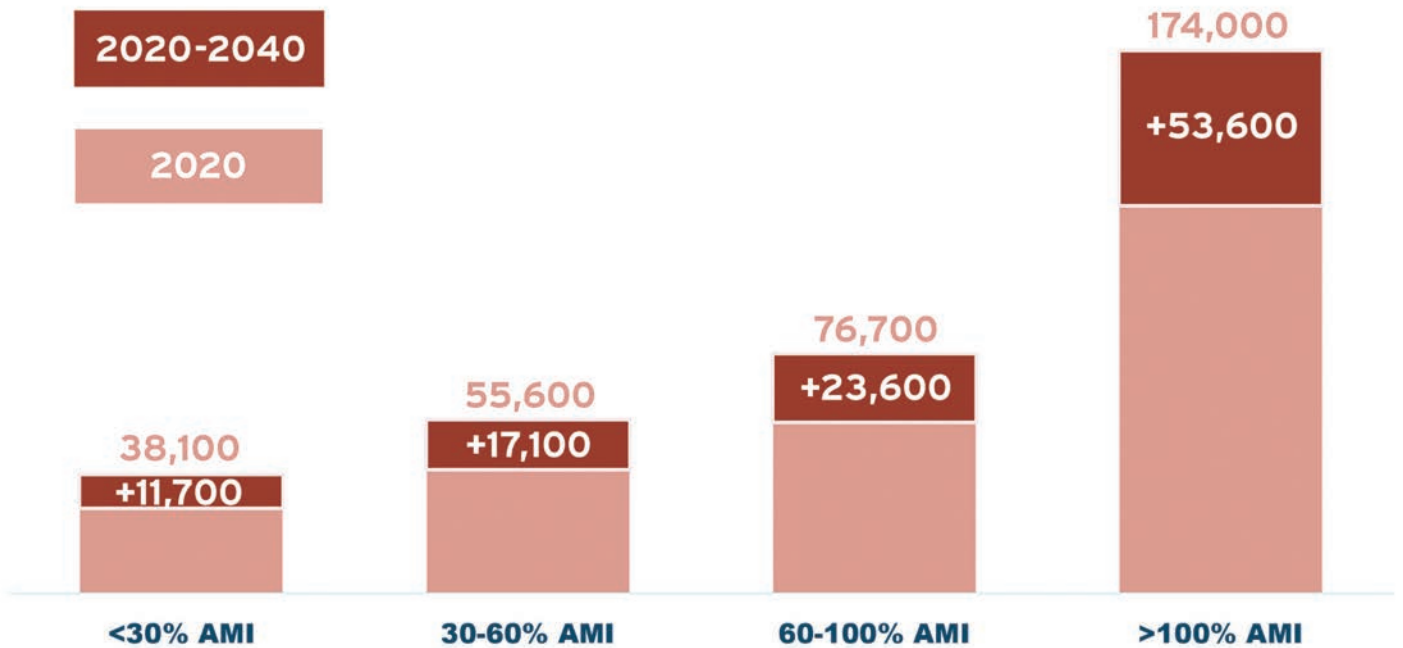
Source: CARPC, Census, Woods&Poole

Figure 43. Dane County Households by AMI, 2020



Source: Capital Area Regional Planning Commission (CARPC), ACS 5-Year Estimates (2016-2020), SB Friedman

Figure 44. Dane County Projected Household Growth by AMI, 2020-2040



Source: CARPC, ACS 5-Year Estimates (2016-2020), SB Friedman

HOUSING DEMAND FORECAST METHODS

The Wisconsin Department of Administration, Demographic Services Center produces population estimates and population projections for Wisconsin's counties and municipalities. However, these population projections have always under-projected Dane County's actual population because Dane County has experienced tremendous job growth and in-migration of people to take those jobs. For example, the official Department of Administration projection (vintage-2013) for Dane County's population in the year 2030 is 577,300 and for 2035 is 593,440. Yet, the official Department of Administration population estimate of actual population as of January 1, 2023, is 590,056. This means Dane County's current population already exceeds 2030 projections and will likely surpass the 2035 projection by the end of 2024.

The demand for housing in Dane County far exceeds the current supply of housing, as described on pages 39-40 and 55-57 in this report.

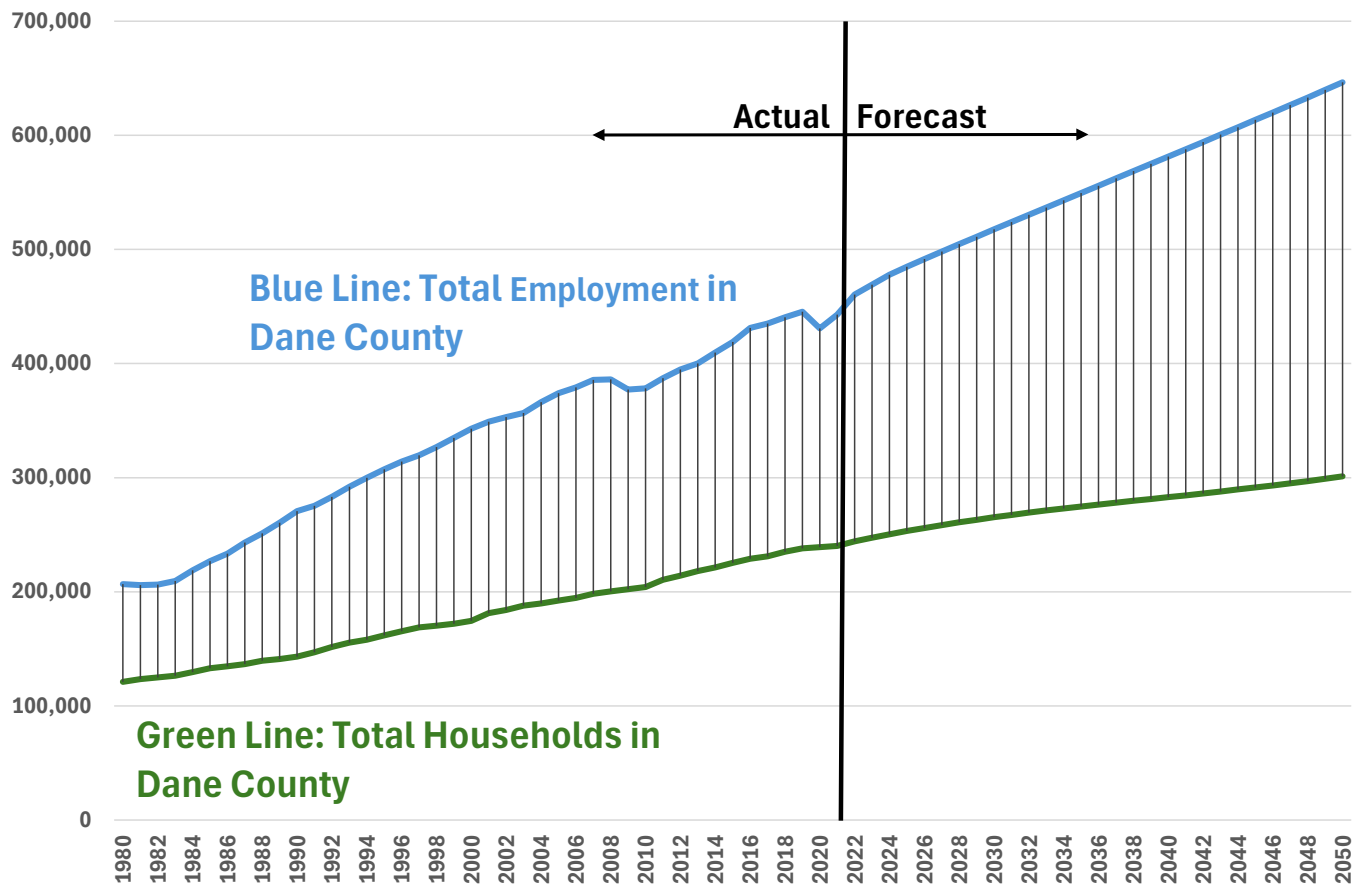
Normal population projection methodology used by the Dept. of Administration and national leading private companies (like Woods and Poole) project current population trends into the future, accounting for births, deaths, in-migration and out-migration, taking account of the age cohorts currently in the region. This is called the cohort-component method. However, because this standard demographic method only projects the future based on current population trends, it misses the housing demand of those who currently work in the county and would have like to have lived in the county if housing were actually available. Therefore, our future housing demand forecast to address existing shortages and future needs must consider other factors such as job growth and housing affordability.

To see this, consider the figure below which shows the most recent (vintage-2023) Woods & Poole data projections for Dane County, which shows employment growth outpacing household growth. (Households are the people who occupy housing units. By definition, there cannot be more households than housing units. In reality, there are fewer households than housing units because, at any one time, some housing units are vacant.)

From 1980 to 2021 (actual data), employment in Dane County had a compound annual growth rate (CAGR) of 1.87 percent per year. During this same time, households grew at a CAGR of 1.68 percent per year. While a 0.19 percentage point growth rate difference might seem small, over 41 years the effects compound. In the figure below, the lines between employment and households grow bigger, as the gap increases every year. As indicated on page 55 of this report, the Census reports 114,396 people work in Dane County but live outside of the county.

Projecting forward, Woods & Poole forecasts a CAGR of employment in Dane County of 1.22 percent a year and for households a CAGR of 0.75 percent a year from 2022-2050. Such a forecast would mean that the gap between employment and households continues to widen. This would mean tens of thousands more households who would be employed in Dane County are unable to live here and therefore have to drive longer distances or are not able to work in Dane County at all. Given the region's priorities around improving housing affordability and fighting climate change, this forecast is clearly not sustainable. Because the demand for housing is driven by employment growth, a housing demand forecast based only on current demographic trends will be unable to achieve regional priorities.

Widening Gap Between Jobs and Residents, Dane County, WI



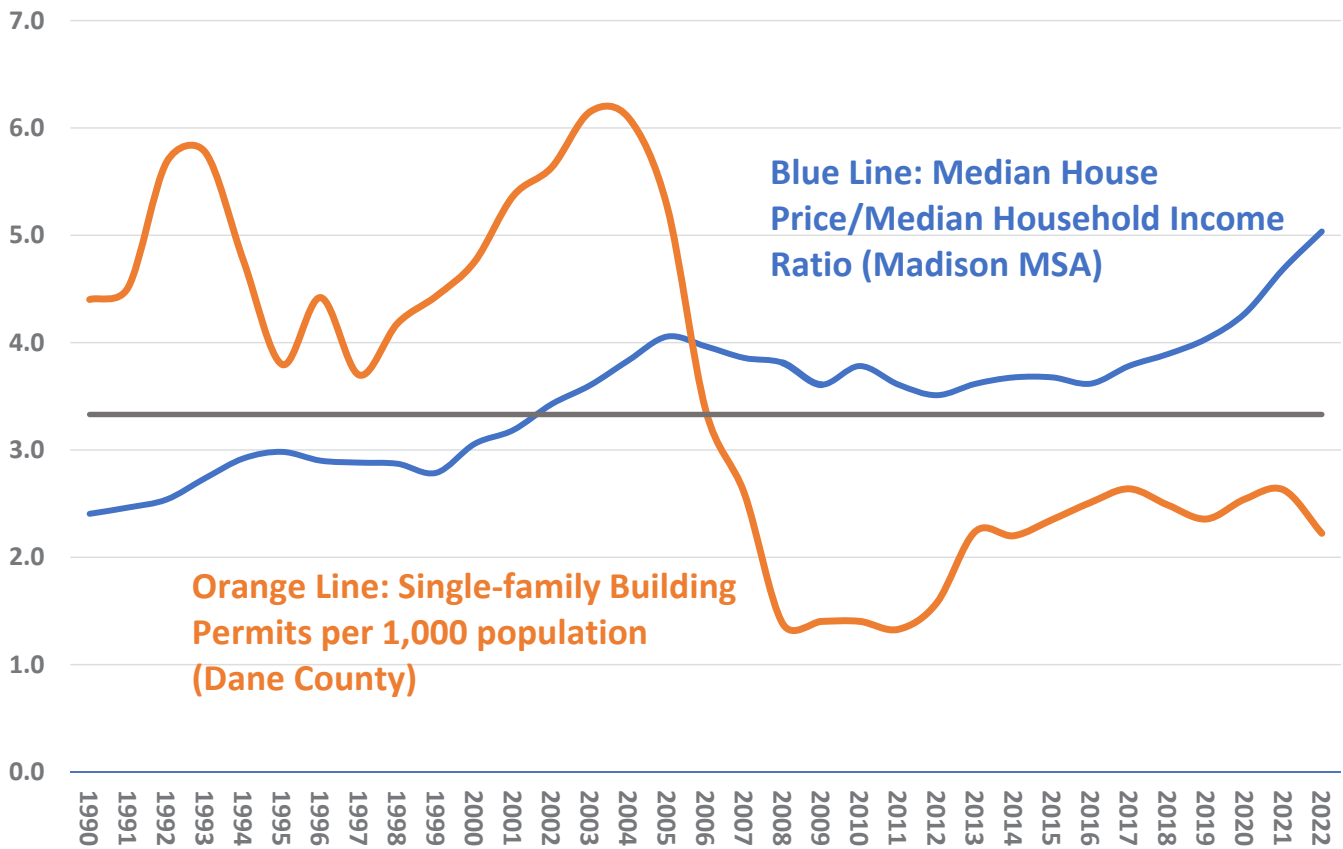
Source: Woods&Poole. Years 1980-2021 are actual; 2022-2050 are forecasted.

Therefore, this housing demand forecast also seeks to provide an adequate supply of housing to remedy existing and past shortages as well as seeking housing affordability.

The figure below illustrates that housing was more affordable in our region when we used to build more housing. The blue line is the ratio of the median house price to the median household income in the Madison region over time. Among housing economists, this is the best measure of the overall affordability of housing in a region: whether the middle-income household can afford the middle-priced home. The federal Department of Housing and Urban Development defines affordability as when this number is less than 3.3, and housing in the Madison area was overall affordable during the 1990s and early 2000s. Today, the ratio is over 5.0, indicating how expensive housing has become relative to household incomes. As described in this report, housing in our region has become expensive because strong demand for housing has exceeded housing supply.

The orange line represents the number of homes constructed during this time, as building permits per 1,000 population. For housing economists, this is the best measure of the rate of new supply in a market and examines whether housing production is keeping up with population growth. During the time period when housing was affordable in our region, we used to authorize building permits at the rate of 9.3 per 1,000 population per year and single-family building permits at the rate of 4.9 per 1,000 population per year.

When Supply Declines, Housing Becomes Less Affordable: Dane County/Madison MSA, Wisconsin 1990-2022



Sources: Media price/income ratio (Joint Center for Housing Studies, Harvard University); Building permit data (US Census); Population (Wisconsin Department of Administration)

From 2010, when employment in the region recovered from the Great Recession and Housing Crisis of 2008, until today, our county has significantly underproduced housing on a per person basis and housing has become unaffordable. Our housing demand forecast accounts for this underproduction (shortage) of housing construction.

We start by updating CARCP’s Regional Development Framework projections (published in 2022 using vintage 2019 data) with Woods & Poole’s more recent projections. Using CARPC’s average household size, we project household growth to 328,025 households in 2040. As described above, this is based only on current population and demographic trends. Applying target vacancy rates, the county would need 342,505 housing units in 2040 to accommodate this household growth. We apply CARPC’s estimated 0.19 percent per year housing loss to estimate the number of housing units existing as of 2020 that will still exist in 2040. The difference between needed units and current units that will remain is the forecast of the number of housing units needed. We estimate that Dane County needs 5,369 units per year through 2040 simply to accommodate this baseline projected household growth.

We also prepared an alternative forecast based on housing affordability trends. Specifically, we estimated the number of housing units that would need to be produced at the previous affordable rate of production (9.3 per 1,000 population) for projected future populations in Dane County. We also estimate the current shortage in production from 2010 through 2023. Combined, this forecast tells us that Dane County needs to produce 8,616 units per year to restore affordability and to accommodate projected job and population growth.

These two housing demand forecasts - 5,369 units per year and 8,616 units per year - represent the high and low bounds on housing demand. The lower number (5,369) only accommodates baseline projected household growth based on current demographics and does not address the current and projected difference between job growth and household growth. The higher number (8,616) represents a more aggressive approach to solving our housing shortage by 2040. For comparison purposes, in the past 5 years (2019-2023), Dane County averaged 4,976 building permits each year.

For purposes of this report, we take the midpoint between the high and low estimates and forecast a demand for 6,993 units per year in Dane County through 2040. As an ongoing strategy, Dane County will continue to monitor housing production trends, price trends and rent trends and re-evaluate this demand forecast every 5 years.

DANE COUNTY REGIONAL HOUSING STRATEGY COMMUNITY HOUSING SURVEY

Q1. Do you currently live in Dane County?

	Total Responses	Response Percent
Yes	6,173	97.4%
No	163	2.6%
Total Answered	6,336	
Total Skipped	47	

Q2. What is your zip code?

Total Answered	6,285
Total Skipped	98

Q3. Why do you live in Dane County? Select up to three (3).

	Total Responses	Response Percent
Jobs	3,281	53.3%
Higher education	1,174	19.1%
Neighborhood/cultural/recreational amenities	2,665	43.3%
Social networks (family or friends live in the region, etc.)	2,830	46.0%
Grew up in the region	1,621	26.3%
Have lived in the region for a long time and have settled here	2,097	34.1%
It is too expensive/complicated to move to a different region	485	7.9%
Other:	332	5.4%
Total Answered	6,157	
Total Skipped	226	

Q4. What are your top reasons for choosing to live in your neighborhood? Select up to three (3).

	Total Responses	Response Percent
Desired housing type	2,450	39.2%
Quality of housing	1,665	26.6%
Price/affordability of housing	2,499	40.0%
Quality of local K-12 schools	1,296	20.7%
Neighborhood/cultural/recreational amenities nearby	2,477	39.6%
Access to public transportation	988	15.8%
Social networks (family or friends live nearby, etc.)	1,619	25.9%
It is easy to access job or school	2,097	33.5%
Other:	510	8.2%
Total Answered	6,251	
Total Skipped	132	

Q5. What type of housing do you currently live in?

	Total Responses	Response Percent
Single-family detached home	2,868	48.4%
Single-family attached home (townhome, rowhome)	393	6.6%
Accessory dwelling unit/In-law unit	183	3.1%
Unit in duplex, triplex, or fourplex building (2-4 unit building)	711	12.0%
Unit in low-rise building with 5+ units (1-3 stories)	926	15.6%
Unit in mid-rise building (4-6 stories)	419	7.1%
Unit in high-rise building (7+ stories)	187	3.2%
Housing cooperative	89	1.5%
Mobile home/RV	13	0.2%
Other:	136	2.3%
Total Answered	5,925	
Total Skipped	458	

Q6. Do you currently live in housing that serves any of the below populations? Check all that apply.

	Total Responses	Response Percent
N/A	3,683	70.5%
Income-restricted housing (rent is pro-rated based on your income)	439	8.4%
Senior housing- independent living	435	8.3%
Senior housing- assisted living, nursing, memory care	395	7.6%
Student housing	262	5.0%
Supportive housing (housing with on-site social service programs to support residents)	359	6.9%
Housing for the disabled (independent housing, no on-site social services)	132	2.5%
Other	99	1.9%
Total Answered	5,226	
Total Skipped	1,157	

Q7. Which of the following best describes your current housing situation?

	Total Responses	Response Percent
Renter	1,831	31.0%
Homeowner with a mortgage	2,441	41.3%
Homeowner without a mortgage	1,044	17.7%
Live in someone else's house/rental unit and pay rent (not on lease)	361	6.1%
Live in someone else's house/rental unit without paying rent (not on lease)	171	2.9%
I am currently homeless	19	0.3%
Other:	43	0.7%
Total Answered	5,910	
Total Skipped	473	

Q8. Approximately how much does your household spend per month on housing costs? For renters, this includes rent and utilities (water, heating, gas/electric). For homeowners, this includes mortgage payment (if applicable), utilities (water, heating, gas/electric), property taxes, homeowners insurance, private mortgage insurance (if applicable), and homeowners association fees (if applicable).

	Total Responses	Response Percent
N/A	38	0.6%
\$750 or less	332	5.6%
\$751-\$1,000	624	10.5%
\$1,001-\$1,400	1,238	20.9%
\$1,401-\$1,900	1,500	25.3%
\$1,901-\$2,400	1,031	17.4%
\$2,401-\$2,900	595	10.1%
\$2,901 or more	490	8.3%
Not sure	72	1.2%
Total Answered	5,920	
Total Skipped	463	

Q9. Approximately how much does your household spend per month on transportation?

	Total Responses	Response Percent
Transit: Bus transportation, Uber, cab fares, rideshare, etc.:	3,436	60.7%
Automobile: Car payment, repairs, insurance, parking, etc.:	5,492	97.0%
Total Answered	5,663	
Total Skipped	720	

Q10. How do your monthly housing costs compare to what you would be comfortable paying?

	Total Responses	Response Percent
I cannot afford my housing cost right now (at risk of having to leave my home in next two months)	330	5.6%
I struggle to afford my housing costs	1,555	26.3%
My housing costs are within my budget	2,915	49.3%
I could afford to pay more for housing if I needed to	941	15.9%
Not sure	78	1.3%
N/A (no answer)	96	1.6%
Total Answered	5,915	
Total Skipped	468	

Q11. In your experience, do you think there are enough housing options in your price range for you/your household within Dane County?

	Total Responses	Response Percent
N/A	38	0.6%
Yes, there are more than enough	435	7.4%
Yes, there are enough	1,078	18.3%
No, there are not enough	4,031	68.3%
Not sure	319	5.4%
Total Answered	5,901	
Total Skipped	482	

Q12. How many members of your household currently contribute to your mortgage/rent payment?

	Total Responses	Response Percent
1	2,168	37.6%
2	3,123	54.2%
3	403	7.0%
4 or more	66	1.1%
Total Answered	5,760	
Total Skipped	623	

Q13. Overall, how do you feel about your current housing?

	Total Responses	Response Percent
Very satisfied	1,487	25.1%
Satisfied	2,441	41.2%
Neither satisfied nor dissatisfied	1,084	18.3%
Dissatisfied	665	11.2%
Very dissatisfied	242	4.1%
Total Answered	5,919	
Total Skipped	464	

Q14. What matters most to you when making a housing decision? Please select the three (3) most important factors.

	Total Responses	Response Percent
Neighborhood image/reputation	1,481	24.91%
Neighborhood amenities	2,044	34.38%
Proximity to work/school	2,429	40.86%
Quality of local schools	1,231	20.71%
Price/affordability of housing	3,721	62.59%
Type of housing (single-family home, apartment, townhome, etc.)	2,215	37.26%
Character of housing (home design, historical significance, etc.)	901	15.16%
Quality of housing	2,322	39.06%
Level of housing maintenance	758	12.75%
Age-restricted community	181	3.04%
ADA accessibility	186	3.13%
Other:	350	5.89%
	Total Answered	5,945
	Total Skipped	438

Q15. If you or someone in your household identifies as a person with a disability, what are some of the housing issues that you encounter?

Total Answered	1,510
Total Skipped	4,873

Q16. What primary types of housing are in your immediate neighborhood? Select all that apply.

	Total Responses	Response Percent
Primarily single-family detached homes	2,755	47.8%
Mix of both single-family detached and attached homes (townhomes, rowhomes)	1,332	23.1%
Mix of single-family and duplex, triplex, or fourplex building (2-4 unit building)	1,891	32.8%
Mix of single-family and multi-family buildings up to 3 stories	1,800	31.2%
Mostly mid-rise buildings (4-6 stories)	698	12.1%
Mostly high-rise buildings (7+ stories)	315	5.5%
Mobile homes/RVs	106	1.8%
Other:	114	2.0%
	Total Answered	5,768
	Total Skipped	615

Q17. At the current time, would you prefer to be a homeowner or a renter?

	Total Responses	Response Percent
Homeowner	4,163	72.3%
Renter	993	17.2%
Either	425	7.4%
Not sure	180	3.1%
	Total Answered	5,761
	Total Skipped	622

Q18. What type of housing would you prefer to live in, if it were available and you could afford it? Select up to three (3) options.

	Total Responses	Response Percent
Single-family home on larger lot	2,860	49.3%
Single-family home on smaller lot	2,464	42.5%
Accessory dwelling unit (in-law unit either attached to main house or separate)	726	12.5%
Attached single-family home (townhomes)	1,305	22.5%
Unit in duplex, triplex, or fourplex (2-4 unit building)	931	16.1%
Unit in low-rise building with over 5 units (1-3 stories)	617	10.6%
Unit in mid-rise building (4-6 stories)	465	8.0%
Unit in high-rise building (7+ stories)	426	7.3%
Condominium	1,259	21.7%
Housing cooperative	272	4.7%
Co-housing (individual housing units that also have a separate dedicated common space unit for community meals and gatherings)	493	8.5%
Tiny home	382	6.6%
	Total Answered	5,800
	Total Skipped	583

Q19. Would you prefer to live in any of the following specialty housing alternatives? (Check all that apply)

	Total Responses	Response Percent
Senior housing – independent living	636	24.8%
Senior housing – assisted living, nursing or memory care	410	16.0%
Accessible/ADA compliant homes	662	25.8%
Accessible/ADA compliant apartments	484	18.9%
Income-restricted housing (rent is pro-rated based on your income)	840	32.8%
Supportive housing (housing with on-site social service programs to support residents)	466	18.2%
Student housing	69	2.7%
Other:	414	16.2%
	Total Answered	2,563
	Total Skipped	3,820

Q20. What are the primary barriers preventing you from living in your preferred housing type? (Check all that apply)

	Total Responses	Response Percent
Not sure	120	2.2%
The housing type does not widely exist, making it difficult to find	1,690	30.7%
The market is too competitive	2,023	36.8%
It is too expensive	3,150	57.3%
Don't know where or how to find it (affordable rental)	668	12.2%
Financing options are not available	528	9.6%
Need to improve my credit	491	8.9%
Eviction on my record	140	2.5%
There are no barriers	1,005	18.3%
Other:	456	8.3%
	Total Answered	5,497
	Total Skipped	886

Q21. What are the two (2) greatest positive qualities related to housing in Dane County?

Total Answered	3,838
Total Skipped	2,545

Q22. What are the two (2) greatest challenges related to housing in Dane County?

Total Answered	4,315
Total Skipped	2,068

Q23. Do you feel Dane County has housing attainable to residents at all income levels?

	Total Responses	Response Percent
Yes	1,307	24.7%
No	3,992	75.3%
	Total Answered	5,299
	Total Skipped	1,084

Q24. Do you feel like your community provides housing attainable to residents at all income levels?

	Total Responses	Response Percent
Yes	1,451	27.3%
No	3,861	72.7%
	Total Answered	5,312
	Total Skipped	1,071

Q25. In your opinion, are there enough housing options in the County for:

a. Renters

	Total Responses	Response Percent
Yes	1,598	30.0%
No	2,959	55.6%
Don't Know	763	14.3%
	Total Answered	5,320
	Total Skipped	1,063

b. Homeowners

	Total Responses	Response Percent
Yes	1,531	28.9%
No	3,030	57.2%
Don't Know	736	13.9%
	Total Answered	5,297
	Total Skipped	1,086

c. People with lower incomes (<\$30,000)

	Total Responses	Response Percent
Yes	533	10.0%
No	4,171	78.6%
Don't Know	601	11.3%
	Total Answered	5,305
	Total Skipped	1,078

d. People with middle incomes (\$30,000-\$90,000)

	Total Responses	Response Percent
Yes	1,563	29.4%
No	3,081	58.0%
Don't Know	664	12.5%
	Total Answered	5,308
	Total Skipped	1,075

e. People with higher incomes (>\$90,000)

	Total Responses	Response Percent
Yes	3,728	70.3%
No	1,077	20.3%
Don't Know	498	9.4%
	Total Answered	5,303
	Total Skipped	1,080

f. Young families

	Total Responses	Response Percent
Yes	1,361	25.7%
No	2,756	52.0%
Don't Know	1,184	22.3%
Total Answered	5,301	
Total Skipped	1,082	

g. Multi-generational families

	Total Responses	Response Percent
Yes	1,238	23.3%
No	2,410	45.4%
Don't Know	1,659	31.3%
Total Answered	5,307	
Total Skipped	1,076	

h. Students

	Total Responses	Response Percent
Yes	1,667	31.4%
No	2,265	42.7%
Don't Know	1,375	25.9%
Total Answered	5,307	
Total Skipped	1,076	

i. Young workers, people between ages 18-25

	Total Responses	Response Percent
Yes	1,236	23.3%
No	3,063	57.8%
Don't Know	998	18.8%
Total Answered	5,297	
Total Skipped	1,086	

j. People with physical or cognitive disabilities

	Total Responses	Response Percent
Yes	587	11.1%
No	2,670	50.3%
Don't Know	2,051	38.6%
Total Answered	5,308	
Total Skipped	1,075	

k. People in need of supportive housing

	Total Responses	Response Percent
Yes	941	17.7%
No	2,336	44.0%
Don't Know	2,030	38.3%
Total Answered	5,307	
Total Skipped	1,076	

l. People in need of assisted living

	Total Responses	Response Percent
Yes	1,167	22.0%
No	2,006	37.8%
Don't Know	2,135	40.2%
Total Answered	5,308	
Total Skipped	1,075	

m. People in need of emergency, transitional, or rehabilitative housing

	Total Responses	Response Percent
Yes	904	17.1%
No	2,431	45.9%
Don't Know	1,962	37.0%
	Total Answered	5,297
	Total Skipped	1,086

n. People interested in living communally and sharing amenities

	Total Responses	Response Percent
Yes	1,128	21.3%
No	1,848	34.8%
Don't Know	2,330	43.9%
	Total Answered	5,306
	Total Skipped	1,077

Q26. County stakeholders are considering a variety of ideas to address housing affordability. Which of the following ideas would you like to see implemented in your community? (Check your top four (4) priorities)

	Total Responses	Response Percent
Programs to support existing and prospective homeowners (e.g. home repairs, allow ADUs, down payment assistance, housing counseling)	3,000	56.1%
Programs to support renters (e.g. security deposit assistance, more flexible tenant screening, expanded tenant protections, landlord training and education)	2,998	56.1%
Programs to assist developers who help supply or preserve affordable housing units including rent- and income-restricted units (e.g. development incentives such as financing; land; transit-oriented development; reduced fees or updating land use requirements to reduce cost of development)	2,508	46.9%
Programs to encourage small apartment buildings, such as fourplexes; townhomes; or, small-format housing (sometimes referred to as "Missing Middle" housing). These units tend to be more attainable than new conventional single-family homes (e.g., allowing for these housing types in more residential areas; or streamlining permitting or land use requirements to reduce development costs)	3,219	60.2%
Programs that help to reduce racial disparities in housing and homeownership (e.g. financial literacy and homeownership education in schools or community settings, partnering with financial institutions and lending programs to improve access to mortgage products)	2,850	53.3%
Programs that improve building conditions and quality/safety of housing units (rehab grants, code enforcement and landlord training programs)	2,290	42.8%
Programs that add new units to the housing supply in areas with existing infrastructure (e.g. incentives for development close to transit, employment, grocery, schools, and other services; allowing duplexes and fourplexes by right in existing neighborhoods)	2,865	53.6%
Programs that add new units to the housing supply throughout the County, including areas without existing infrastructure (subsidizing infrastructure, incentivizing new housing development)	1,576	29.5%
	Total Answered	5,347
	Total Skipped	1,036

Q27. What entities do you think need to work to address housing access and affordability challenges within the County? (Check all that apply)

	Total Responses	Response Percent
Local jurisdictions	4,320	82.4%
Non-profit organizations	2,584	49.3%
Private sector, larger employers	3,092	59.0%
Not applicable – housing affordability does not need to be addressed	259	4.9%
Other:	453	8.6%
	Total Answered	5,242
	Total Skipped	1,141

Q28. Do you think all residents should have access to housing?

	Total Responses	Response Percent
Yes	5,070	95.8%
No	222	4.2%
Total Answered	5,292	
Total Skipped	1,091	

Q29. With which of the following gender identities do you identify?

	Total Responses	Response Percent
Man	1,877	35.4%
Woman	2,950	55.6%
Transgender	67	1.3%
Nonbinary	104	2.0%
Genderqueer	40	0.8%
N/A / Prefer not to answer	246	4.6%
Not listed:	23	0.4%
Total Answered	5,307	
Total Skipped	1,076	

Q30. What is your age?

	Total Responses	Response Percent
Under 18	15	0.3%
18-24	306	5.8%
25-30	1,067	20.2%
31-40	1,342	25.4%
41-50	951	18.0%
51-60	637	12.0%
61-70	597	11.3%
71-80	325	6.1%
Over 80	49	0.9%
Total Answered	5,289	
Total Skipped	1,094	

Q31. How would you best describe yourself? (Select all that apply)

	Total Responses	Response Percent
Prefer not to answer	246	4.63%
American Indian or Alaska Native	147	2.77%
East Asian, Southeast Asian, or South Asian	222	4.18%
Black or African American	284	5.35%
Hispanic or Latino	278	5.24%
Middle Eastern, Arab, or Central Asian	91	1.71%
Native Hawaiian or Other Pacific Islander	75	1.41%
White or Caucasian	4,219	79.45%
Multiracial or Biracial	120	2.26%
Other:	41	0.77%
Total Answered	5,310	
Total Skipped	1,073	

Q32. How many people (including yourself) are in your household?

	Total Responses	Response Percent
1	1,083	20.4%
2	1,995	37.6%
3	844	15.9%
4	814	15.3%
5	350	6.6%
6	165	3.1%
7	39	0.7%
8	5	0.1%
9	9	0.2%
10 or more	7	0.1%
	Total Answered	5,311
	Total Skipped	1,072

Q33. Who do you live with? Select all that apply.

	Total Responses	Response Percent
Spouse or partner	3,349	79.2%
Child or grandchild	1,872	44.3%
Another relative	244	5.8%
Friend/roommate	327	7.7%
Another family	112	2.6%
Prefer not to answer	82	1.9%
Other:	59	1.4%
	Total Answered	4,230
	Total Skipped	2,153

Q34. What is your approximate annual household income?

	Total Responses	Response Percent
Less than \$30,000	341	6.4%
\$30,001-\$55,000	843	15.9%
\$55,001-\$75,000	870	16.4%
\$75,001-\$95,000	802	15.2%
\$95,001-\$115,000	620	11.7%
\$115,001-\$170,000	862	16.3%
More than \$170,001	606	11.4%
Prefer not to answer	321	6.1%
Not sure	28	0.5%
	Total Answered	5,293
	Total Skipped	1,090

Q35. If you would like to enter the raffle to win a prize, please enter your email here:

Total Answered	3,198
Total Skipped	3,185

Q36. If you would like to be updated on the RHS strategic planning process, and the results of the Community Housing Survey, please enter your email here.

Total Answered	2,106
Total Skipped	4,277

SECTION 2. GLOSSARY OF HOUSING STRATEGIES

Accessory Dwelling Units (By Right Zoning) - Accessory dwelling units (ADUs) tend to be relatively small dwelling units on existing residential parcels that are either contained within the same building as the principal dwelling unit or within a separate building. ADUs come in many forms (e.g., basement unit within a single-family home or a coach house). ADUs are frequently naturally occurring affordable housing. ADUs provide the opportunity to add housing within existing residential neighborhoods without a significant impact on infrastructure or open space.

Affordable Housing Fund (AHF) - Local housing funds often provide rental subsidies to non-profit or private housing partners who directly manage properties, and provide construction or rehabilitation funding for housing. AHFs can be funded through TID extension, federal sources or discretionary local or regional funds, including bond levies. AHFs are often necessary to support the construction or operation of housing at very low-income levels including housing for residents who earn less than 30% of the area median income.

Annual Tracking/Reporting - Annual tracking/reporting on regional housing goals helps hold everyone accountable by regularly updating metrics to track progress. Regional tracking could be based on information provided directly by municipalities/stakeholders and/or publicly available time-series data sources (i.e., annual Census estimates). Regional dashboards are typically made publicly available to increase community-wide transparency around housing initiatives.

Communication/Education Initiatives - Jurisdictions can support housing through education and communication. Jurisdictions can combat common misconceptions about housing, create educational resources to support lower-income households, disseminate information related to housing, and more. Municipalities can also work with non-profits already active in their communities to leverage networks to disseminate educational materials and resources. These partnerships can also enhance the flow of information between all entities, ultimately preventing duplicative work.

Community Land Bank (CLB) - A CLB is typically managed by a public entity. CLBs purchase and convert vacant or abandoned properties into uses that serve community goals. CLBs are often used to clear the title of delinquent taxes and at times hold properties until the right development opportunities arise. CLBs do not typically maintain ownership of land over time, but instead sell or donate the land to a longer-term entity (e.g., affordable housing developers or community land trusts) at a low cost.

Community Land Trusts (CLTs) Partnerships - Community Land Trusts are mission-driven entities that acquire and maintain permanent ownership of land in order to maintain long-term affordability. CLTs can administer both rental and for-sale housing units. For for-sale units, homeowners own just the property improvements (i.e. the building) while the CLT owns the land. When homeowners sell their property, the units are only eligible to be sold to buyers earning below a defined income threshold. The home seller receives a formula-based moderate return on investment and the unit remains affordable for the following buyer. For rental units, the CLT maintains stable, affordable rents through this same stewardship role.

Cooperative Planning Agreements with Other Jurisdictions - Jurisdictions can adopt agreements with neighboring cities, villages and towns to guide future land use plans and boundary adjustments. These agreements can increase predictability around future growth.

Dedicated Housing Staff - Dedicated housing professionals are important to advance community housing goals. Implementing and operating new programs requires significant staff time. A designated staff person can champion housing initiatives and focus on housing over an extended period. Dedicated housing staff can also participate in regional and national discussions about housing, attend conferences to learn about best practices, and maintain relationships with housing developers or operators.

Dedicated Webpage with Housing Information - Housing initiatives, funds, application cycles and more are cumbersome and difficult to track at both the regional and municipal level. Dedicated webpages with housing information can be information depositories for both housing professionals and/or community members. Housing webpages are relatively low cost to operate but require staff to regularly update information.

Developer Financial Assistance via Second Mortgage - Housing developers work with local lending institutions to provide low-interest loans with limited downpayment requirements to first-time homebuyers. The homebuilder serves as a loan guarantor, taking out a second mortgage on behalf of the low- or moderate-income homebuyer. The second mortgage stays in place for a defined period of time, after which the buyer is required to refinance and take on the full loan amount. Due to expected home value appreciation, the homebuyer builds equity without requiring any significant upfront capital.

Development Community Outreach - Jurisdictions can conduct outreach to housing developers and other members of the development community, to increase awareness and interest in residential development in the region. Engaging with additional developers increases the pool of developers likely to build housing and address the overall shortage of units. Outreach to developers is especially valuable for attracting specialty developers (e.g., affordable housing, senior housing, missing middle housing). Outreach can be led at a municipal or regional level.

Development Incentives or Density Bonus Programs - Municipalities may allow for additional density in specific zoning districts if developers meet certain criteria that provide public benefits. For example, municipalities may allow a developer to increase the number or type of units, exceed standard height limits if the development provides on-site affordable housing or contributes to an affordable housing fund. Other common development incentives include reductions in required parking or expedited permitting review schedules.

Employer-Assisted Housing Programs - Employer-assisted housing can include employer contributions to affordable housing development or providing direct assistance to employees to reduce the cost of housing. Jurisdictions can increase the likelihood of employer assisted housing by offering financial incentives or facilitating collaboration between companies and non-profit organizations.

Fee Exemptions (Impact fee waivers, permit fee waivers) - Impact fees are levied on new developments to offset the development's impact on the jurisdiction's services and infrastructure needs. For example, many jurisdictions charge impact fees to support schools, transportation, parks, utilities and more. These fees can substantially increase the overall development cost. Jurisdictions also typically charge building permit fees to process zoning review applications. Reducing or waiving these fees can reduce the overall development cost. Jurisdictions may offer fee reductions or waivers to meet a variety of planning goals, including creating more affordable housing. Park fees are a common impact fee either reduced or waived.

Habitat for Humanity - Habitat for Humanity works in a number of different ways to create decent, affordable housing. Through volunteer labor and donations of both money and materials, Habitat builds affordable homes for families as well as helps low-income families make repairs on their current homes. Habitat does not give away homes or home repairs. In addition to a down payment and monthly mortgage payments, homeowners invest their sweat equity into building their Habitat home and the homes of others. Each family must also attend educational courses on home maintenance, landscaping, budgeting and insurance. The combination of low construction expenses, volunteer labor and low to no-interest mortgages makes these homes affordable. Including property taxes and insurance, a Habitat homeowner's monthly mortgage payment is no more than 30 percent of their gross income.

Homeowner/Homebuyer Assistance - Downpayment assistance programs typically offer either a grant or second mortgage to reduce barriers that prospective homebuyers face when purchasing homes. Second mortgages can be structured as an installment loan with regular payments or a deferred loan due at a future date (usually upon sale or transfer of the home). If the program offers a second mortgage, interest rates are generally lower than traditional sources. Downpayment assistance programs allow households who may not typically be able to purchase a home the opportunity to be homeowners. While these types of assistance are typically funded through federal and state sources, jurisdictions have implemented assistance programs as well.

Housing Choice Voucher Recipient Support - Municipalities can assist housing choice voucher recipients with identifying available housing that will accept their voucher. This could include maintaining a list of apartment buildings or providing additional staff assistance with getting on housing waitlists efficiently.

Housing Committee or Commission - Dedicated Housing Committees at the jurisdictional level can help drive and coordinate implementation of housing policies or programs and provide direction to City/Village staff regarding housing priorities over time. Housing Committees also hold the municipality accountable and help ensure residents have access to housing. Regular Housing Committee meetings are held to discuss key housing issues, develop priorities, and their own strategic action plans, and report to/advise municipal staff on housing issues. Housing Commissions can also be created for a specific period of time to evaluate housing needs or respond to a specific housing issue.

Missing Middle Units (By Right Zoning) - Many residential areas in Dane County have "single-family only" zoning (i.e., residential zoning where only single-family detached homes are permitted). This development pattern was very common in the second half of the 20th century. Allowing "Missing Middle" development byright entails allowing for duplexes, fourplexes and other small apartment buildings within residential areas. These housing types, which are common in older neighborhoods, can increase density in a way that is compatible with the existing residential neighborhood fabric. They also can be "affordable by design" because the units are smaller than traditional single-family homes, and the land and development costs are split among multiple units.

Parking Requirement Reductions - Parking is one of the largest costs for residential development. Most zoning ordinances require that developments achieve a minimum parking ratio (e.g., two parking spaces per unit) which drives up the cost of construction. Reducing the required minimum parking for residential properties can enhance development feasibility by reducing development costs and/or land needed. Jurisdictions could reduce parking requirements to the largest extent in more transit-accessible areas.

Property Retrofit and Energy Efficiency Assistance - Many older properties, which are currently naturally occurring affordable housing, require substantial improvements to meet today's sustainability improvements.

Many of these energy efficiency improvements (e.g., replacing windows, adding solar panels, updating HVAC systems) reduce costs to the resident, who is typically responsible for monthly utility payments. Local, state and federal funds can be provided to property owners in exchange for agreeing that the property will remain affordable for a defined period of time.

Racial Equity and Inclusion Education and Training around Housing - Providing elected officials, planning staff and plan commission members with the racial equity and inclusion training necessary to better understand the racial equity implications of their work and decision making.

Realtor and Lender Engagement - Educational programming and engagement with the realtor and lending industries is important to increase understanding of downpayment assistance programs. Homebuyers Roundtable in Dane County provides educational opportunities and counseling for prospective low- to moderate- income homebuyers, realtors and lenders. Their goal is to increase knowledge of the homebuying process for prospective homeowners and available downpayment assistance programs for lenders and realtors.

Regional Growth Management Strategy - Development of a regional growth management strategy helps define and shape where and how growth occurs in communities. In Dane County, locations designated as Urban Service Areas have capacity to support urban services and are thus ideal for additional development. Boundaries can be amended in the future to accommodate growth. This tool helps protect rural or agricultural uses and steer development to preferred locations. Regional plans such as the recent Capital Area Regional Planning Commission (CARPC) 2050 Regional Development Framework can provide a vision and direction for regional growth, although it is not enforceable.

Rent Abatement Program - Rent abatement is a recourse for tenants whose landlords have not addressed building code violations. This program is a tool to encourage landlords to bring their properties into building code compliance. Tenants can apply directly with their jurisdiction, typically with the Building Inspection division (or a comparable entity), to reduce their rent if the owner has not made needed repairs. This program could apply to both in-unit and common area code violations. The rent reduction is often applied retroactively based on the date during which the tenant made the official repair request. The program has the dual benefit of pressuring property owners to improve the quality and safety of their properties and supporting tenants.

Rent to Own - "Rent to own" programs allow households who typically may not be able to purchase a home due to the upfront costs the opportunity to be homeowners. A typical structure of the program is for households to initially lease a home from the program sponsor and sign a "Right to Purchase" agreement. The household becomes eligible to purchase their home after a defined period (e.g., 10-years with no missed rent payments). Rent payments made in the rental period are credited toward the eventual down payment at the purchase point. "Rent to own" programs typically include a housing counseling component to ensure households are prepared for homeownership.

Renter Financial Assistance - Many renters struggle with initial barriers to entry - including tenant application fees, move-in fees and multi-month deposits. Removing initial barriers would likely require state legislative changes. However, municipalities can offer subsidies to remove barriers to entry and prevent homelessness and housing insecurity for vulnerable populations. Beyond initial challenges to secure units, renters may require additional assistance to keep housing secure in the event of substantial, sudden rent increases. Grant funding from the county, jurisdictions, or other nonprofit sources can be used to provide direct financial assistance to renters at risk of displacement or housing insecurity.

Revolving Loan Funds - Revolving loan funds can be used to provide funds to rehabilitate homes and/or make accessibility modifications. Funds are often made available to homeowners or smaller-scale multifamily property owners that meet certain criteria such as building age, type of improvement, cost of improvement, etc. Loan funds can be self-sustaining over time as when initial borrowers repay their loans, funds become available for a subsequent recipient.

Streamlined Approval and Permitting for Residential Development - Jurisdictions can streamline their entitlement (local development requirements) process to make it easier for housing developers to produce housing. Securing entitlements can add time and cost for housing developers, reducing affordability for the eventual tenant or buyer. Common methods to streamline entitlements include adhering to predefined review schedules, providing status updates to developers throughout the process, lessening requirements at early stages and designating key staff to assist with application questions.

Tax Increment Financing (TIF) via Tax Increment Districts (TIDs) - TIF is a mechanism that allows for incremental property taxes to be captured for 27-years and then reinvested within a defined geography (the Tax Increment District). Taxes resulting from any increase in taxable value within the TID over the life of the district can be used to fund a variety of public projects, including affordable housing. TID funds can also be used to acquire land, which could be put into a land trust for affordable housing.

Tax Increment District (TID) Extension Funding - Wisconsin law allows for municipalities to extend TIDs by one year, known as the Affordable Housing Extension, to advance housing projects throughout the City. Initiatives are not limited to the geographic boundaries of the specific TID expiring.

Tenant Resource Guide - Many renters have expressed difficulty keeping up with what programs and resources are available to them. Compiling valuable resources and information for renters can bridge outreach and education gaps among renters. A tenant resource guide could include a variety of materials, including a list of housing assistance programs and services that are available in their community and surrounding municipalities.

Update Lot Size and Depth Regulations - Site design regulations, such as minimum lot size requirements, create expectations around the urban design of neighborhoods. Site design regulations indirectly impact housing costs. Neighborhoods with strict low-density regulations (e.g. large minimum lot sizes or lot depths) translate to higher housing costs. Jurisdictions can update these regulations in their zoning codes to allow for a greater diversity of residential lot sizes and building types, which can make it easier to develop more attainable housing.



DANE COUNTY REGIONAL HOUSING STRATEGY | STRATEGIC ACTION PLAN 2024-2028

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