

CITY OF MADISON

BIENNIAL HOUSING REPORT

SUPPLEMENT: HOUSING DATA BY RACE/ETHNICITY

DRAFT

PREPARED FOR THE CITY OF MADISON HOUSING STRATEGY COMMITTEE

SUMMARY OF SUPPLEMENTAL REPORT

The City of Madison Biennial Housing Report attempts to analyze the city's entire housing market with a particular emphasis on the affordability of housing and breadth of housing options. Because of the emphasis on affordability, most of the data contained in the report was broken down by household income. The purpose of this supplemental report is to reexamine the core datasets used in the report through the lens of race and ethnicity so we may identify additional trends and housing challenges experienced through this demographic, with a focus on geographic distribution of effects.

RECOMMENDATIONS

1. Develop programs to increase neighborhood and housing stability in areas with a high concentration of People of Color
 - a. Identify Census Tracts with a co-occurrence of high concentration of People of Color as well as a concentration of factors that lead to housing instability (cost burden, high turnover, eviction)
 - b. Create Affordable Housing Fund Target Zones in these areas focused on the replacement or improvement of housing stock
 - i. Dedicate an allocation of at least (1) funded affordable housing development per year in Target Zones to replace or rehabilitate multifamily affordable housing
 - ii. Create new rental rehabilitation program in target zone focused on small buildings (2-8 units)
 1. Model after Small Cap TIF
 2. Forgivable Loan
 3. Limit rent increases during loan period
 4. Mandatory Fair Housing Training for participating landlords
 - c. Target homeownership programs to Target Zones
 - i. Proactive marketing
 - ii. Increase lending amounts
2. Create a citywide initiative to increase housing opportunities for People of Color and reduce racial and income segregation
 - a. Increase affordable housing options in high cost, high amenity areas
 - i.
 - b. Reduce risk of gentrification or displacement of People of Color
 - i.
 - c. Increase homeownership opportunities for People of Color
 - i.
 - d. Increase economic opportunities for People of Color
 - i.

DEMOGRAPHICS

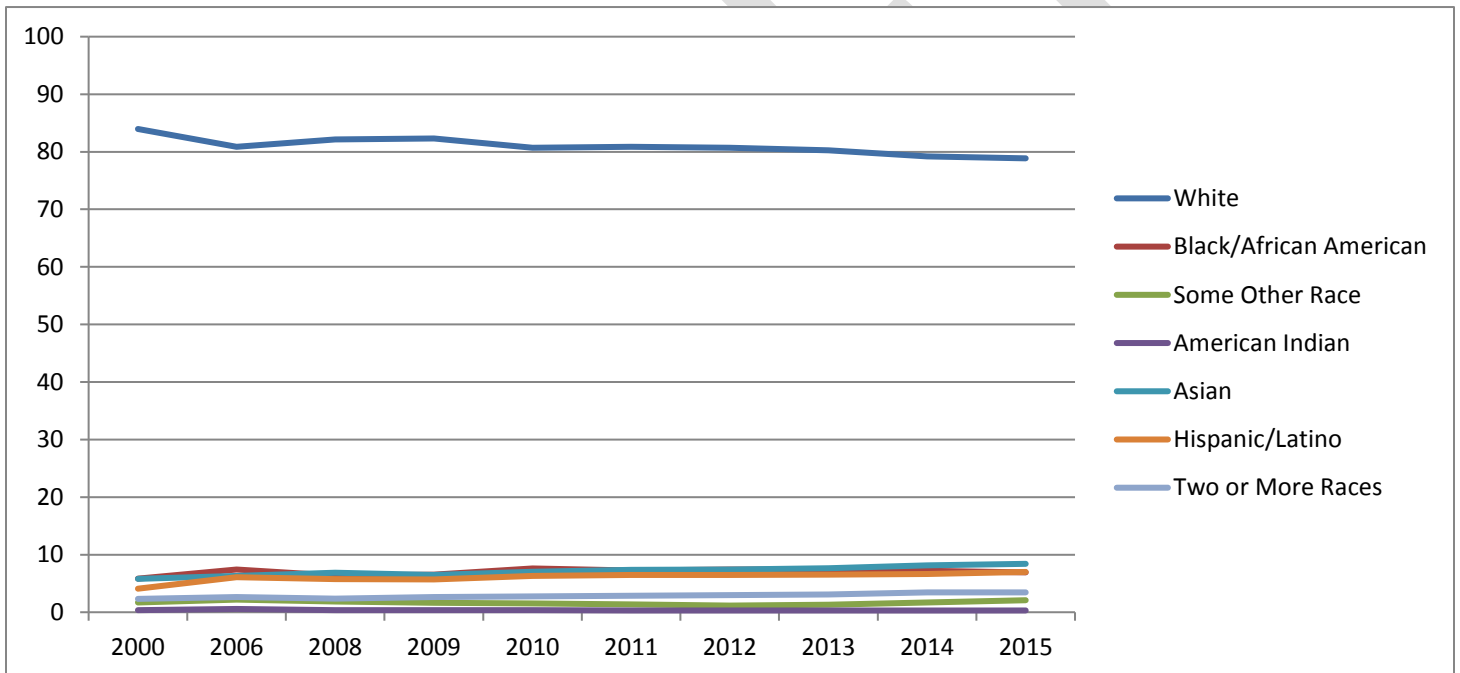
The population of the City of Madison is mostly White at roughly 80% of the population. The data does show a slight but consistent decline of the last five years in the percentage of the population that identifies as White. Black, Asian, and Hispanic/Latino populations each represent roughly 6-8% of the population of the city.

POPULATION BY RACE

From 1990 to 2015 the growth in Madison's demographic composition has remained relatively stable, with a consistent and slight decrease in percent of White population year to year, decreasing more rapidly from 2012 onward. While the chart shows times of both increase and decrease in White population as a %, both 2014 and 2015 fall outside of normal deviation and may represent the beginning of a larger trend.

The only other racial demographic showing a year to year decrease as a percentage is the Black/African American population. These decreases are correlated with an increase in the percent of Asian identifying population in Madison, which has increased by approximately 0.3% of the total population per year, as well as the Hispanic or Latino population showing a yearly increase of approximately 0.15% of Madison's total population. While these are relatively small numbers, they do display a small shifting market among the relative stability of the population demographics as a whole.

Percent of Total Population by Race: 2000 - 2015



Source: American Community Survey

*Demographic data was not collected by Census Place for Madison, WI until the 2000 Census, with prior data being presented as an aggregate of county data, which limits the ability to analyze racial data strictly within municipal boundaries prior to 2000.

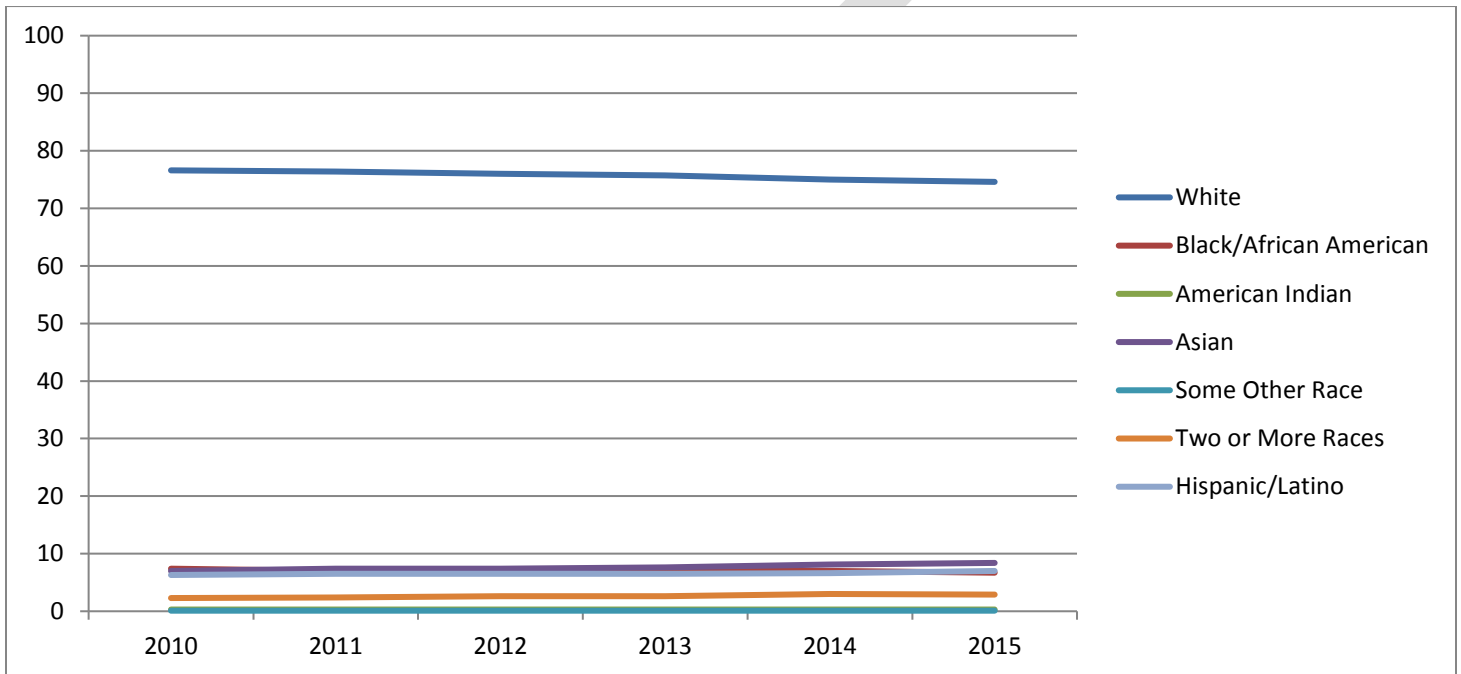
HOUSEHOLDS BY RACE

These demographic trends are mirrored in household composition, showing a decrease in number of households year to year among the White demographic, with marked increases in the number of Hispanic/Latino households, Asian households, and Two or More Race households.

The relative percentages on household in relation to population percentages shows that:

- The increase in the Asian population of Madison is largely single adults, which is also consistent with increase in university admissions for Asian and International demographics
- There are less White households than the overall population percentages would predict, which may reflect larger average household size in student or family households

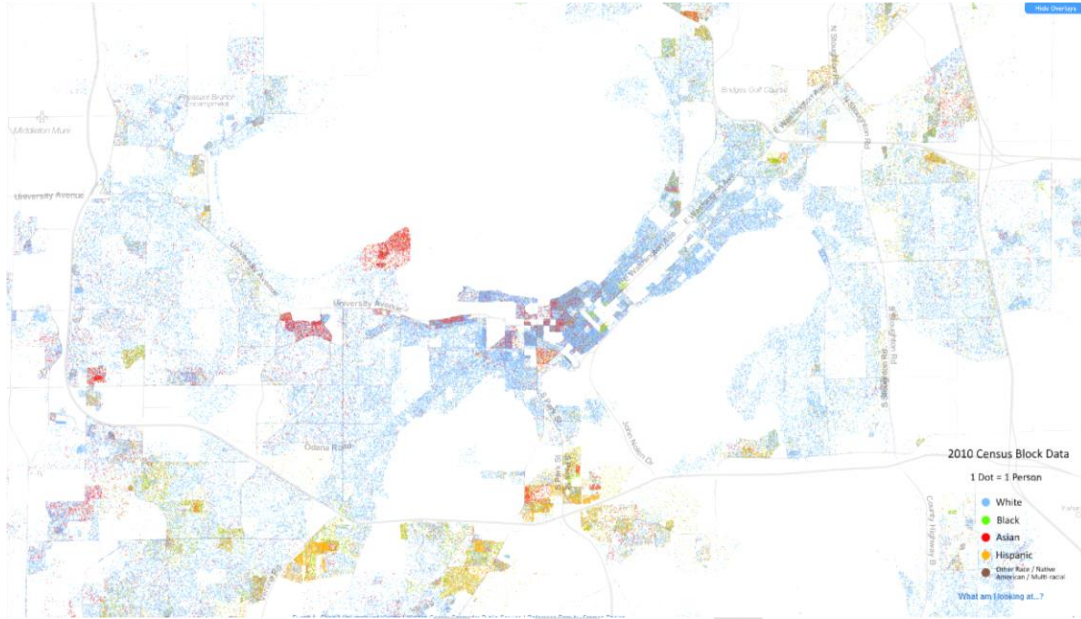
Percent of Total Households by Race: 2010-2015



Source: 1 Year American Community Survey

GEOGRAPHIC DISTRIBUTION

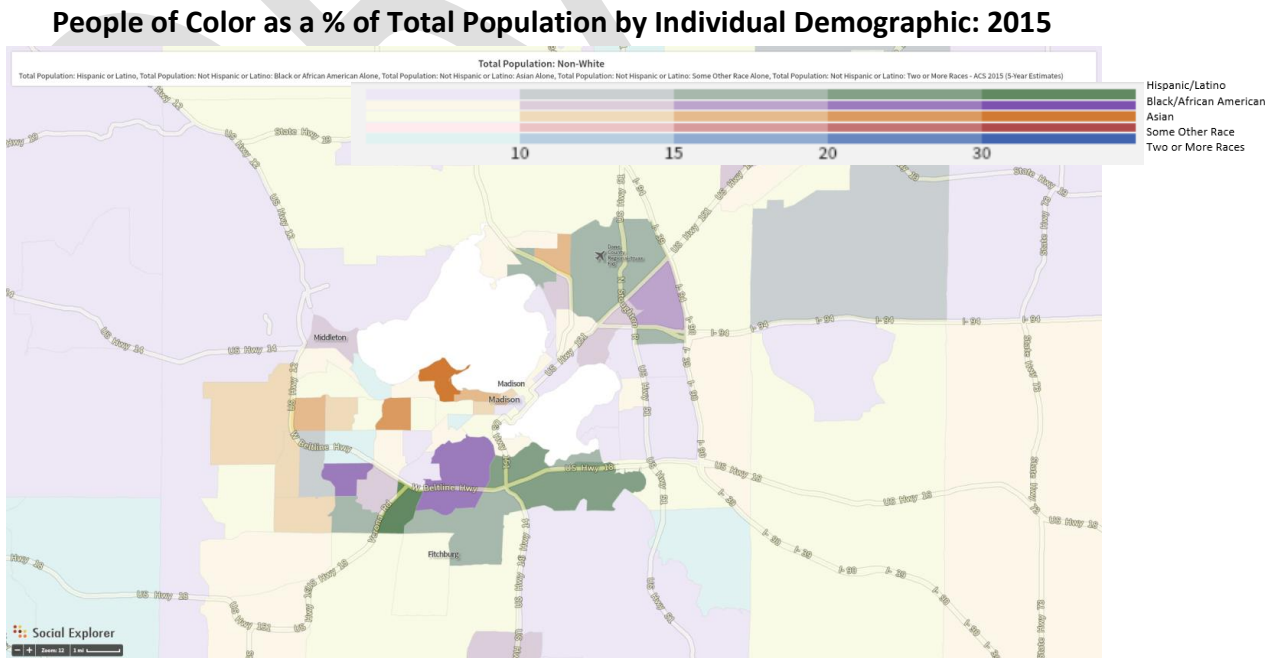
Excluding the census tracts that comprise the University of Wisconsin, mapping the geographic location of residence for individuals based on race shows a clear distribution of housing through certain areas; namely the north and southwest quadrants of the city. Racial diversity will become more important as national and local demographic shifts continue to slowly alter the demographics of Madison, shaping the city through community choice and geographic distribution.



Source: The Racial Dot Map (University of Virginia)

CURRENT GEOGRAPHIC DISTRIBUTION

The map below shows Madison Census Tracts with the highest concentrations of People of Color by individual demographic.



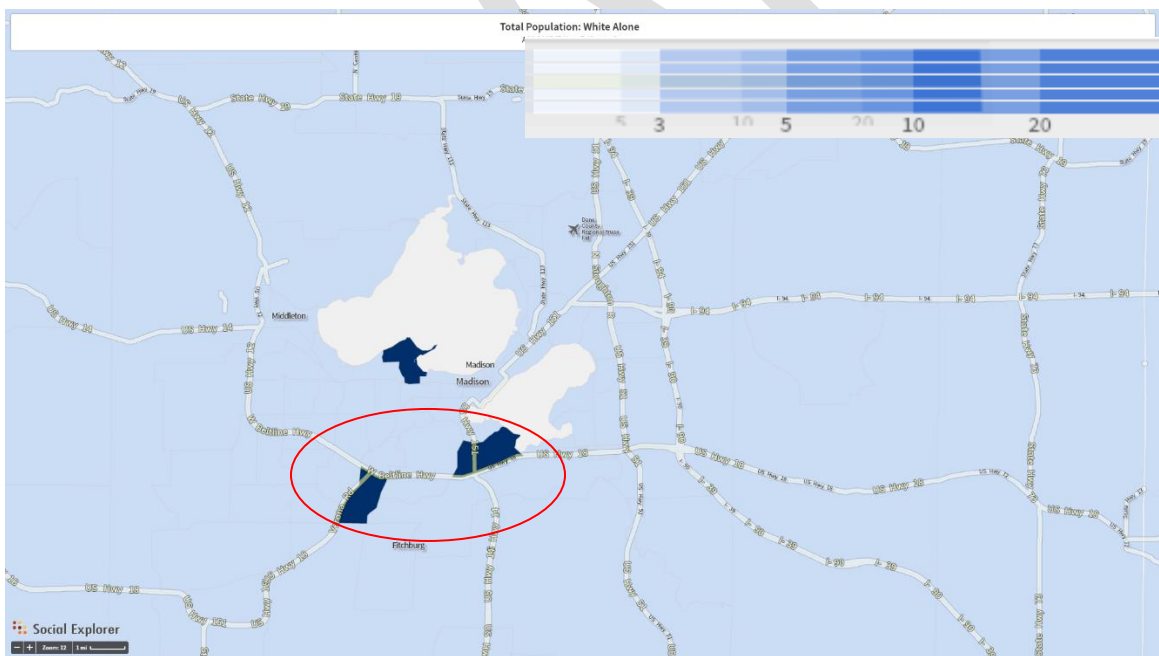
Source: American Community Survey 5-Year Estimates

Racial diversity on a neighborhood level is often measured by the percentage share of population held by the largest racial group. For example, a neighborhood that is 70% White, 15% Asian, and 15% Black is less diverse than a neighborhood that is 60% White and 40% Latino. As the population demographics of Madison continue to shift, it will become more likely that currently diverse neighborhoods may become racially concentrated as they continue to increase in percentage of non-White residents. Preservation and creation of sustainable levels of neighborhood diversity can be difficult to plan for and achieve long-term, as research has shown that different races have differing measures for what constitutes an ideal level of diversity in a neighborhood. In community surveys nationally, People of Color have consistently defined ideal neighborhood diversity as having a smaller percentage of White residents than what White residents consider an ideal level of neighborhood diversity. This can cause a divide as People of Color move into areas with a higher concentration of White residents as part of their housing choice. Historically, once neighborhoods begin reaching 5-20% People of Color, White residents will begin to leave, creating a more racially concentrated neighborhood from what was once a racially diverse neighborhood.¹

Taken from a partial definition of the US Department of Housing and Urban Development’s definition of a racially concentrated area of poverty, a census tract must contain a non-White share of the population that exceeds 50%. As of the 2015 American Community Survey, there are three census tracts in Madison which meet that definition. The only two unconnected to University of Wisconsin housing sites are Census Tract 14.01 (58.64% POC) and Census Tract 6 (56.43% POC). Only sections of these tracts lie within Madison’s jurisdictional boundary. Census Tract 14.01, in Aldermanic District 14 with boundaries from Fish Hatchery Road to Lake Monona, the Beltline to Wingra Drive is also comprised of the Town of Madison. This tract is comprised of 28% Hispanic residents, 16% Black/African American, and 20% Asian residents.

¹David Card, Alexandre Mas, and Jesse Rothstein, “Tipping and the Dynamics of Segregation,” The National Bureau of Economic Research Working Paper, No. 13052, April 2007.

People of Color as a % of Total Population

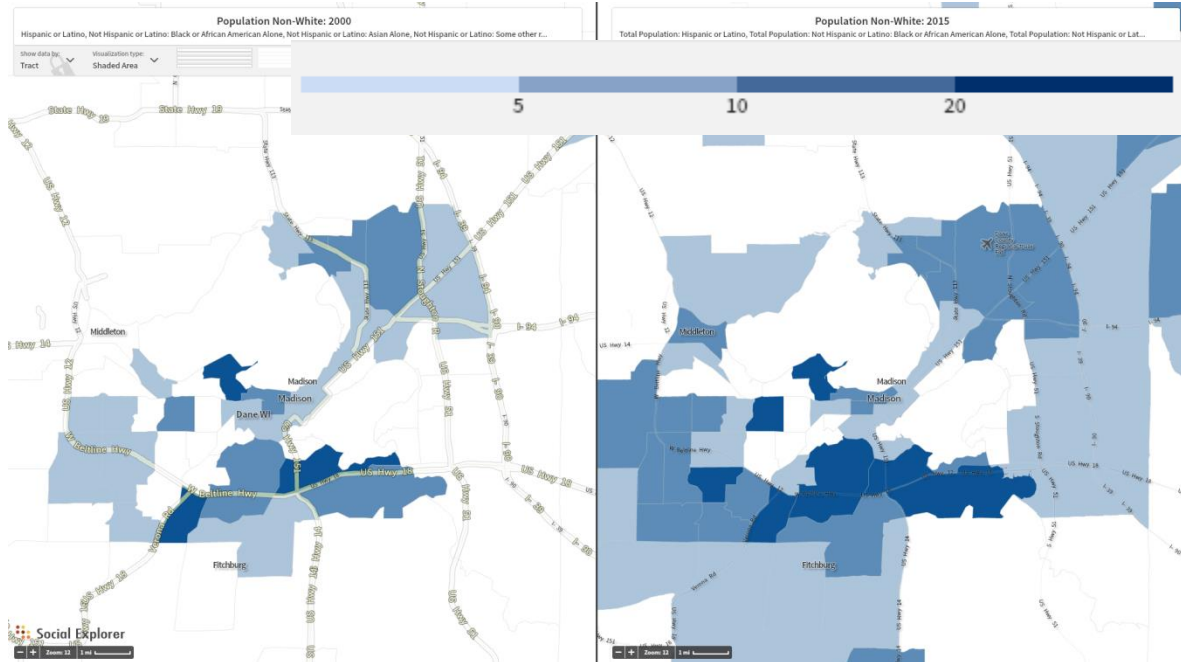


Source: 2015 American Community Survey 5-Year Estimates

PAST DISTRIBUTION BY RACE

The growth of households of color has continued in census tracts which have historically been associated with a larger non-White population. These tracts historically associated with populations of color have expanded into neighboring tracts, showing connections that now bridge across the city as evidenced when comparing geographic distribution in 2000 against that of 2015.

Percent of Population Non-White: 2000 vs. 2015



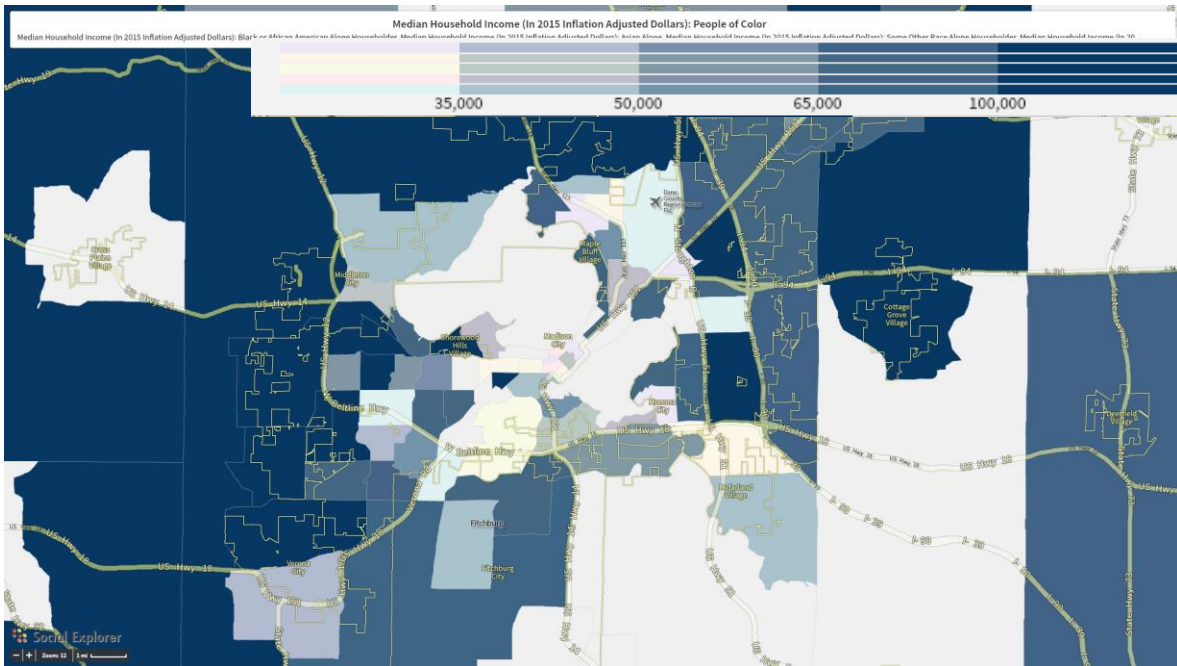
Source: American Community Survey 5-Year Estimates

HOUSEHOLDS BY INCOME

Even when household incomes rise well above the area median income, Communities of Color have continued to locate within a similar geographic area. For instance, in Census Tract 31, bordered by Highway-51, I-90, US-18, and Cottage Grove Road, the median income for a Black/African American household is \$111,000, yet the median income for a Hispanic/Latino household is \$24,000.² **This would imply that choice to remain in a more diverse community may be a larger driver in housing choice for Communities of Color than the availability of mobility into high-income neighborhoods of the city.**

Similarly, Census tract 4.01 shows that Asian identifying households within the tract earn a median of \$90,000, while Hispanic/Latino households earn a median of \$49,000; in Census Tract 2.02 shows a median income of \$110,000 for Hispanic/Latino households while also showing medians of \$74,000 for Asian households and \$52,000 for Two or More Race households. This trend continues across qualifying census tracts and shows a large range of income disparity among differing racial groups who may comprise the same neighborhood. As a whole, Madison offers many neighborhoods not only strong in racial diversity, but in economic diversity as well.

Median Household Income 2015: Households of Color



Source: American Community Survey 5-Year Estimates

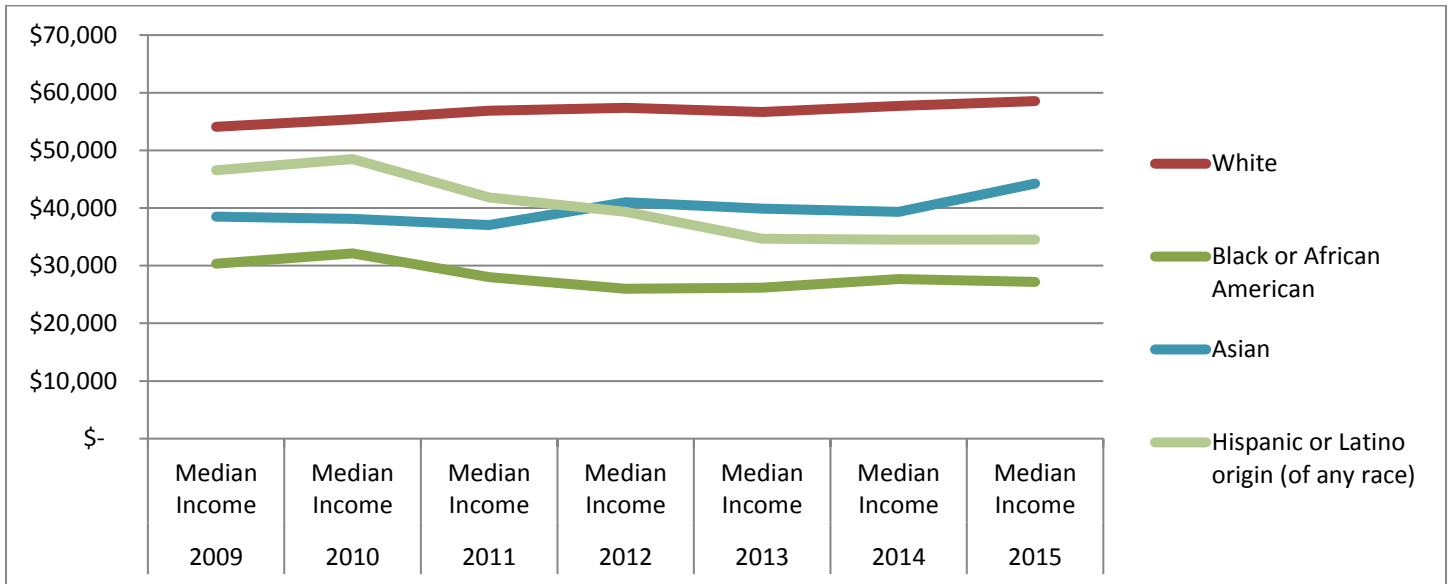
*Data is not available at Census Block Group level for this dataset

Affordability of homes is drastically affected by income generated per household. The difference in median income across racial demographics in Madison is drastic.

- The median Black household income is 45% that of the median White household
- The median Hispanic household income is 60% that of the median White household
- The median Two or More Races household income is 63% that of the median White household

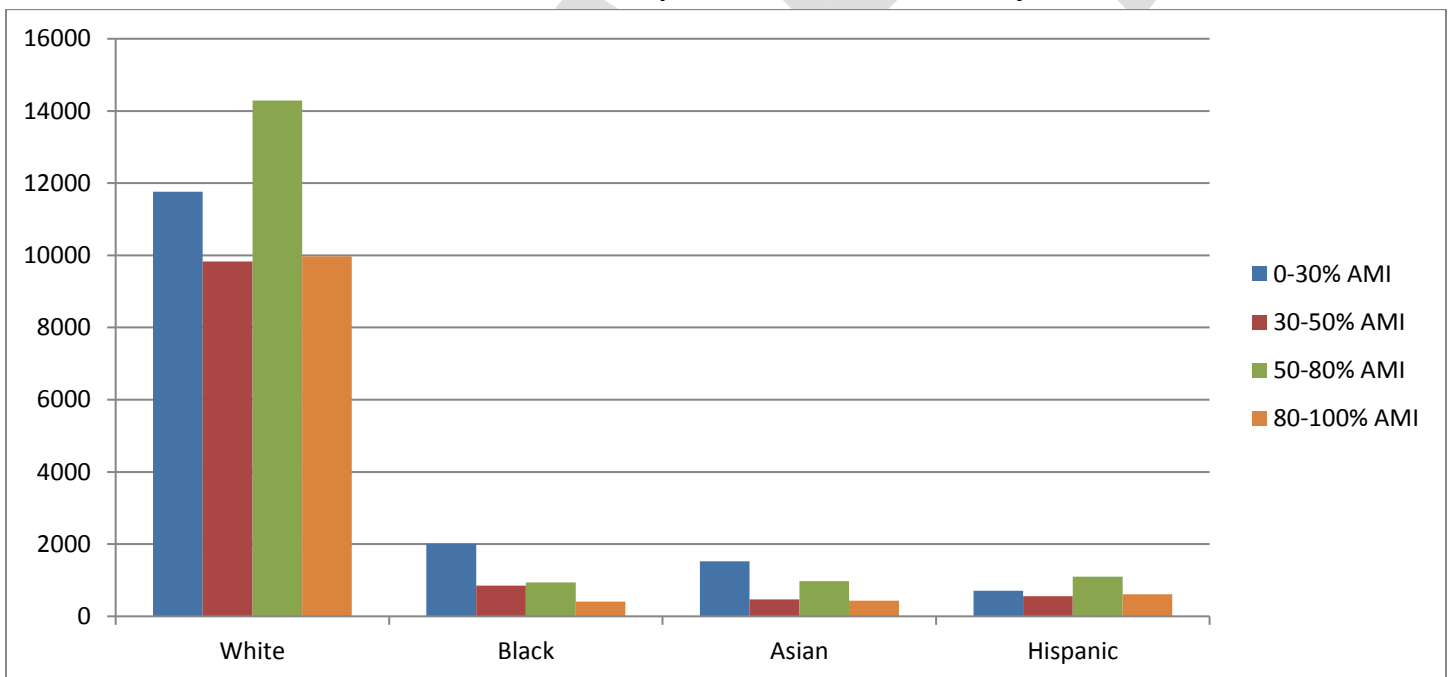
As Madison continues to experience historically low vacancy rates both in homes and rental housing, demographics with higher incomes will have the ability to out-compete lower-income demographics for the same units of housing. Creating consistently affordable housing at all income levels can alleviate this burden by shifting households into more appropriately-priced units for their income, opening up lower-priced units for lower-income households, while creating new units at lower rents to alleviate cost-burden in these households.

Median Income by Race: 2010 – 2015



Source: 5 Year American Community Survey

Number of Households per Area Median Income by Race



Source: 2006-2010 CHAS

Holding all else equal, the income distribution within each race would contain a similar pattern, but in Madison that is not the case. White households have a higher median income and among low-income White households, the largest group are households making 50-80% of Area Median Income (AMI). In low-income Black and Asian households, the largest groups by far are households making less than 30% of AMI. The result of this difference in household income is that Households of Color are more likely to be low-income and those that are low-income tend to be extremely low-income.

It should also be noted that while Households of Color are more likely to be low-income, the low-income population of Madison is mostly White reflecting Madison's overall population.

TENURE

One of the key markers in housing is housing stability is tenure, the time an individual or family has lived at the same place residence. Tenure can be charted geographically through census tract by the American Community Survey, as seen in the map below. With the exception of Census Tracts that are encompassed by the University of Wisconsin as tracts with extremely high rates of student housing, Madison has high rates of stability, with many sections of the city having 80% or more of their residents remaining in the same unit for more than one year.

The benefits of housing stability are numerous, including:

- Increased access to basic amenities (food, clothing, healthcare)
- Increased test scores in children
- Lower rates of absenteeism from school
- Increased mental and physical health

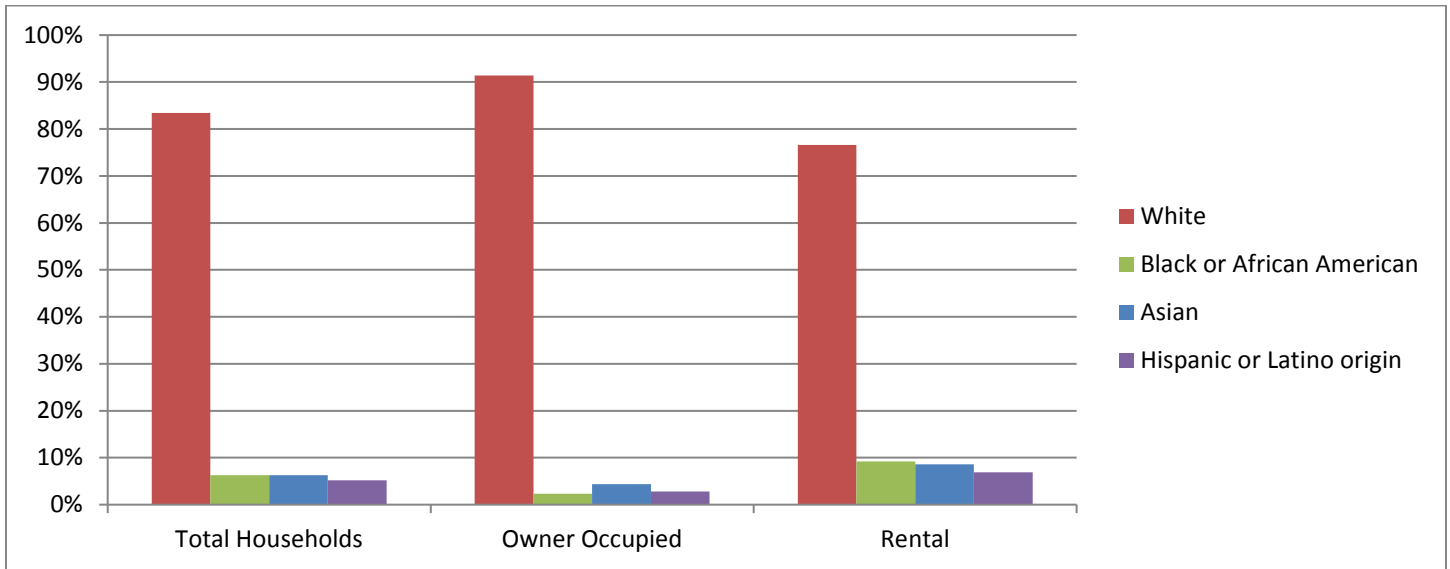
More than 25% Turnover vs More than 25% POC Census Tracts



Source: American Community Survey 5-Year Estimates

Outside of University-associated tracts, of the 10 census tracts with citywide high turnover in residence marked on the map above, all are in the top 12 for largest percent of non-White population. Within these 10 tracts, the average population of people of color is nearly 42%. **This implies a strong likelihood that People of Color may be much more likely to transition housing units from year to year.** Of the 10 tracts as a whole, nearly 26 percent of the population had changed residences within the past year, which is approximately 10,686 individuals, or 4.2% of Madison’s total population.

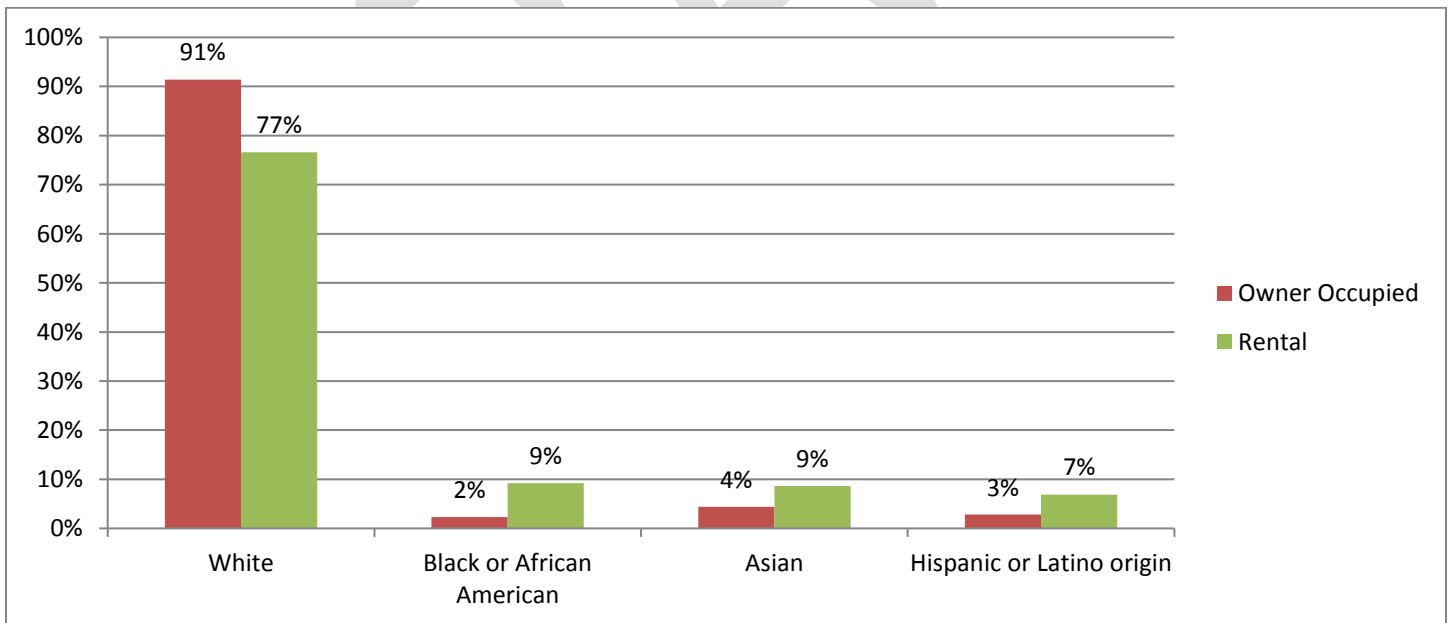
Percent of Housing Stock by Type Occupied by Racial Demographic



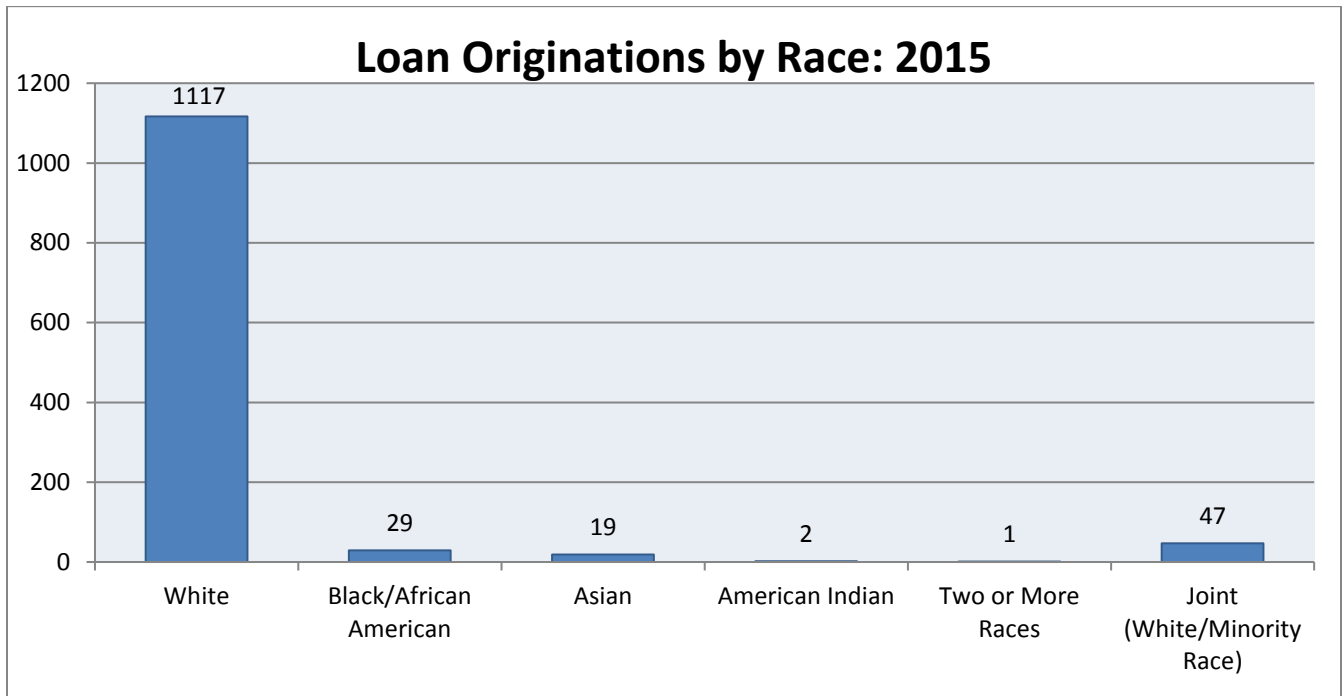
Source: American Community Survey 5-Year Estimates

There remains a city-wide disparity not only in tenure year to year, but also by type of residence, with the White population showing increased rates of ownership over their representative share of the population. White households are the only racial demographic that are more likely to own their home rather than rent, as expected due to median income statistics. While White residents are much more likely to be homeowners, they also are by far the largest group of renters within the city, occupying 77% of all occupied rental units.

Percent of Overall Units: Owner vs. Renter

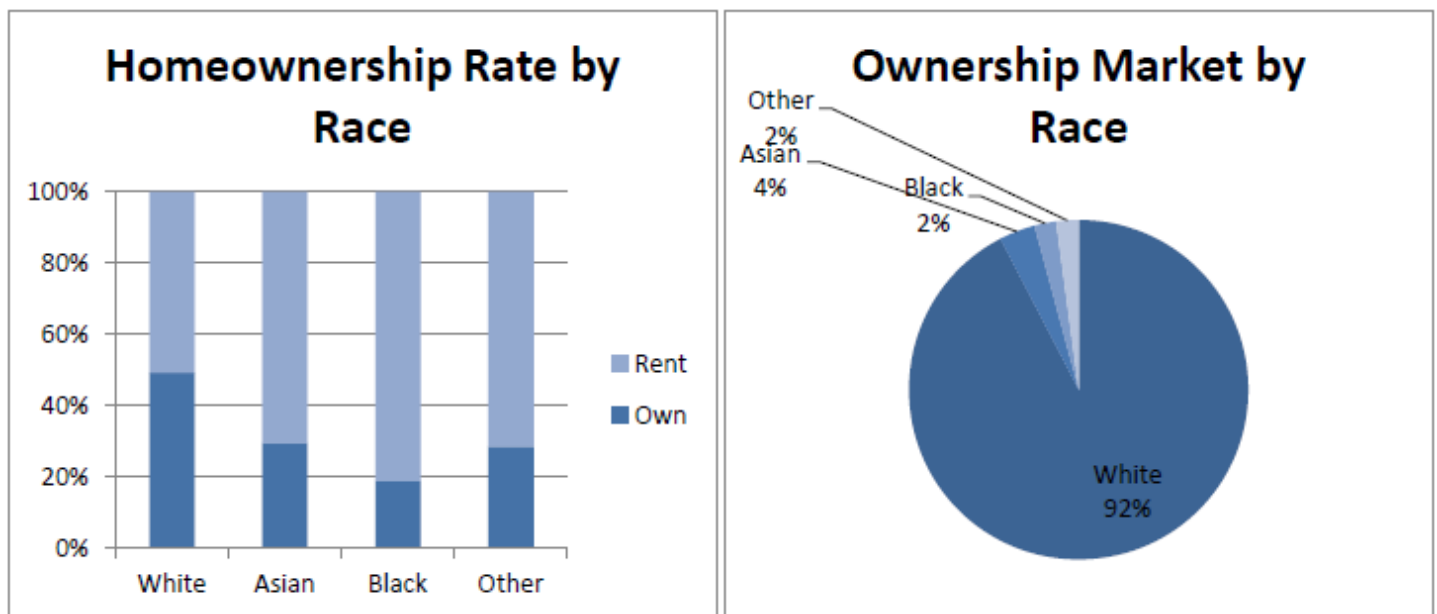


Source: American Community Survey 5-Year Estimates



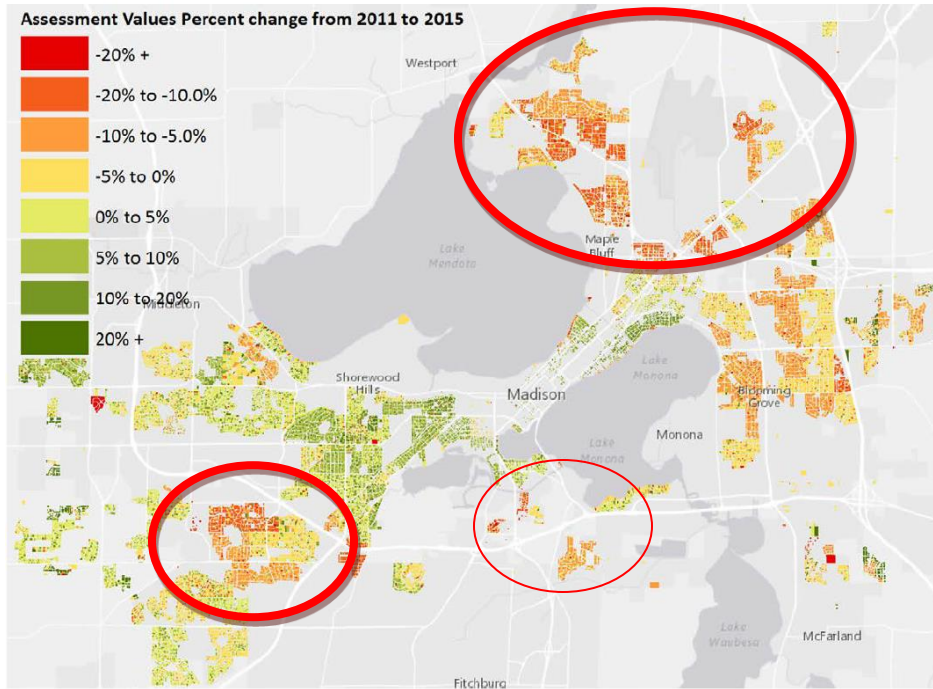
Source: Home Mortgage Disclosure Act Data 2015

For the single year of 2015, White applicants received nearly 84% of all mortgage originations within the city of Madison, a number disproportionately high to the share of overall population. When including Joint mortgage applications with at least one White applicant, that share becomes nearly 87.4% of all mortgage approvals. This indicates that while the percent of the White population in Madison continues to decrease, the share of mortgage originations is not decreasing at the same rate, preserving a larger than otherwise indicated percent of the housing market for White homeowners.



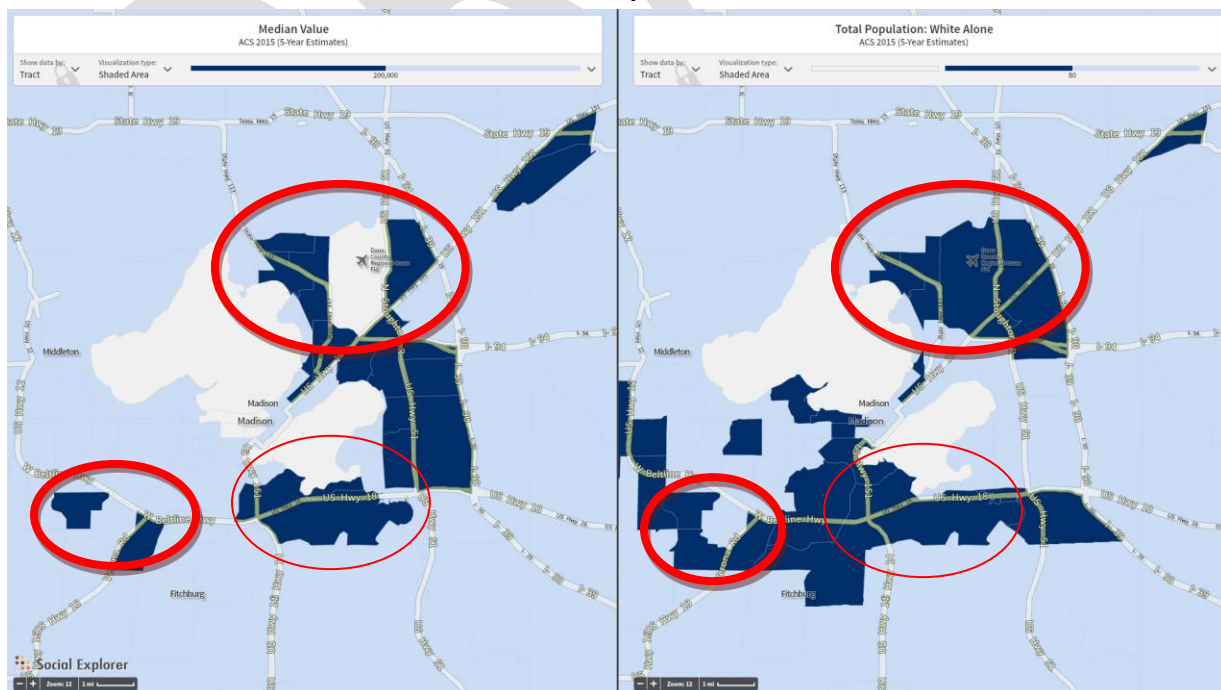
Source: 2010 US Census

While Madison is seeing a relative increase in home-values citywide, home values fluctuate over time based on individual neighborhood markets. **Of concern, Madison is seeing a large relative decrease in home values in neighborhoods with high percentages of Communities of Color**, illustrated on the map below. Some of these neighborhoods have historically held the highest percentage of the non-White community; as these neighborhoods hold higher than average concentration of People of Color, they may also have a higher than average concentration of homeowners of color affected by this trend.



Visualized without market home value change, there is a correlation between census tracts that have a home value in the bottom-third of Madison’s housing market (under \$200,000) and a higher than average percentage of People of Color. These census tracts marked in red have both home values in the bottom tier and those values and greater than 15% Communities of Color.

Houses Valued Under \$200,000 vs. Populations of Color Greater than 15%



Source: American Community Survey 5-Year Estimates

HOMELESSNESS

The annual Point-in-Time survey of homeless in Madison gives great detail on the overall needs and demographics of the homeless population, including race. This survey, administered annually on a single night in January, is our main source of data available for the homeless population, as traditional data sourcing methods based on housing unit location are ineffective for this population.

SINGLES

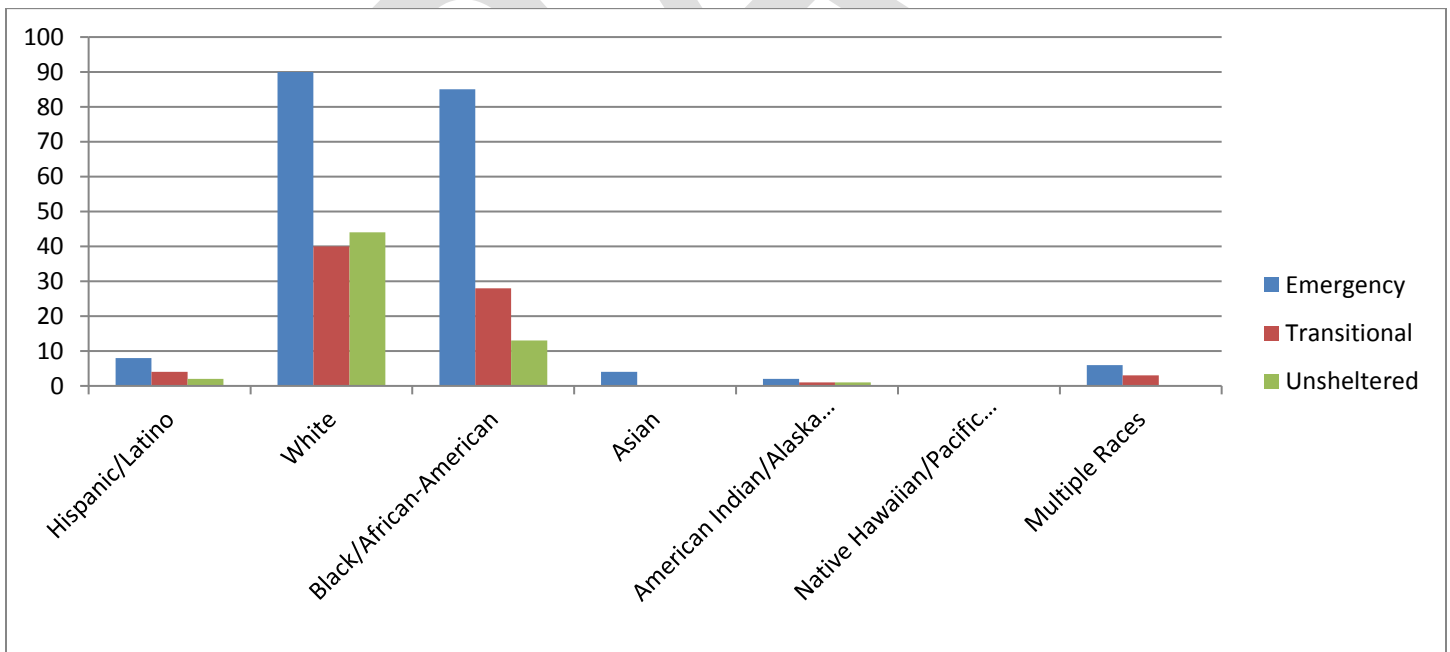
Since the PIT survey reports in direct numbers of individuals, we are able to get a direct count of those who are underserved or not served at all by traditional housing methods.

While the majority homeless in Madison racially identify as White, when adjusted to a ratio of the overall population there is a distinct difference in the percentage of singles, by race, that the traditional housing market is failing.

For instance, in Madison, an individual is:

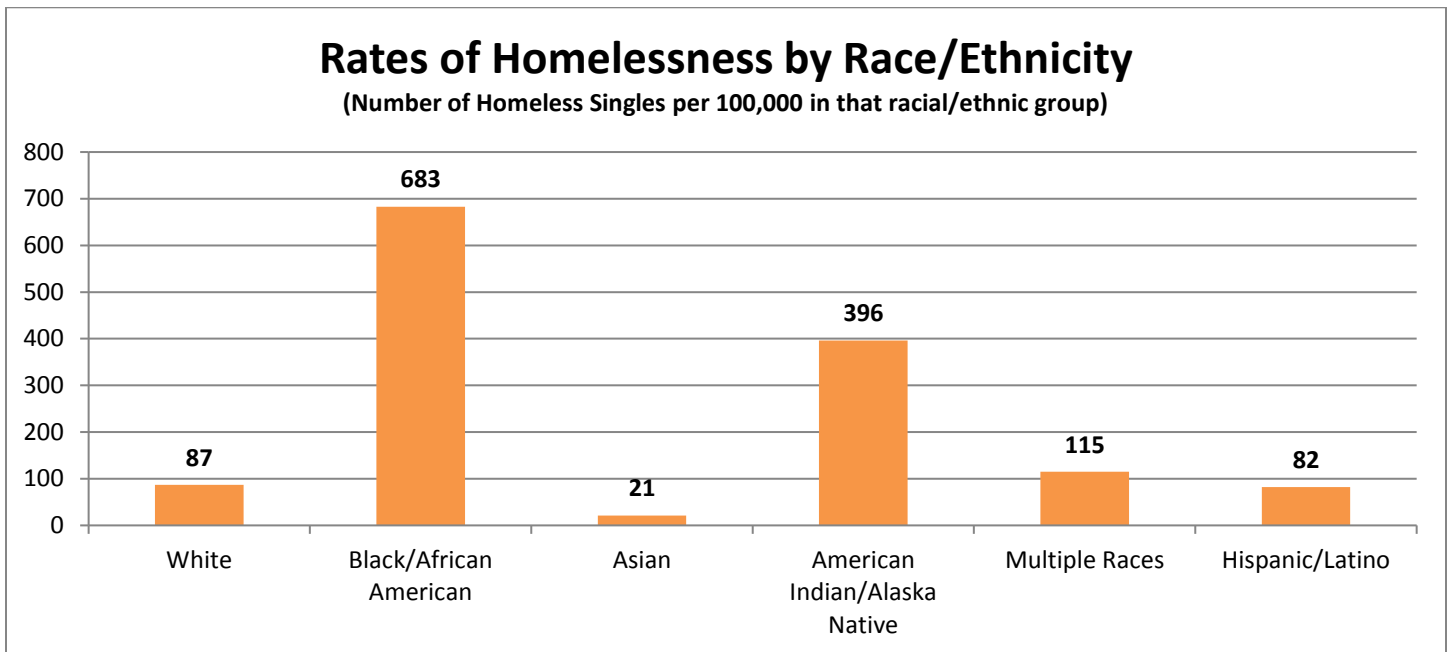
- 8 times more likely to be homeless if Black rather than White
- 4.5 times more likely to be homeless if American Indian rather than White
- 1.3 times more likely to be homeless if Multiple Races rather than White

Number of Homeless Individuals on a Nightly Basis



Source: 2017 Point in Time

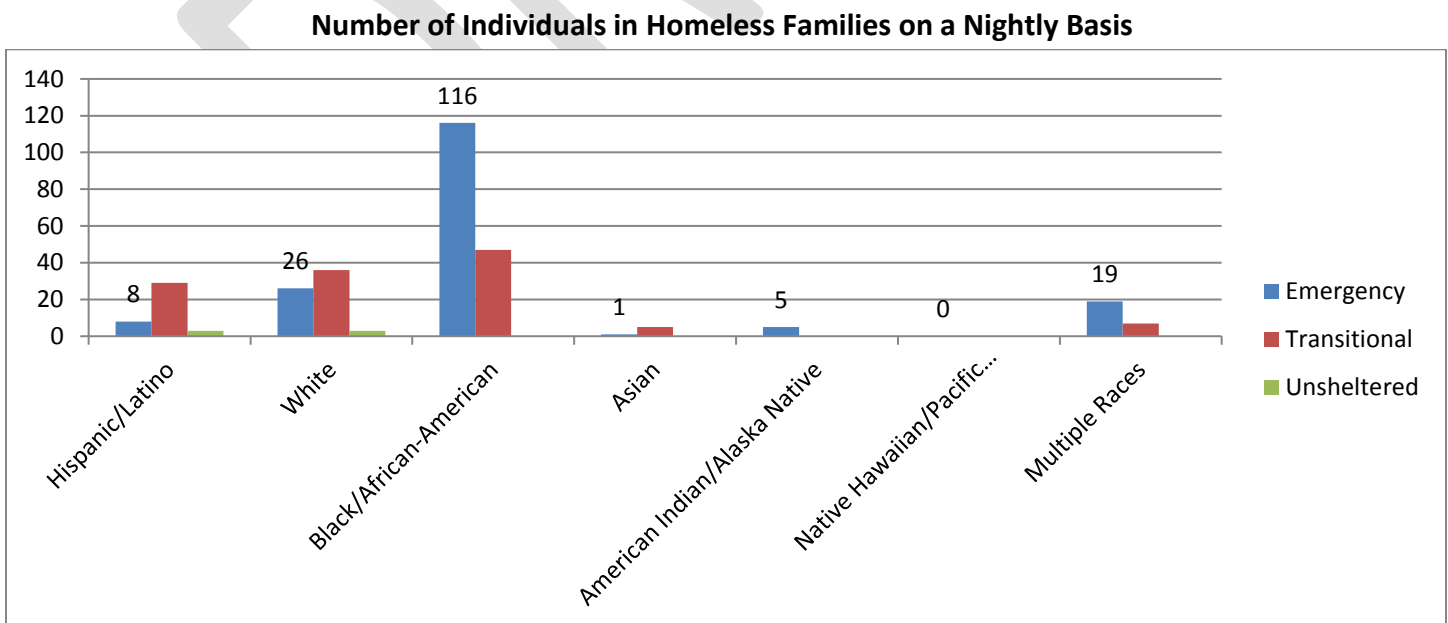
Overall for singles in Madison, the likelihood of being homeless on a given night is three times as high for those who identify as Non-White as when compared to the White population, both sheltered and unsheltered. For individuals who identify as Black, American Indian, or as More than One Race, that number rises to nearly five times as likely.



Source: US Census Population Estimate July 1, 2016 & Point-in-Time Count 1/25/2017

FAMILIES

The system for Homeless shelter in Madison also tracks the number of individuals in families; unsheltered individuals are counted as part of the PIT Count annually. The number counted for Black/African American families is greater than for individuals, and there is a steep drop in the number of White family households as opposed to individuals.



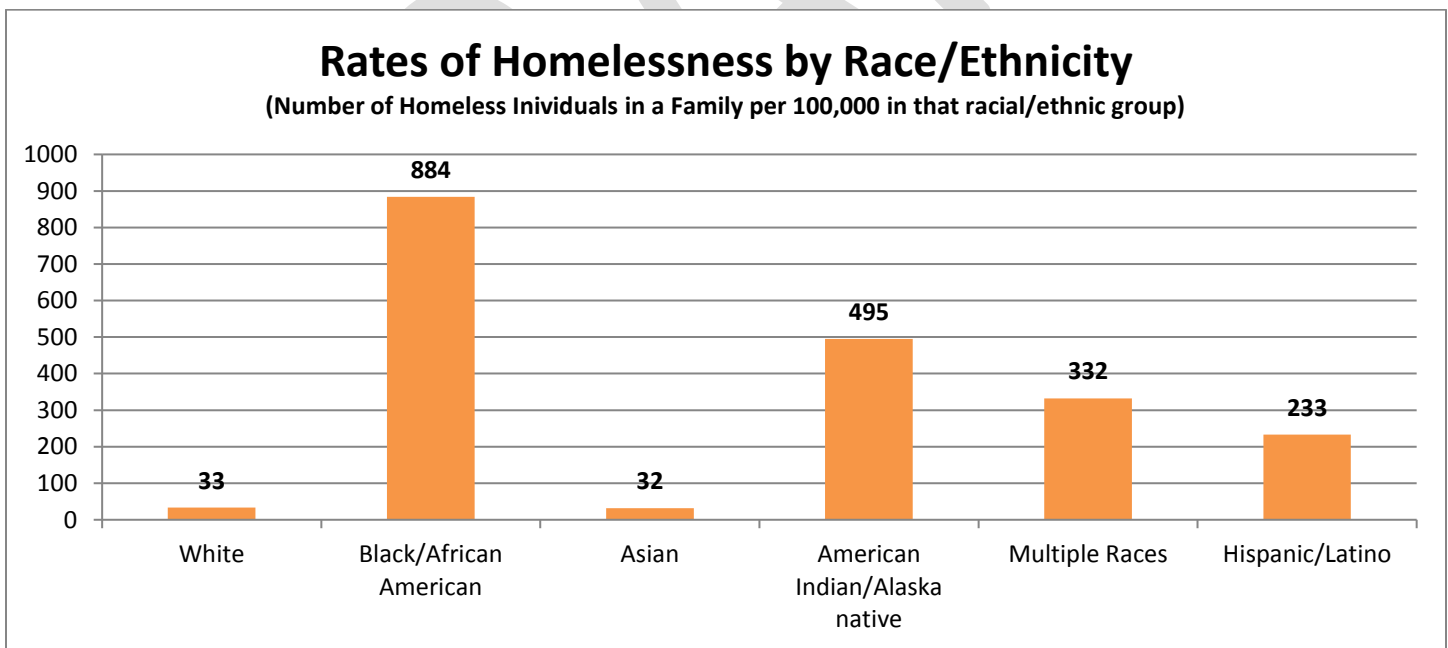
Source: 2017 Point in Time

While the majority of the homeless population in Madison racially identify as White, when adjusted to a ratio of the overall population there is a distinct difference in the percentage of individuals in a family, by race, that the traditional housing market is failing.

For instance, in Madison, an individual in a family is:

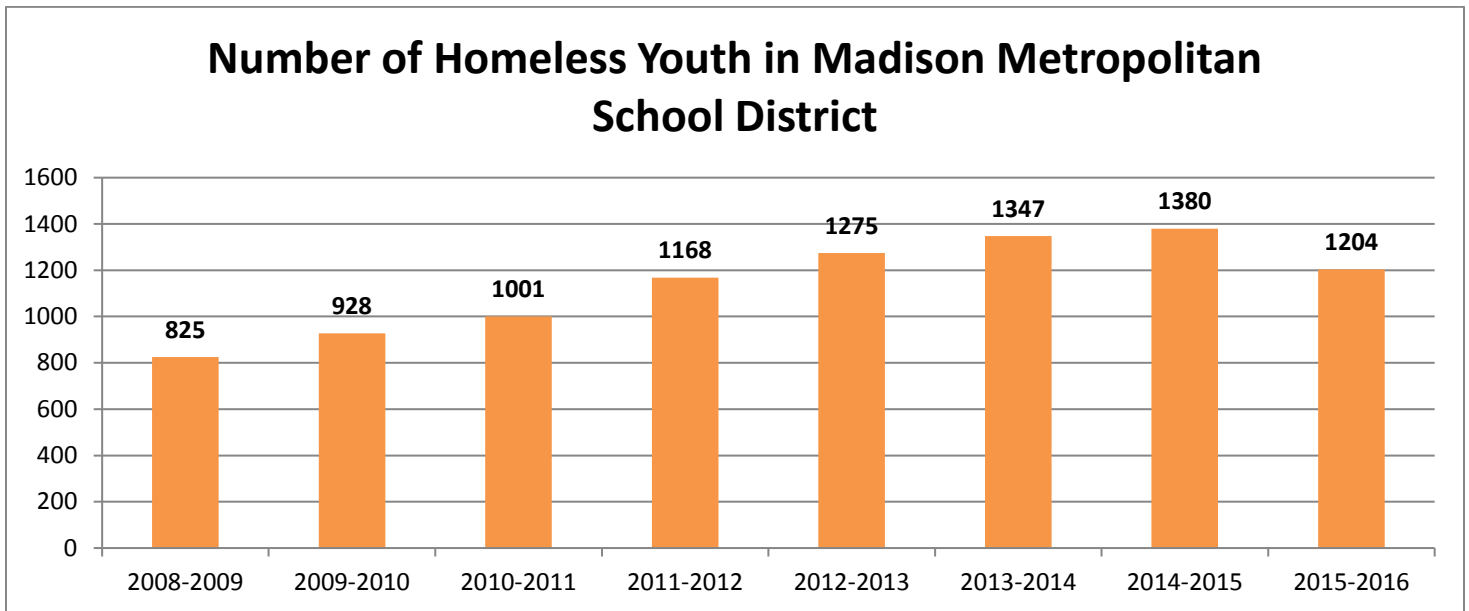
- 27 times more likely to be homeless if Black rather than White
- 15 times more likely to be homeless if American Indian rather than White
- 10 times more likely to be homeless if Multiple Races rather than White
- 7 times more likely to be homeless if Hispanic/Latino rather than White

Overall for individual members of a family in Madison, the likelihood of being homeless on a given night is twelve times as high for those who identify as Non-White as when compared to the White population, both sheltered and unsheltered. For individuals in families who identify as Black, American Indian, More than One Race, or as Hispanic, that number rises to nearly fifteen times as likely.



Source: US Census Population Estimate July 1, 2016 & Point-in-Time Count 1/25/2017

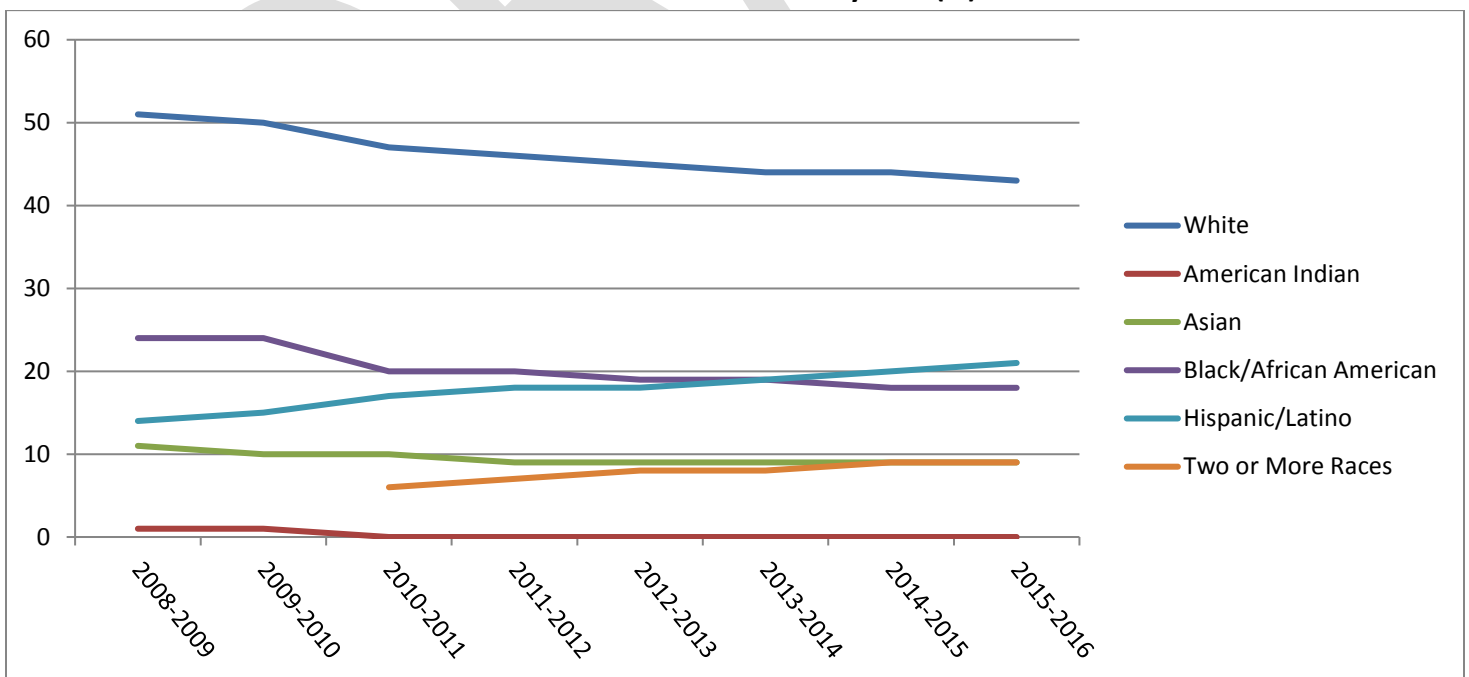
Related to family homelessness is youth homelessness. Tracked by the Department of Public Instruction and collected by school district, the definitions of homelessness are unique, tracking children “who lack a fixed, regular, and adequate night time residence.”



Source: Department of Public Instruction

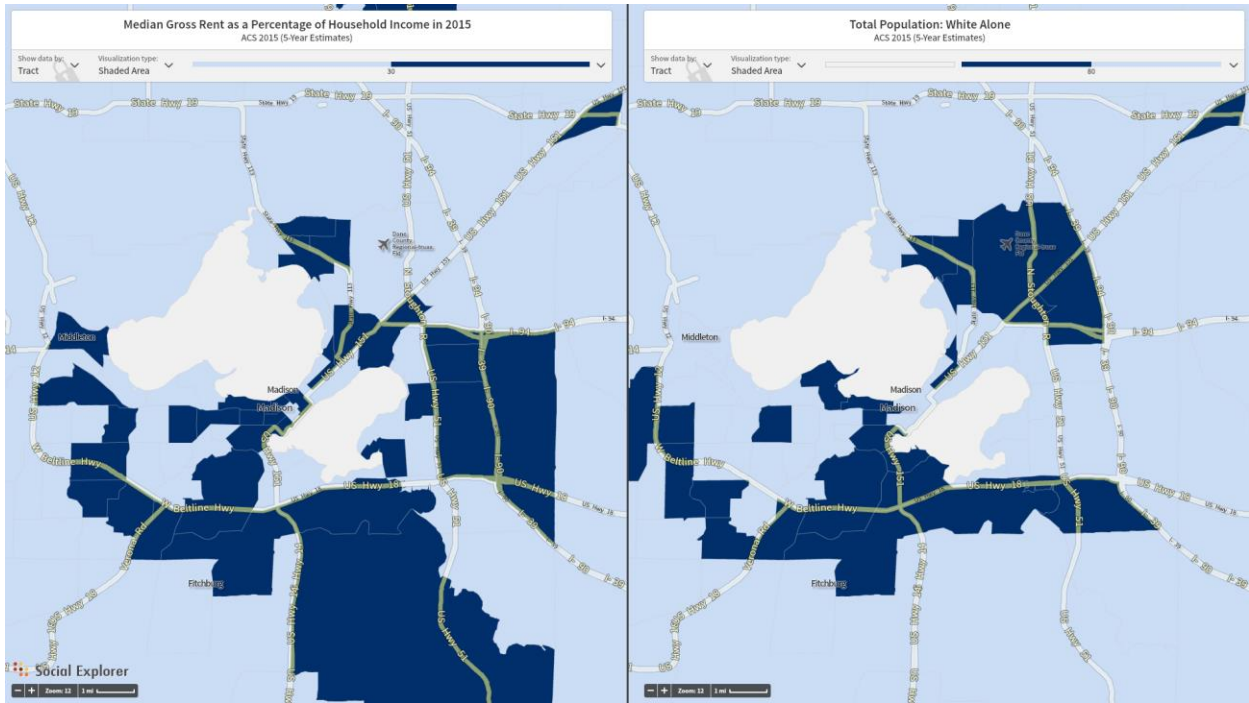
Due to the known factors of homelessness and income disparity, it is likely that many of these youth are homeless students of color being underserved by the housing market. This has a direct effect on both the achievement gap in the city and stability in the classroom. Exact data from the Department of Public instruction is unavailable to break the data down by further demographics. However, when compared to a chart of enrollment for the district as a whole, it shows that increased enrollment for students of color appears correlated with increased reporting of housing instability in students district-wide.

MMSD Student Enrollment by race (%)



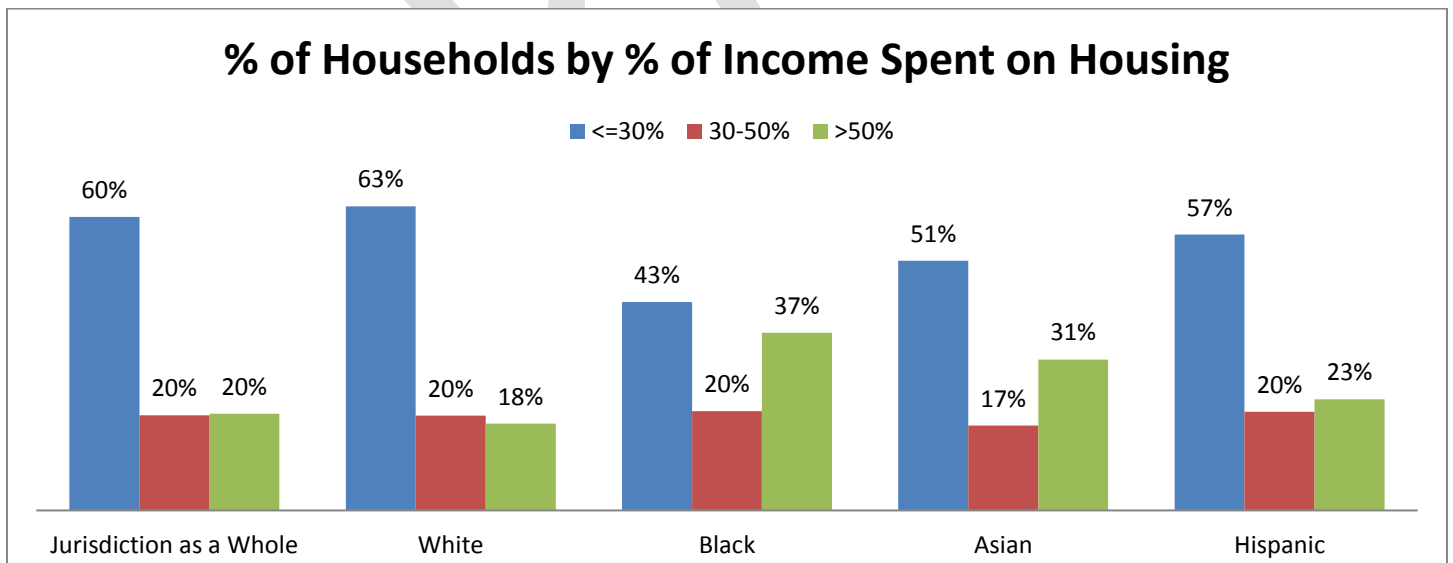
Aside from affordable homeownership and income disparity, the main issue in creating and maintaining affordable housing for all demographics is cost burden.

Median Housing Cost > 30% compared to > 20% POC Census Tracts



Source: American Community Survey 5-Year Estimates

Looking primarily at renters, Households of Color are more likely to Cost Burdened. **Geographically census tracts that have the highest levels of cost-burden, are often tracts that have the largest Populations of Color.**



Source: 2006-2010 CHAS

CONCLUSION

Segregation by race and segregation by income are closely correlated. This limits the mobility of a large (and growing) percentage of the population. Due to historically low vacancy rates, residents with higher median-incomes (more likely to be White) have the ability to generally out-compete low-income residents (more likely Non-White) for the same unit (both ownership and rental) that are in desirable areas with high access to amenities – but potentially in rapidly developing areas as well. This limits housing choice and does not allow equitable access for housing across the city to People of Color, solely on an economic basis.

- Income appears to be the largest contributing factor to disparity among racial demographics
 - Income directly affects mobility
- Tracts that have historically housed People of Color have begun to see increases in concentration of those communities
 - This could be due to several factors
 - Choice in Housing
 - Self-selecting populations
 - Racism and Structural Disadvantage
 - Housing Discrimination

Beyond segregation, the data show across many identifiers compiled for this report that the same handful of census tracts repeatedly appear as places with greater housing challenges including cost burden, stagnant values, high turnover, etc. These tracts consistently contain high percentages of Populations of Color. Considering the results, it is clear that these areas warrant focus to address the underlying housing challenge facing the neighborhoods.

In addition to geography specific challenges, citywide factors relating to housing instability are much more likely to affect people of color. This housing instability can lead to decreases in health outcomes, decreased test scores in schoolchildren, and higher rates of absenteeism that shows increased contact with the criminal justice system in studies. Low vacancy rates are shown to increase rents, potentially causing higher turnover rates in communities of color. Data also show that People of Color face higher rates of economic eviction and incarceration, which exacerbates housing instability as the State of Wisconsin allows discrimination in housing on the basis of criminal record. Since the ability to procure housing is closely tied to economic opportunity and housing has a large demonstrated effect on all aspects of communities, it is in the best interest of the City to investigate ways to improve housing stability and economic standing of historically disadvantaged communities for the long term health of the city of Madison.

LOCAL SOLUTIONS

In 2013, the US Department of Housing and Urban Development issued a legal requirement that all municipalities issued Federal funding for housing initiatives actively work to further the impact of the Fair Housing Act based on segregation.

The text of the requirement reads:

"[Municipalities need to be] taking meaningful actions, in addition to combating discrimination, that overcome patterns of segregation and foster inclusive communities free from barriers that restrict access to opportunity based on protected characteristics. Specifically, affirmatively furthering fair housing means taking meaningful actions that, taken together, address significant disparities in housing needs and in access to opportunity, replacing segregated living patterns with truly integrated and balanced living patterns, transforming racially and ethnically concentrated areas of poverty into areas of opportunity, and fostering and maintaining compliance with civil rights and fair housing laws. The duty to affirmatively further fair housing extends to all of a program participant's activities and programs relating to housing and urban development."

The City of Madison has directly addressed this requirement by creating a multi-departmental Plan of Action, attached below:

Impediments, Goals, and Actions	Responsible Party	Timeline	Status
1. Actions to alleviate Supply Impediments			
1.1 Build more rental units			
1.1.1 Establish policies to maintain a 5% vacancy rate	Housing Strategy Com., Plan Commission, Council, staff	2014	Partial
1.1.2 Encourage flexible development (condo or rental)	Housing Strategy Com., Plan Commission, Council, staff	Ongoing	No
1.1.3 Create programs or incentives (Vancouver as model)	Housing Strategy Com., Plan Commission, Council, staff	2014	No
1.2 Build more large assisted rental units			
1.2.1 Offer incentives to encourage more large units	Housing Strategy Com., Plan Commission, Council, staff	Ongoing	Partial
1.3 Increase supply of single occupancy units			
1.3.1 Study this gap and identify strategies to increase supply	Housing Strategy Com., Plan Commission, Council, staff	2014	Partial
2. Actions to alleviate Affordability Impediments			
2.1 Build more affordable units			
2.1.1 Evaluate demand at various income levels and set targets and strategies for new unit creation	Housing Strategy Committee, Plan Commission, Council, Staff	2014	Partial
2.1.2 Encourage the inclusion of units affordable to low and very low income residents in development in all neighborhoods	Housing Strategy Committee, Plan Commission, Council, Staff	Ongoing	Partial
2.1.3 Provide incentives for the rehabilitation of existing affordable market rate units to mitigate/prevent their replacement by non-affordable units	Housing Strategy Committee, Plan Commission, Council, Staff	Ongoing	No
2.1.4 Encourage more non-traditional housing types (co-housing, co-ops, etc.)	Housing Strategy Committee, Plan Commission, Council, Staff	Ongoing	In Progress
3. Actions to alleviate Financial Impediments			
3.1 More loans to minorities			

3.1.1 More credit and homebuying education	Staff, Homebuyers Roundtable	Ongoing	In Progress
3.1.2 More lender education to avoid predatory lending	Staff, Homebuyers Roundtable	Ongoing	In Progress
3.1.3 More post-purchase education to improve ownership experience	Staff, Homebuyers Roundtable	Ongoing	No
3.1.4 Encourage local lenders to Affirmatively Further Fair Housing, including outreach to underserved communities	Staff, Homebuyers Roundtable	Ongoing	No
3.1.5 Further target City home loan programs toward racial and ethnic households and neighborhoods	Staff	Ongoing	In Progress
3.1.6 Make City loan program information easy to find and understand on the City website	Staff	2014	In Progress
Impediments, Goals, and Actions	Responsible Party	Timeline	Status
4. Actions to alleviate Spatial Impediments			
4.1 Direct assisted/subsidizing housing toward all neighborhoods			
4.1.1 Resist neighborhood opposition to affordable housing	Plan Commission, Council	Ongoing	Yes
4.1.2 Collaborate with CDA and WHEDA to prioritize certain neighborhoods for new units	Staff, CDA, Plan Commission, Council, Housing Strategy Com.	Ongoing	Yes
4.1.3 Develop a Comprehensive Housing Strategy	Housing Strategy Committee, Staff, Council	2014	Yes
4.1.4 Adjust development review fees to tie the fee to the projected unit value or rental cost	Staff, Council	2014	Partial
4.2 Reduce racial segregation			
4.2.1 Acknowledge and craft policy to reduce racial segregation in the comprehensive plan, neighborhood plans, Comprehensive Housing Strategy and the 5 year Consolidated Plan for HUD funding.	Staff, Plan Commission, Council, Housing Strategy Com.	Ongoing	In Progress
4.3 Improve job access via Metro Transit			
4.3.1 Evaluate the routing system and schedule with a focus on the needs of low-income residents and neighborhoods	Staff, Committees, Council, Transit and Parking Commission	2014- 2020	In Progress
4.3.2 Develop more housing along transit corridors	Plan Commission, Council, Transit and Parking Commission	Ongoing	Yes
4.4 Improve access to grocery stores			
4.4.1 Encourage development and services that offer daily grocery access in all neighborhoods	Staff, Plan Commission, Council	Ongoing	Partial
5. Actions to alleviate Administrative Impediments			
5.1 Increase use of fair housing compliant procedures			
5.1.1 Simplify materials and emphasize ease and quick resolutions	Staff	2014	Unknown
5.1.2 Optimize the City website to make it easy to find fair housing info	Staff	2014	Unknown

5.1.3 Coordinated training to identify and direct housing-related complaints	Staff	2014	Unknown
5.1.4 Add "Housing Discrimination" to the Report a Problem system	Staff, IT	2014	Unknown
5.1.5 Contract with a Qualified Fair Housing Enforcement Organization to provide investigative services	Staff	Ongoing	Yes
5.1.6 Revise fair housing ordinances to be consistent with state law	Staff, Council	2014	Unknown
Impediments, Goals, and Actions	Responsible Party	Timeline	Status
5.2 Establish implementation strategies and responsibility			
5.2.1 Establish clear implementation roles and responsibilities within DPCED	DPCED Director, Staff	2014	No
5.2.2 Collaboration and Coordination among DPCED, CDA, DCR	Directors and Staff of each	2014	In Progress
5.2.3 Streamline and combine funding programs	Mayor, Council, Staff	2014-2016	In Progress
5.3 Prevent segregation of disabled residents in group homes			
5.3.1 Consider revisions to the number of residents allowed in Community Living Arrangements	Staff, Plan Commission, Council, Commission on People with Disabilities	2014	Unknown
5.4 Improve protected class representation on Boards and Commissions			
5.4.1 Actively recruit women, African Americans, Hispanics, and disabled persons to City boards and commissions	Council, staff	Ongoing	In Progress

NEIGHBORHOODS AND SEGREGATION

1. Stabilize and increase home values
 - a. Target specific neighborhoods to direct cross-departmental funding toward
 - b. Prioritize access to amenities and creation comprehensive, holistic neighborhood that meets all individual and household needs.
 - c. Subsidize new home construction paired with buyer income limits to both stabilize & make ownership accessible.
 - i. Example: Minneapolis, MN administers a program to subsidize new construction of Green Certified homes and/or rehab existing homes in low-income communities. Homes are subsidized so that they may be sold to families making 60% AMI – increasing quality of housing stock and assisting to stabilize home values.
2. Increase housing supply
 - a. Creation of affordable housing in all neighborhoods
 - i. Allow those who wish to remain in their neighborhood of choice
 - ii. Allow other to move into areas that may have better access to amenities and economic opportunity
 - b. Prioritize the building of housing of a variety of types and income levels in comprehensive and neighborhood plans
 - c. Decrease the vacancy rate, easing strain on the market
 - i. Allow those with higher median incomes to move into more appropriately priced housing, freeing lower-cost housing for those with lower median incomes. i.e. Filtering
 - ii. Ex. Work with Planning & Zoning to implement options as discussed from the White House Toolkit
3. Address discrimination in housing directly by housing providers
 - a. Create Protected Classes
 - i. This includes the ability of landlords to discriminate based on protected class
 - ii. Madison has many more than the county or state. For instance, many of the city’s protected classes, such as “Arrest Record,” “Conviction Record,” and “Source of Income” are not protected under state law
 - b. Create of an incentive-based program to curb discrimination
 - i. Example: Baltimore offers a voluntary mobility program to Housing Choice Voucher participants with children. This program includes landlord outreach to open up voucher use in “high opportunity” areas (low crime, low poverty, no POC concentration, high access to amenity), housing counseling to families, housing search assistance, down payment & moving cost assistance, and post-move counseling to ensure a smooth transition into the new neighborhood for each family.
4. Reduce transportation spending among low-income residents
 - a. Housing Burden models often incorporate cost of transportation (H+T) into calculations of affordability
 - i. Many low-income communities in Madison live a further distance from downtown and the highest concentration of job access – as such it is likely they pay more for transportation costs.
 - b. This will allow a larger portion of income to go towards housing stability, and allow easier access to employment opportunities, easing access to education and school stability for students
 - c. Subsidize bus passes based off qualifications for public assistance or free/reduced lunch Student Passes.
 - i. Example: Seattle offers free bus passes to homeless through distribution in shelters, as well as offering 50% reduced fares to anyone qualifying for any type of public assistance. Minneapolis offers \$1 rides to anyone qualifying for public assistance (56% reduction).
 - d. Increase core bus service to neighborhoods with high portion of low-income or people of color
5. Create a “Neighborhood Opportunity Fund” grant program
 - a. Fund neighborhood and infrastructure improvement projects on a smaller scale than funding currently allows
 - b. Target to neighborhoods with higher than median populations of people of color
 - c. Example: Chicago’s Neighborhood Opportunity Fund grant program allows funding in targeted commercial corridors for rehab and new business, increasing access to amenity in neighborhoods. Funded by developer fees.

ECONOMIC OPPORTUNITY

1. Fund & Expand homeownership initiatives and opportunity programs, including counseling assistance.
 - a. These programs should be targeted toward People of Color to address the disparity in homeownership rates city-wide.
 - b. Example: A 2005 HUD study found that as little as \$1,000 of down payment assistance can lead to a 19% increase in the ability of low-income families to purchase a home. A \$10,000 increase improves that to 41% of low-income households. If combined with pre- and post- purchase counseling such as MHFA's "Emerging Markets Homeownership Initiative" there is opportunity to increase that percentage even further if funding were to be approved in both facets on a local level.
2. Raise the minimum wage.
 - a. Many low-income earners are disproportionately people of color, and this would have an immediate and direct affect in terms of housing affordability.
 - b. For instance, raising income from minimum wage of \$7.25 to \$12.00 would bring a two-income household from 50% of median area household income to 80% of median area household income and increase the amount of rent they can afford to pay from \$750 per month to \$1,250 per month.
 - c. Not allowed by state statute
3. Encourage employer-offered sick and safe time at all businesses in the City of Madison
 - a. Low-Income residents often do not have the option to take sick leave in order to care for themselves and their family, causing stress between ability to care for family and stable employment.