

Housing Snapshot Data Update

Baseline Data Showing Progress toward Overcoming Impediments

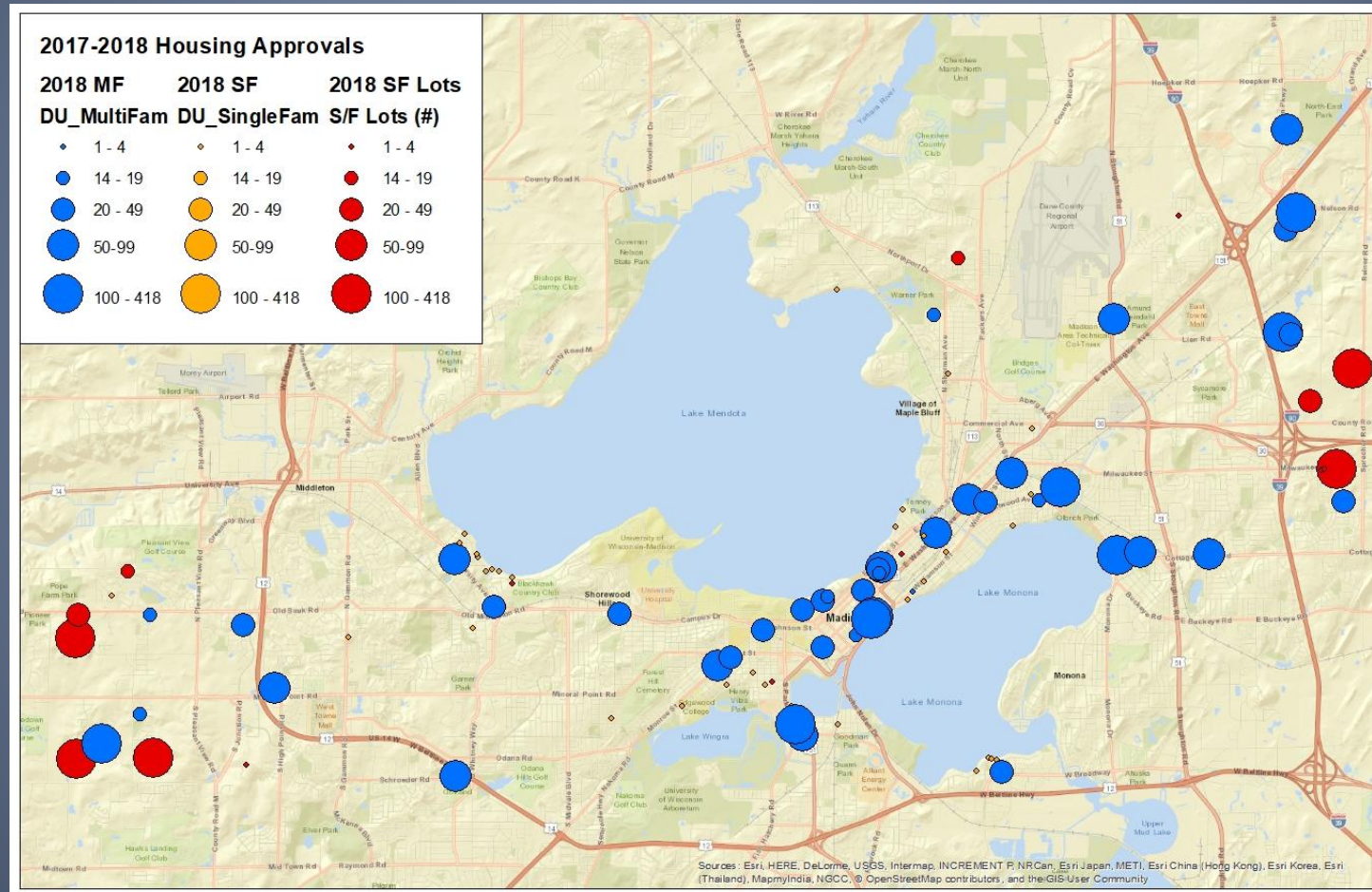
Prepared for Housing Strategy Committee | December 19 2019

Madison added over 17,000 households between 2008 and 2018

	2000-2008		2008-2018	
	<u>CAGR</u>	<u>Total Growth</u>	<u>CAGR</u>	<u>Total Growth</u>
Population	1%	7%	1.5%	15%
Households	1%	7.5%	1.8%	19.5%
Renter Households	-0.5%	-3%	3.5%	38%
Owner Households	2%	18%	0.5%	3.5%
HHs <\$30,000	-2.5%	-19.5%	2.5%	28.5%
HHs \$30-50,000	-2.5%	-18.5%	-2%	-17.5%
HHs \$50-75,000	0.5%	2.5%	0.5%	4%
HHs \$75-100,000	3.5%	29.5%	2%	20.5%
HHs >\$100,000	8%	86.5%	5.5%	72%

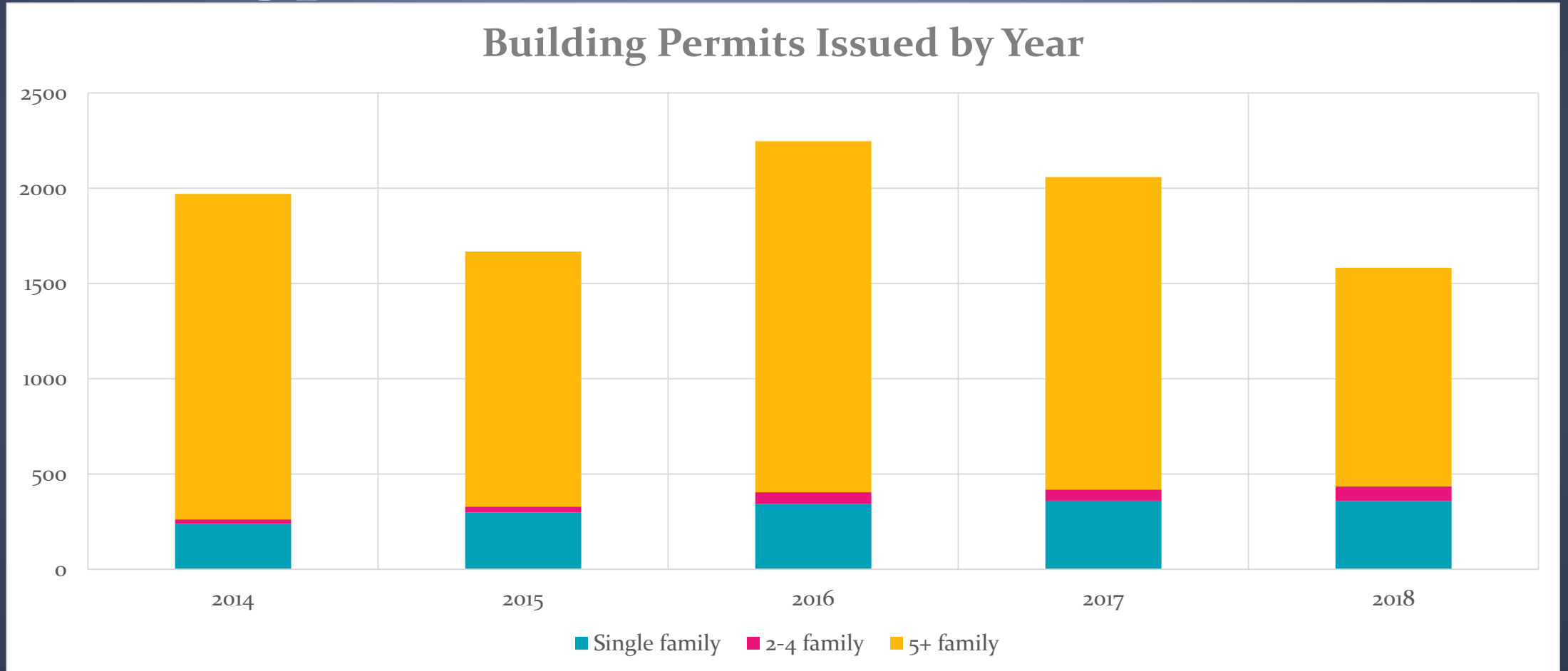
Madison is growing quickly, but most growth attributable to renter households with very high or very low incomes

New Housing Inventory Coming online 2017-2018 approvals



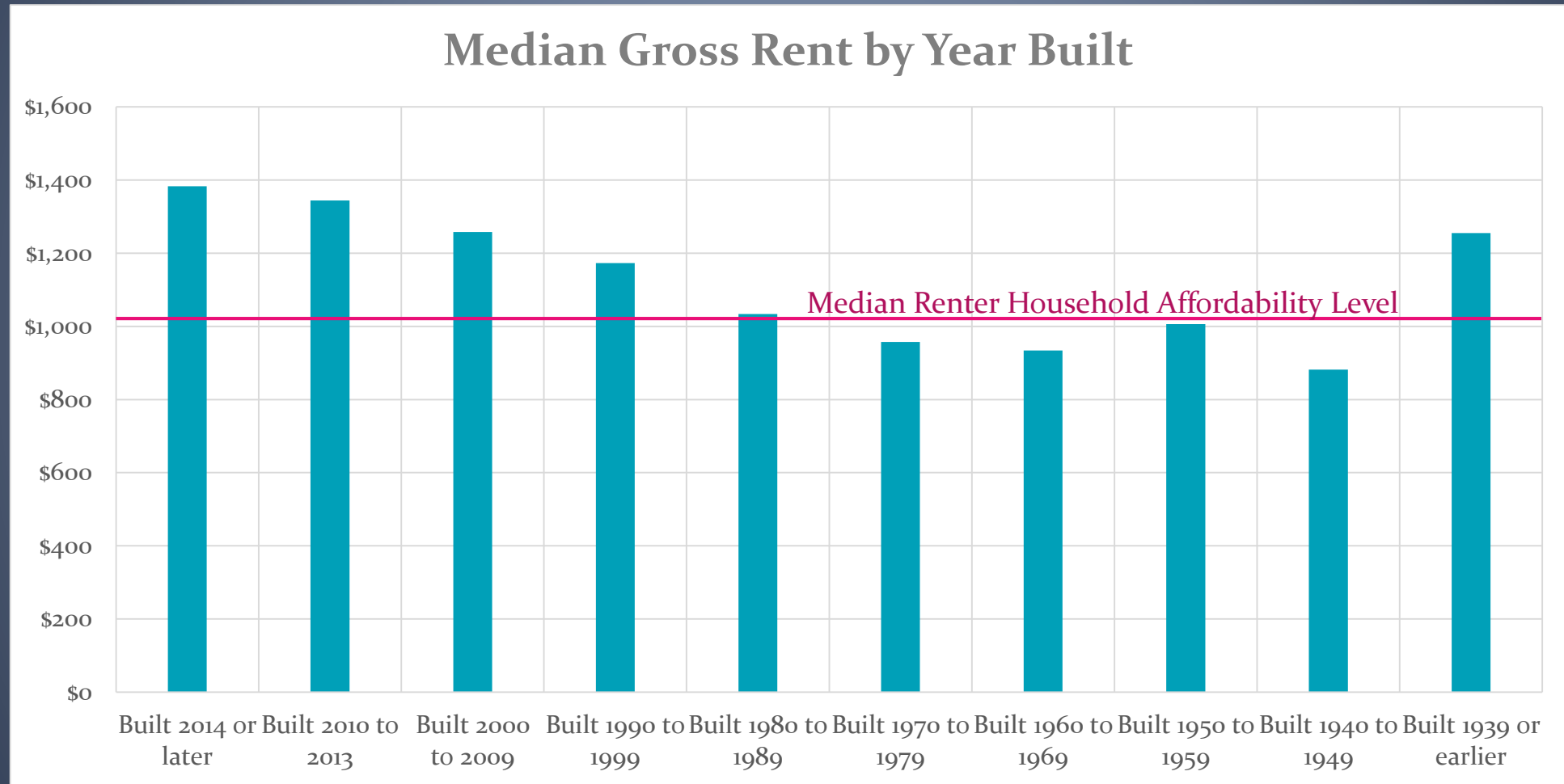
Madison has seen strong multifamily growth on infill and redevelopment sites.
Developing peripheral areas have seen a mix of single- and multi-family development

New Housing Inventory Coming Online (Unit Type)



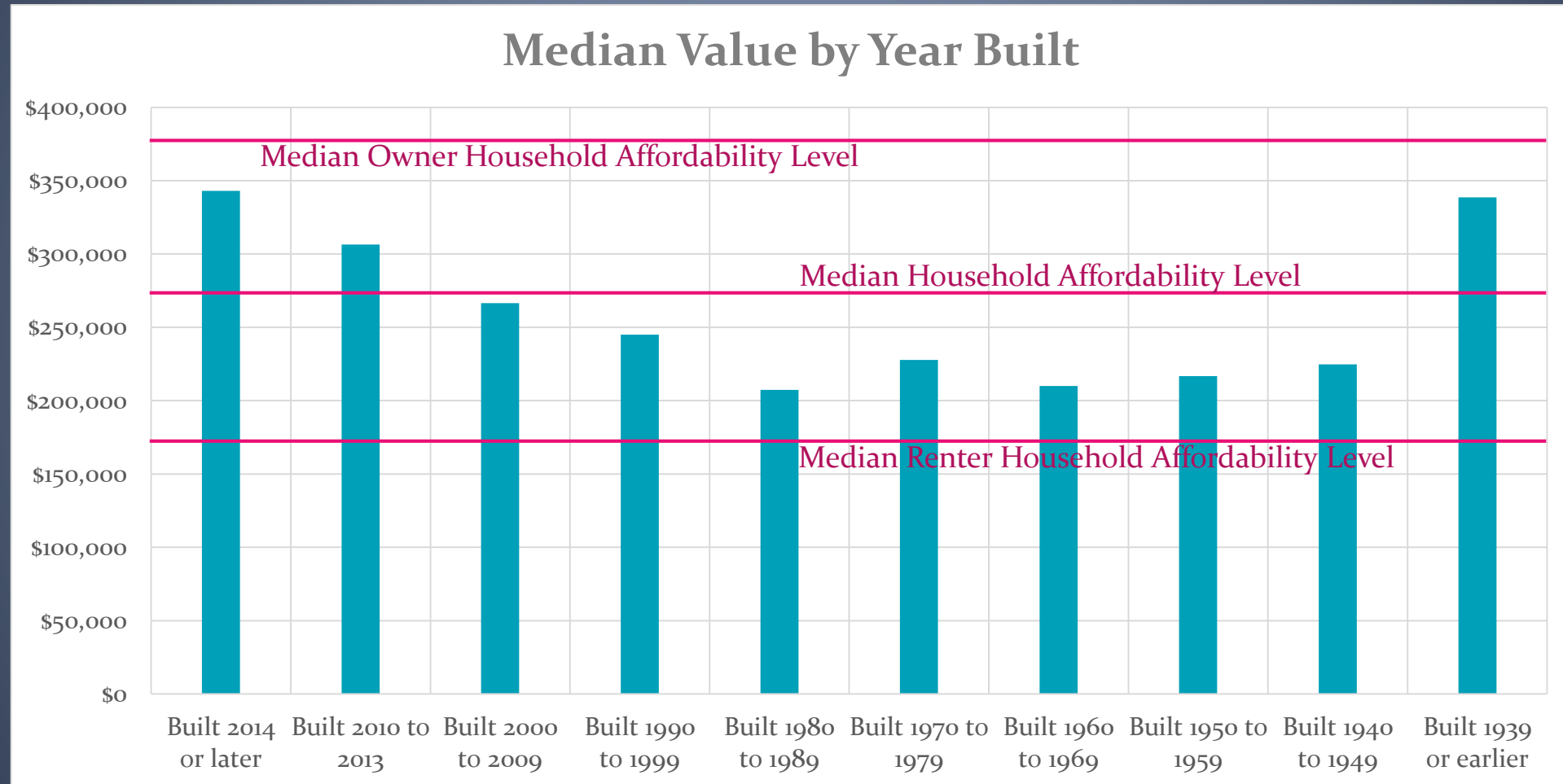
The vast majority of new units are in multifamily buildings, but single-family homes are gradually making up a higher proportion of new units coming online

Housing Costs of Newer Units (renter)



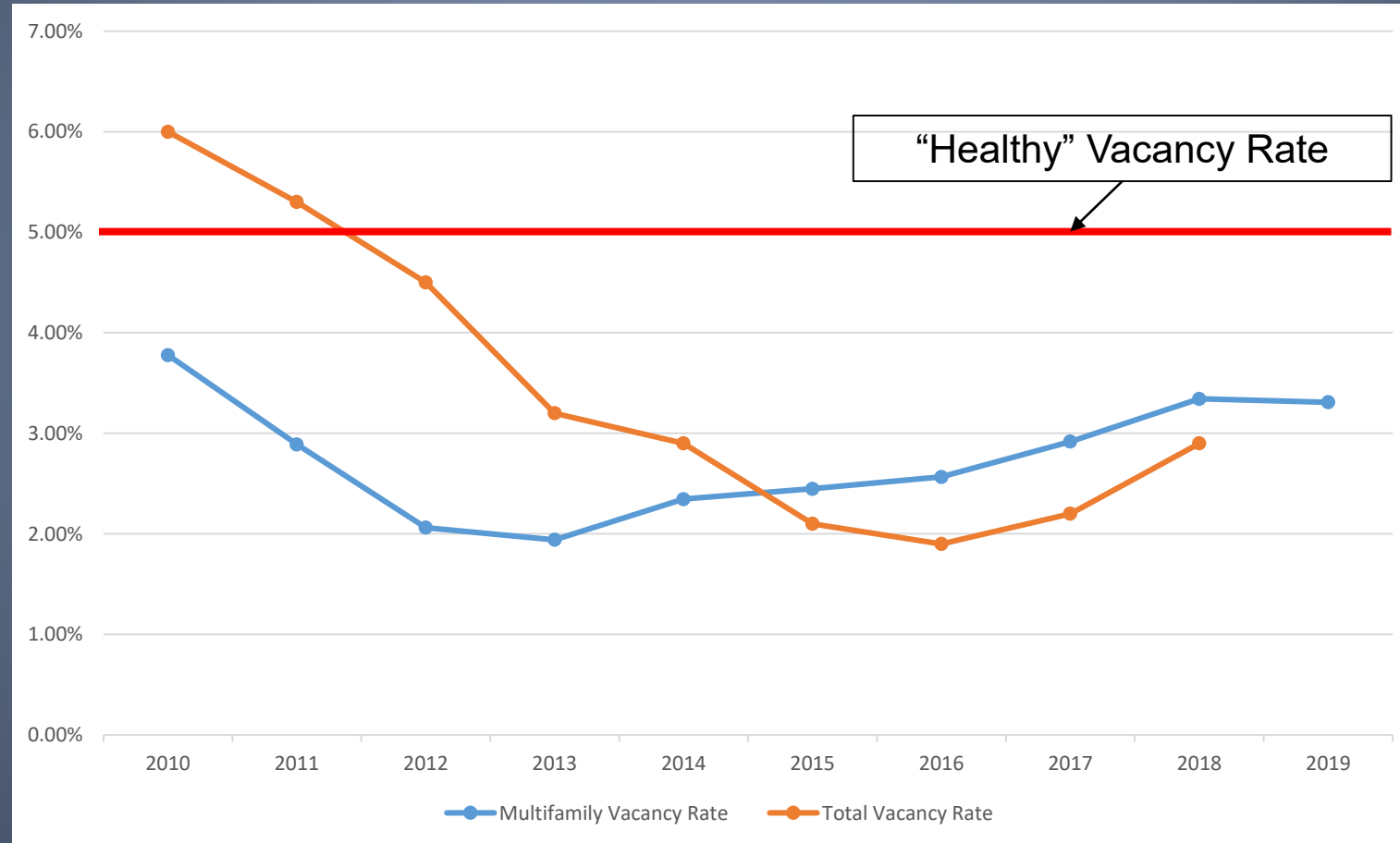
The median renter household cannot afford the average new rental unit coming on the market

Housing Costs of Newer Units (owner)



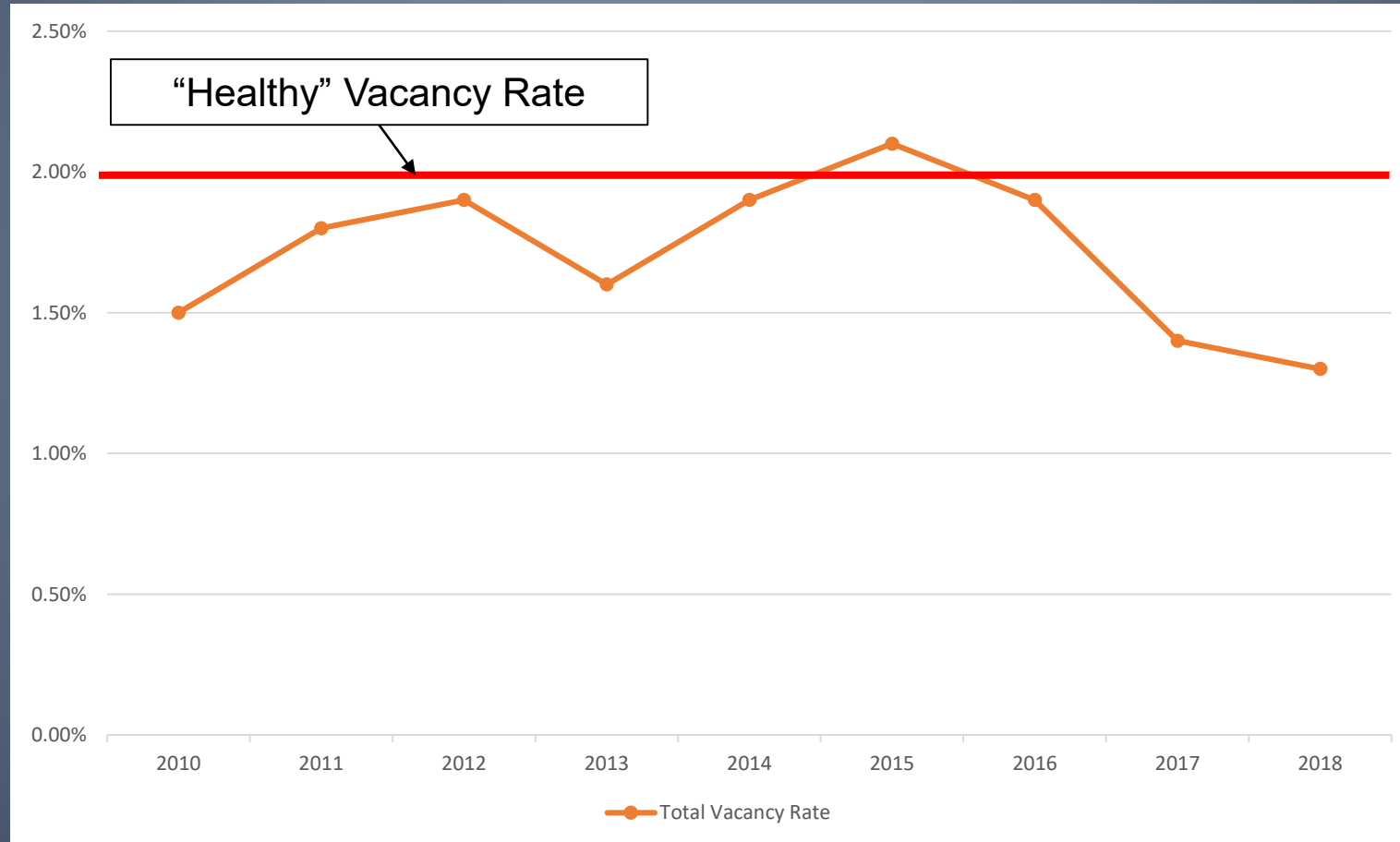
The median Madison household cannot afford to buy the average new unit coming on the market. The median renter household cannot afford the average unit built in any period

Rental Vacancy Rate



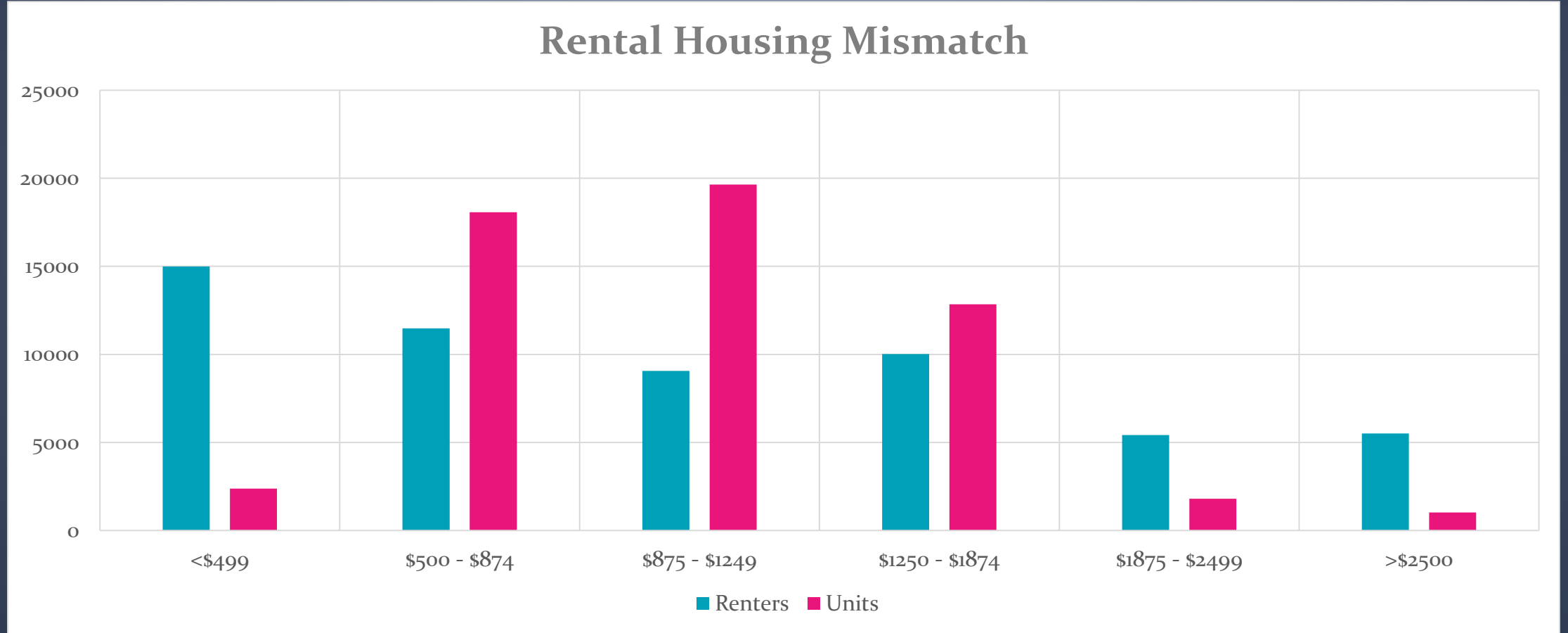
Rental vacancy rate is very low, limiting available inventory and increasing rental rates

Homeowner Vacancy Rate



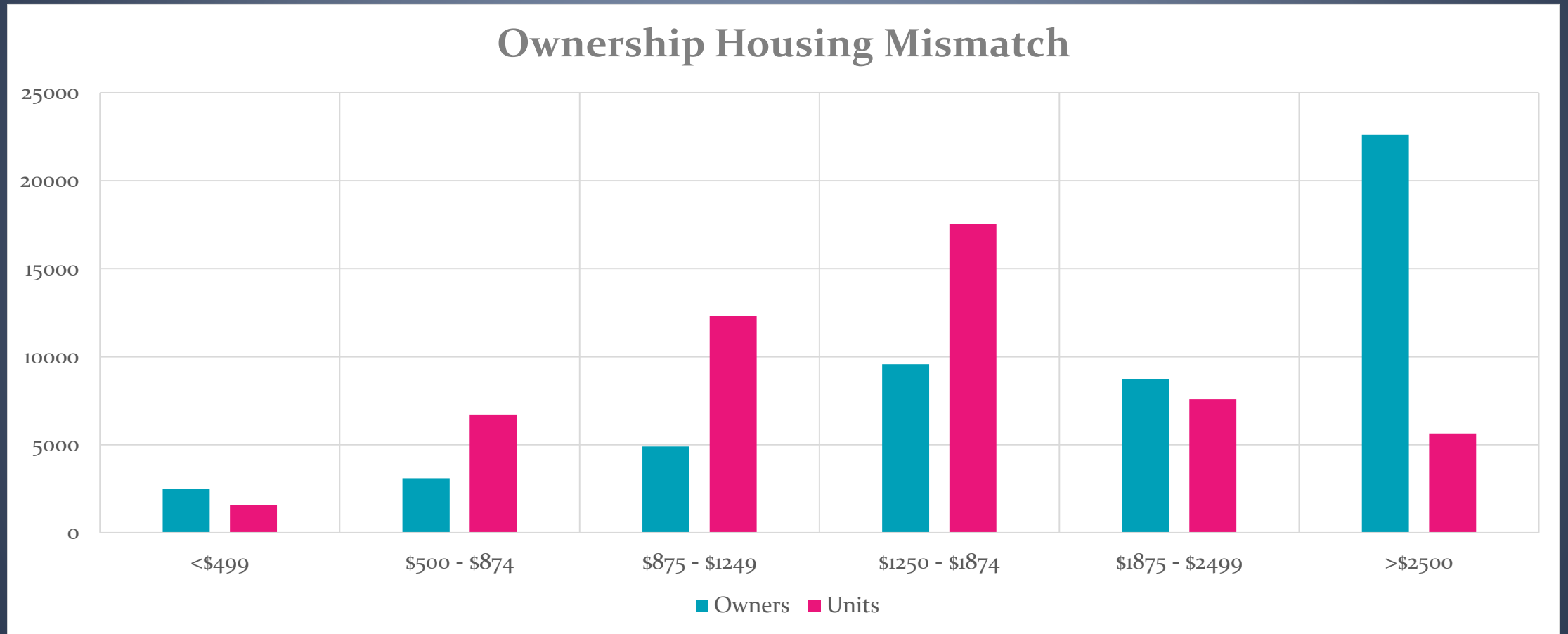
Homeowner vacancy rate is more stable, but recent decline creates a “seller’s market”

Supply-Demand Mismatch for Renter-Occupied Units



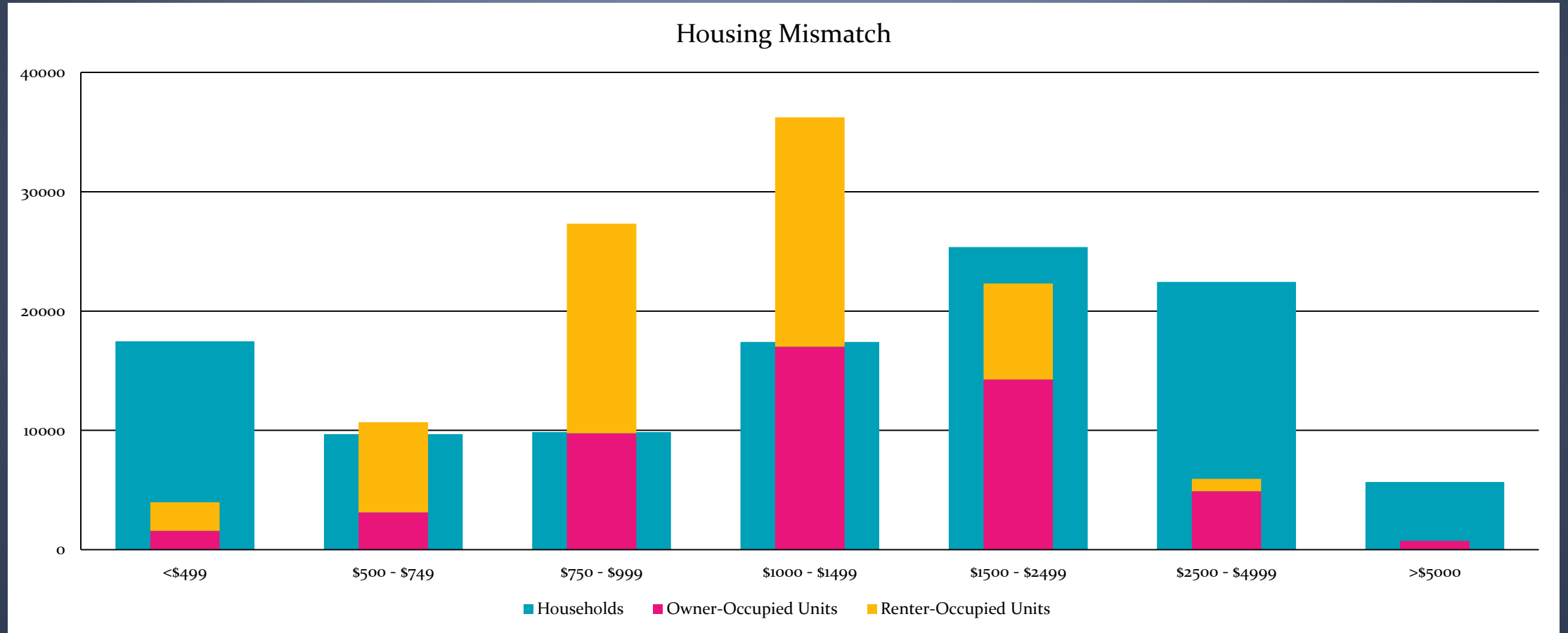
There is a significant shortage of units for the lowest-income renters. This is exacerbated by households “renting down” for more affordable units

Supply-Demand Mismatch for Owner-Occupied Units



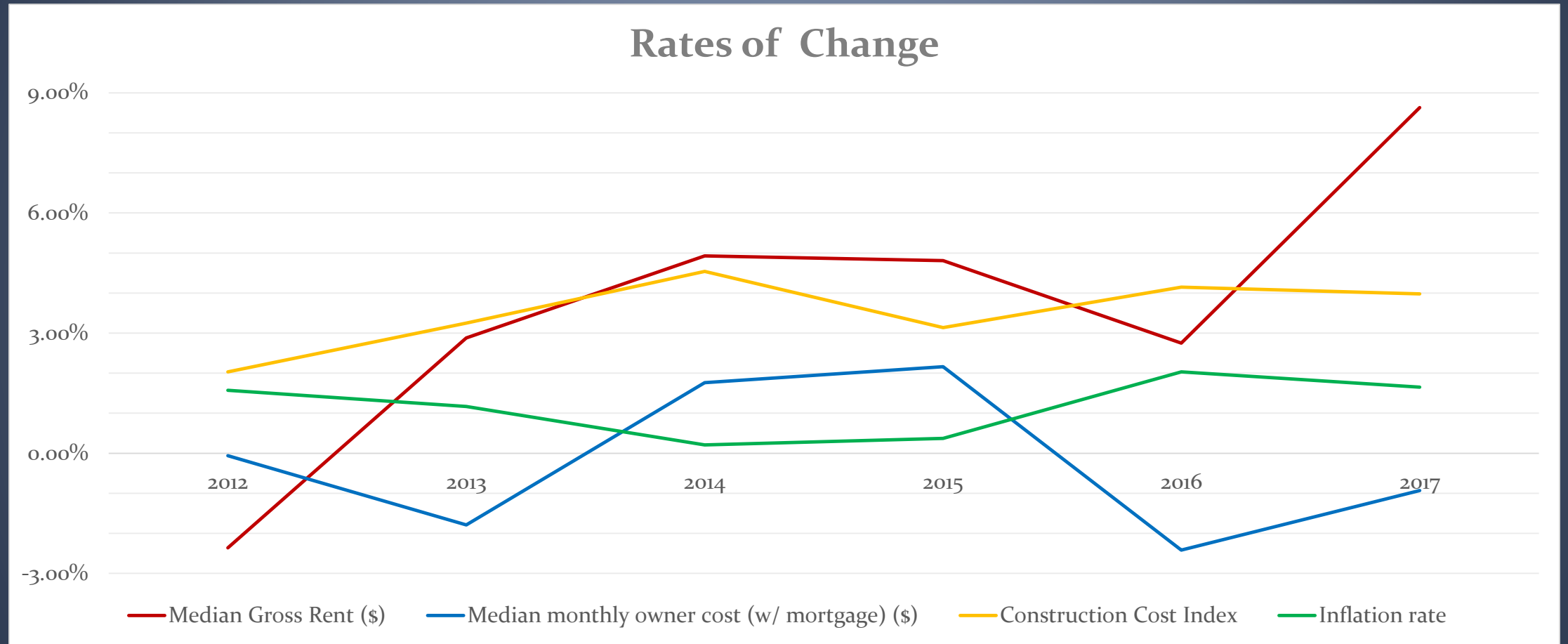
There is a shortage of units for the lowest-income owners. This does not take into account renters who are unable to enter the ownership market

Supply-Demand Mismatch for All Units



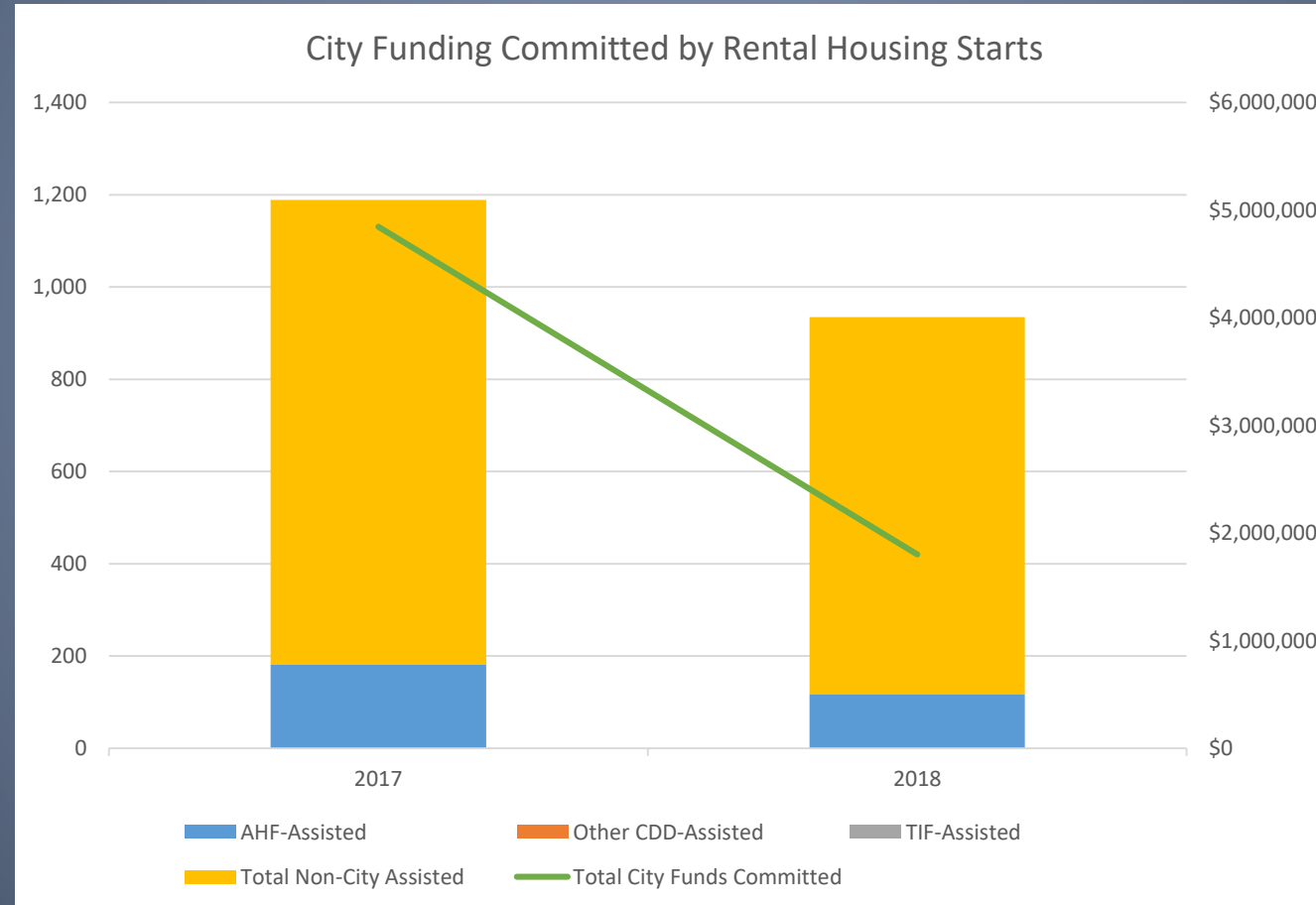
There is a significant shortage of housing units for lower-income households. This is exacerbated by households “renting down” for more affordable units and inability of lower-income renters to enter the ownership market

Rent, Inflation, Construction Costs



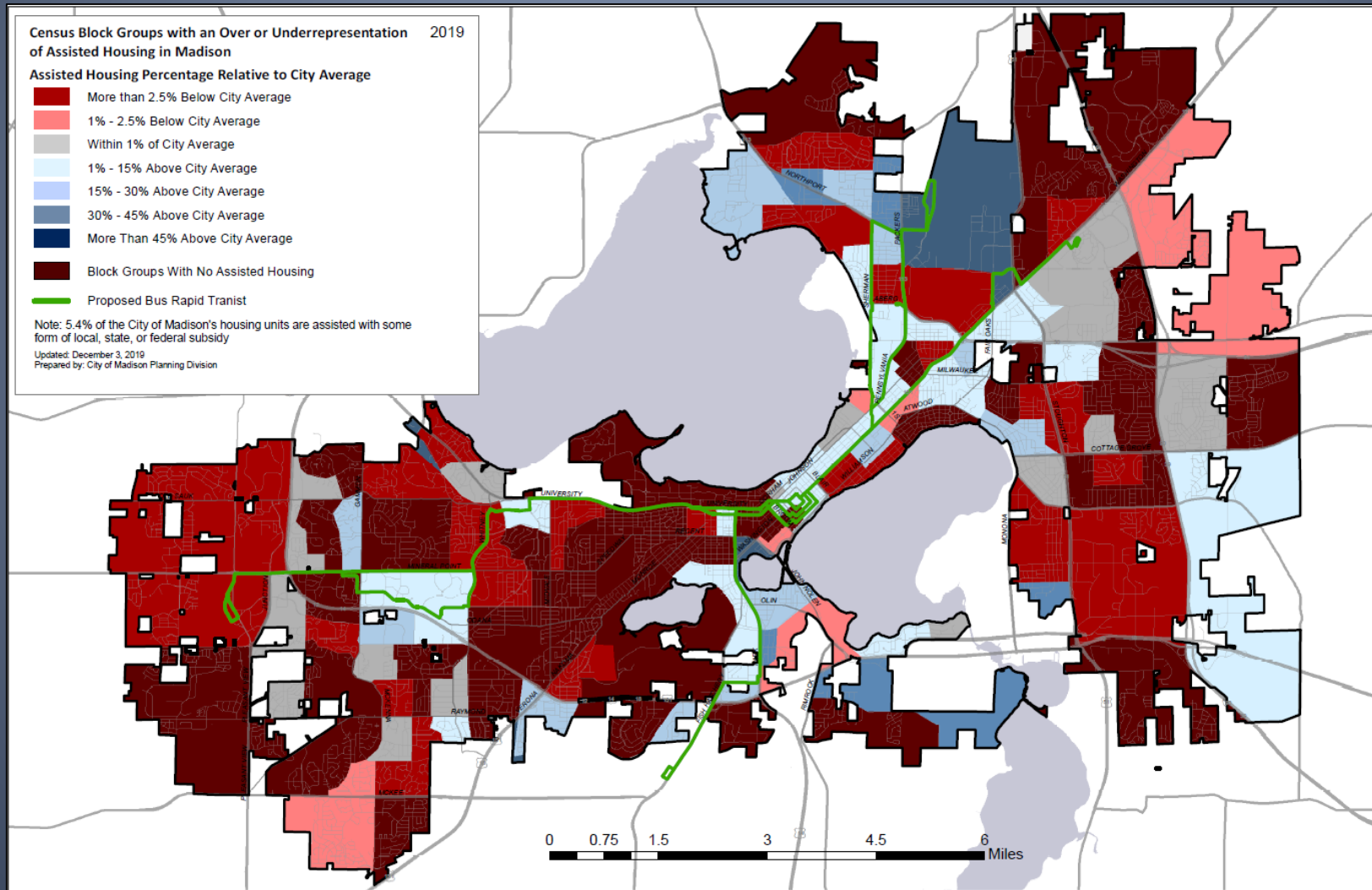
Construction costs have risen faster than inflation, and rents in Madison have risen at a fast rate than construction costs. Meanwhile, costs of homeownership has been more stable and at a similar rate to inflation

Impact of City Funding on Increasing Rental Housing Supply

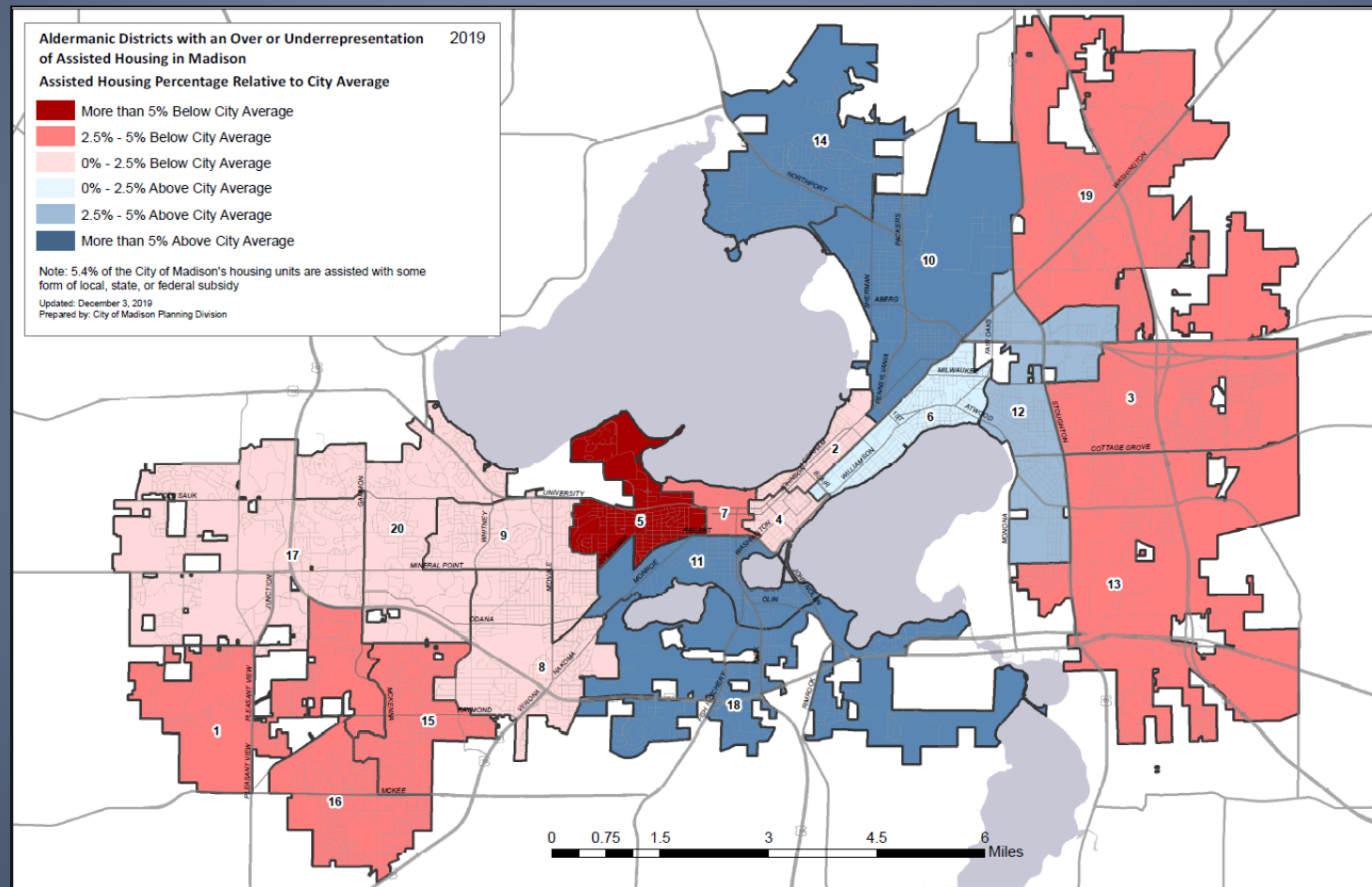


City investment in rental housing accounts for nearly 1/6 of new housing starts

Assisted Housing Fair Share Analysis – Block Group

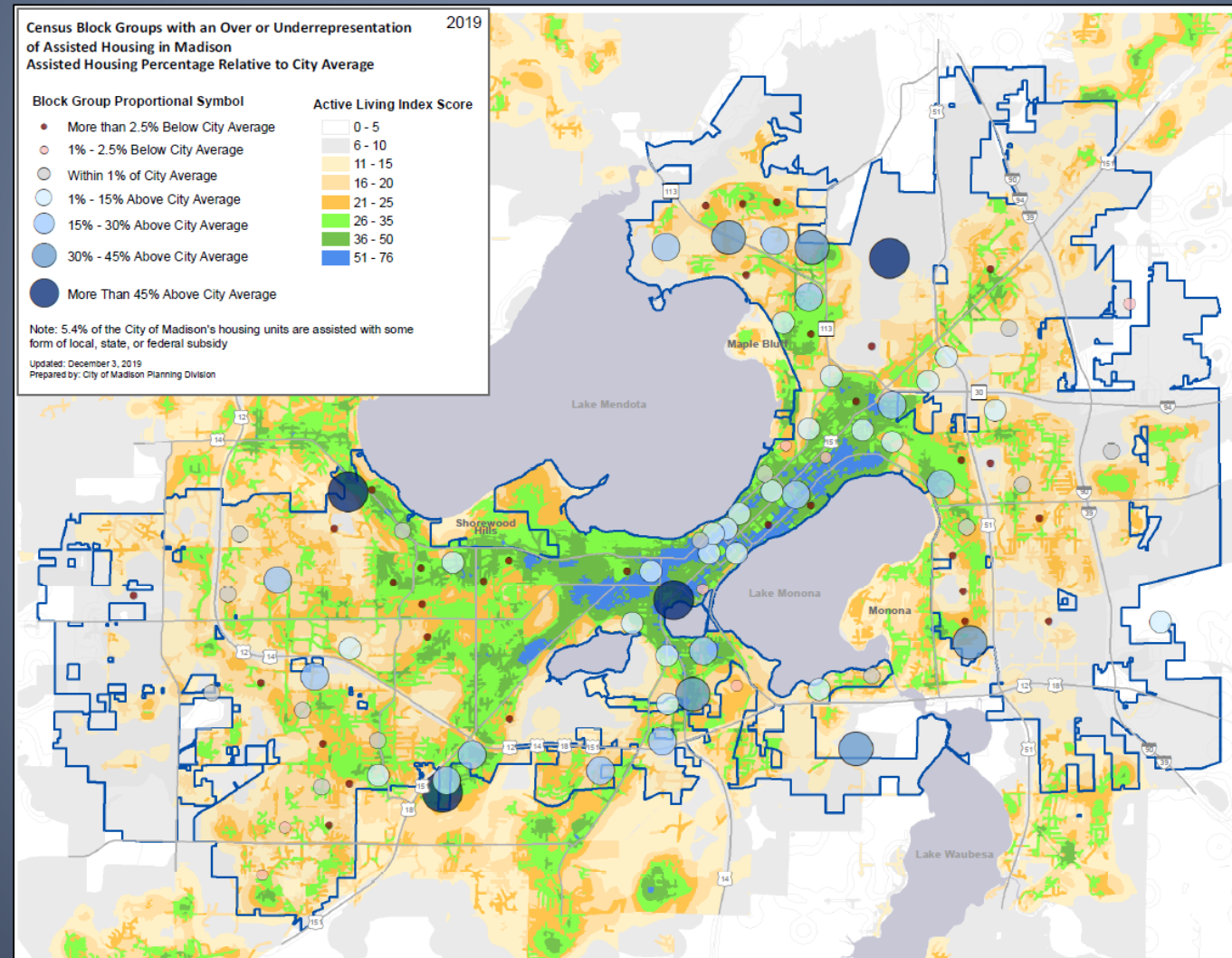


Low-Income Housing Fair Share Analysis – Aldermanic District

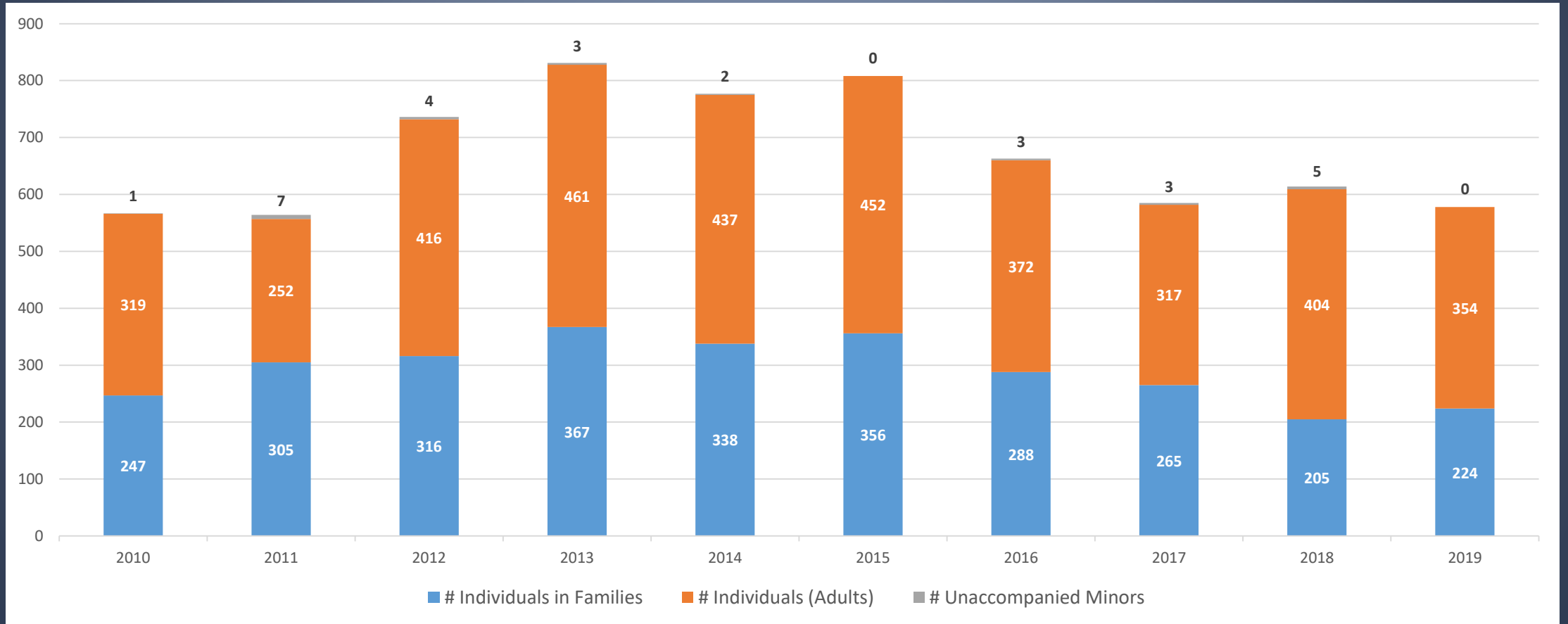


Districts with significant underrepresentation of low-income housing can absorb more subsidized housing units as City grows to avoid concentrating low-income households in other districts

Low-Income Housing Fair Share Analysis – Active Living Index

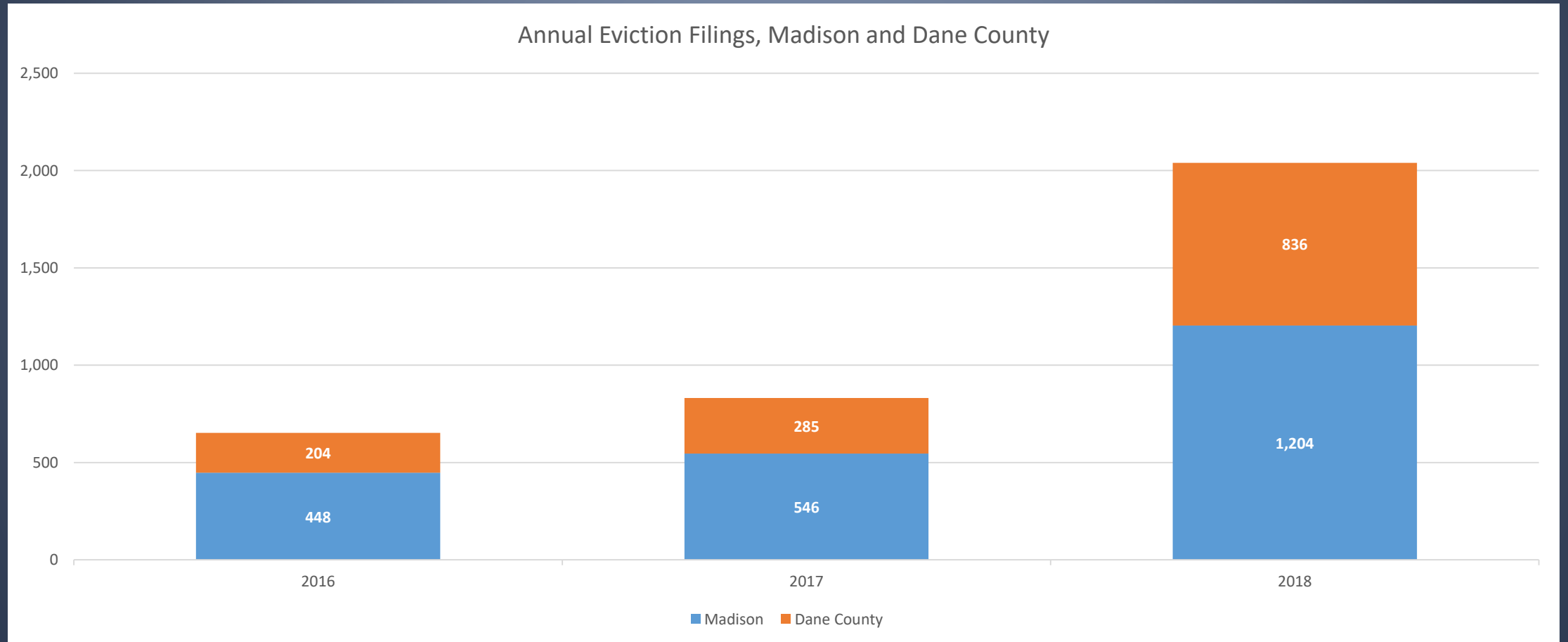


Number of Homeless Individuals and Families



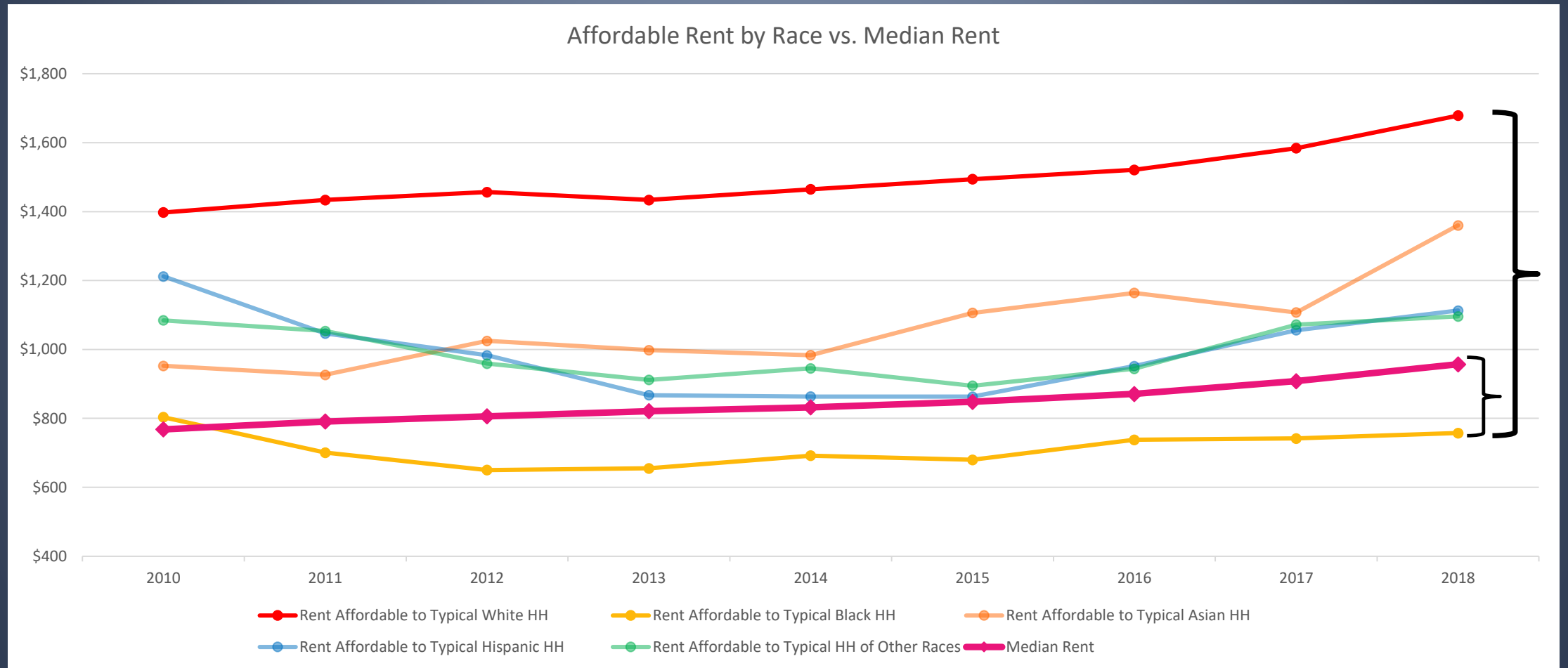
Number of homeless has decreased over last 5 years & decreased as a % of total population at a faster rate

Total Eviction Filings in Madison and Dane County



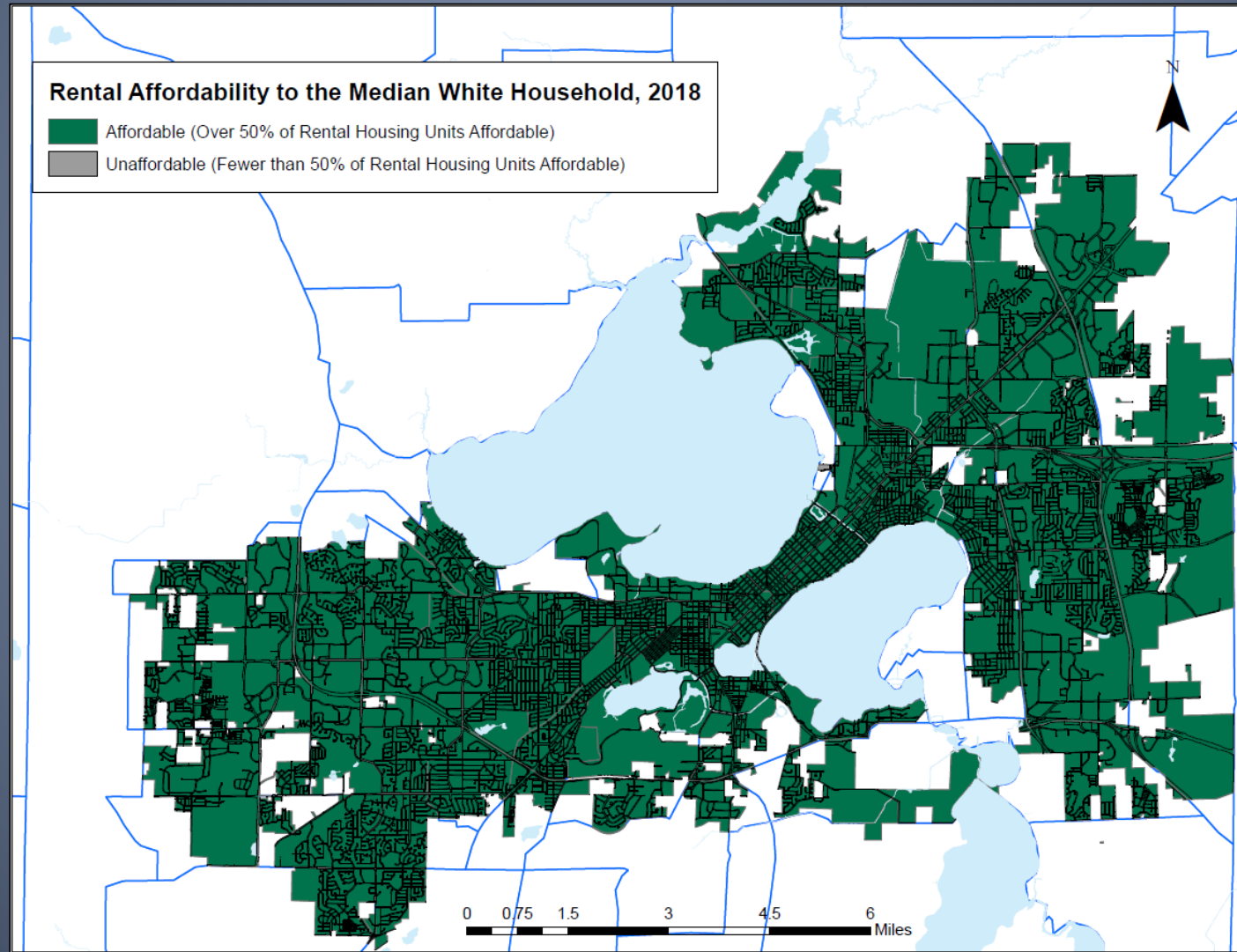
Eviction filings in Madison increased by 120% from 2017-18 (vs. by ~20% from 2016-17)

Racial/Ethnic Disparities in Housing

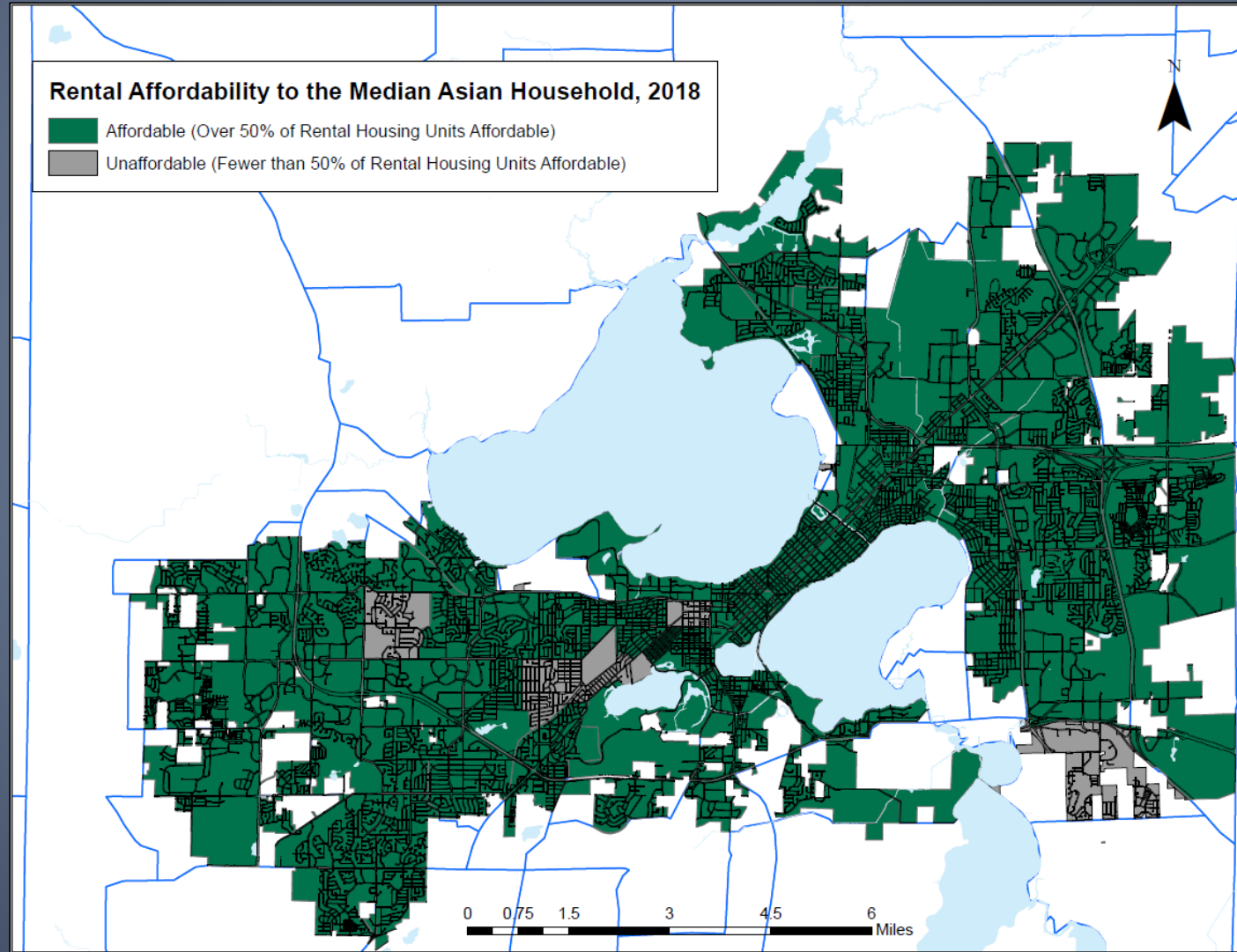


Median black HH cannot afford median rent, while median white HH can afford to pay over \$900 more in rent than median black HH

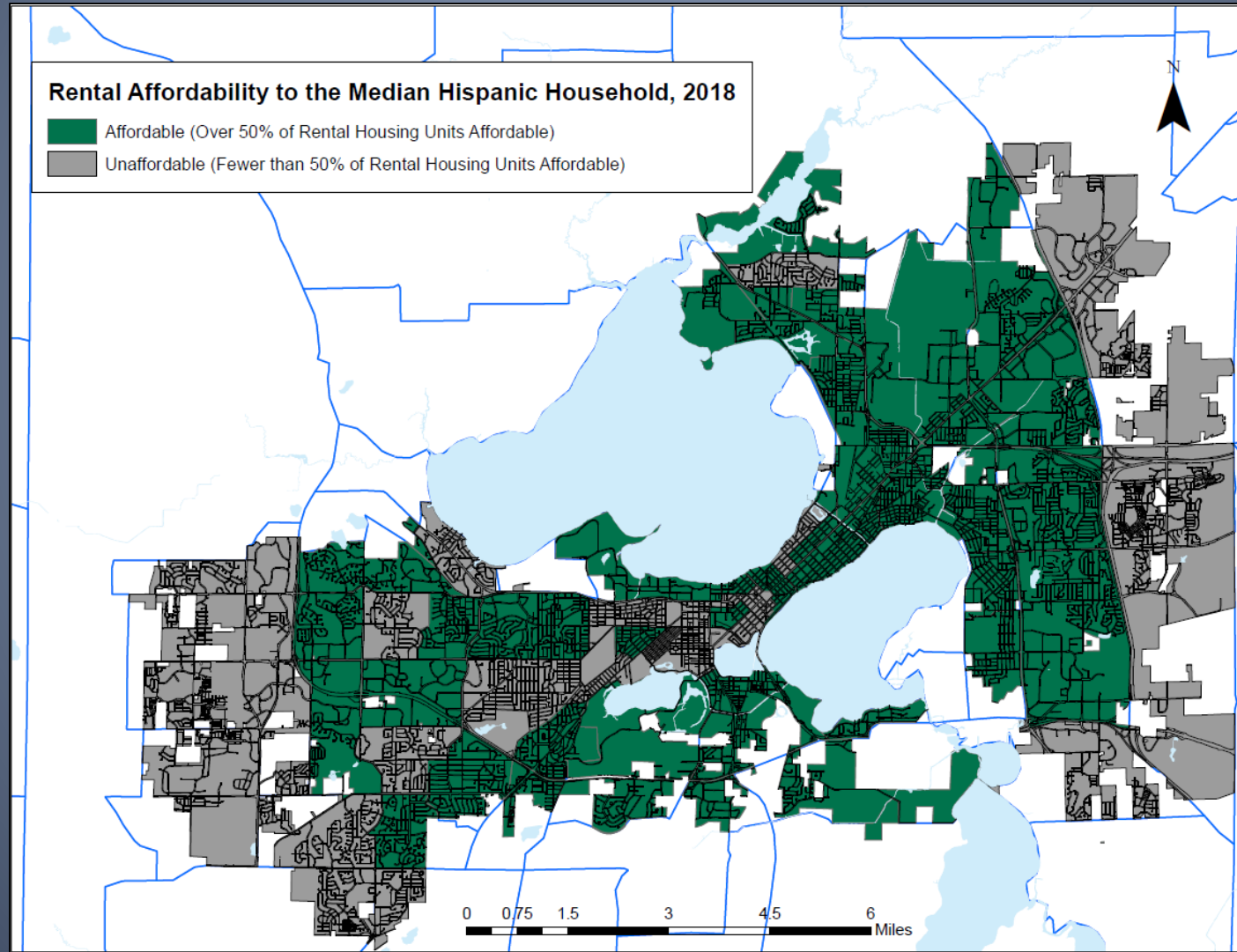
Racial/Ethnic Segregation of Opportunity



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