



***OPENING DOORS FOR OUR FUTURE.***



Housing Advisory Committee (HAC) Meeting #2 | 10.26.2022

# **WELCOME + INTRODUCTIONS**

HAC MEETING #2



# AGENDA

WELCOME + INTRODUCTIONS

- **TABLE INTRODUCTIONS** (5 Minutes)
- **WELCOME + OVERVIEW** (10 Minutes)
- **STRATEGY SPEAKERS** (10 Minutes)
- **CHOOSE YOUR OWN DATA PATH (80 MIN)**
  - **Menti** (5 Minutes) + **Presentation** (10 Minutes) x3 + **Discussion** (15 Minutes) x3
- **MEETING BREAK** (10 Minutes) – after first round of breakouts
- **NEXT STEPS** (5 Minutes)
- **Q+A DISCUSSION** (5 Minutes)

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# HAC #2 PURPOSE

WELCOME + INTRODUCTIONS

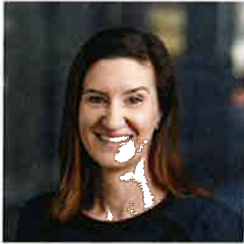
1. **Define affordable and workforce housing**
2. **Understand area median income**
3. **Explore demographic trends**
  - Overall growth
  - Housing affordability patterns for different social identities
4. **Establish a common understanding of housing need**
5. **Engage with one another, meet someone new!**

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# TEAM INTRODUCTIONS

WELCOME + INTRODUCTIONS



**FRAN LEFOR ROOD, AICP**  
SB FRIEDMAN



**CAREN KAY, AICP**  
SB FRIEDMAN



**SAMANTHA MOSKOL**  
SB FRIEDMAN



**LILLE VAN DER ZANDEN**  
SB FRIEDMAN



**MARISA SCHULZ**  
ALL TOGETHER



**ABIGAIL ROSE**  
ALL TOGETHER



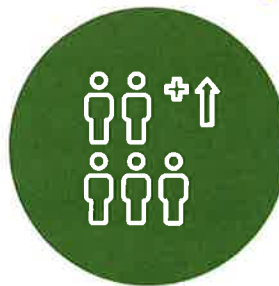
**TINA FIGUEROA**  
ALL TOGETHER

## HAC #2 OVERVIEW

DEEPER DIVE INTO EXISTING CONDITIONS + AFFORDABLE & WORKFORCE HOUSING



**DEFINING AFFORDABLE & WORKFORCE HOUSING**



**DETAILED DEMOGRAPHICS**



**BREAKOUT DISCUSSION**



# MEETING #1 RESULTS

ROUND 1 – TOP PRIORITIES OF COMMUNITY, ORGANIZATION, OR BUSINESS

- 1. Increase the number of affordable and workforce units**
- 2. Increase the overall number of housing units**
- 3. Increase housing near jobs and transit**
- 4. Provide more pathways to homeownership**



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# MEETING #1 RESULTS

ROUND 2 – TOP PRIORITIES FOR REGIONAL HOUSING STRATEGY

- 1. Reduce racial disparities in housing and homeownership**
- 2. Build capacity to address housing needs**
- 3. Build relationships and enhance partnerships/collaboration**
- 4. Learn about housing issues, tools, and strategies**



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# MEETING #1 TAKEAWAYS

WHAT WE HEARD DURING THE FIRST MEETING

- **There is an ever-widening gap of affordable and workforce housing stock**
- **Community education is a very important part of this process**
- **Lead with implementation in mind**
- **Capacity building means a lot of different things for different communities, businesses, and institutions**
- **The impact of racial disparities in housing policy and law has resulted in significant inequities especially related to homeownership**



# LEGACY OF RACISM IN HOUSING

**REDLINING**

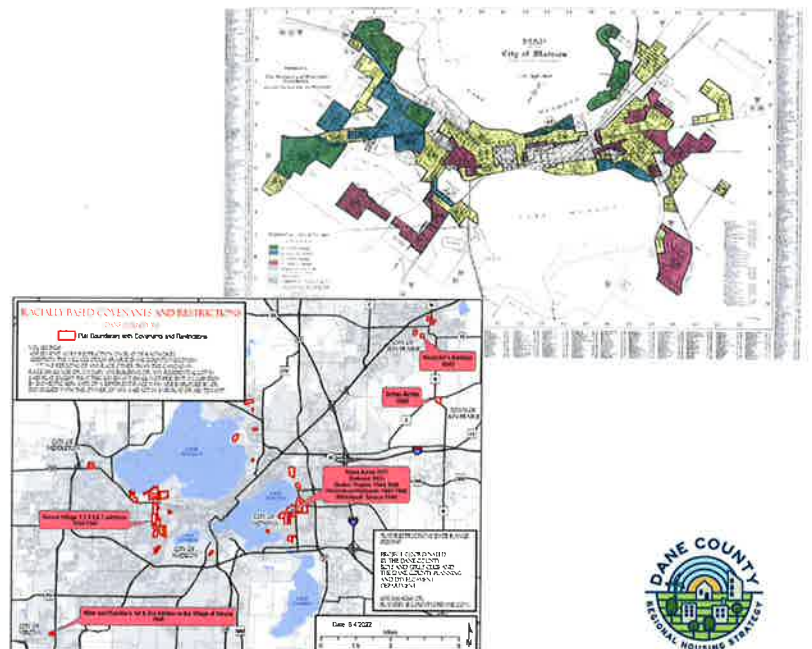
**URBAN RENEWAL**

**RACIALLY RESTRICTIVE DEED COVENANTS**

**EXCLUSIONARY ZONING**

**SEGREGATED PUBLIC HOUSING**

**APPRAISAL GAP**



# DIVERSITY, EQUITY AND INCLUSION INITIATIVES

- **Public Sector DEI Initiatives:**

- **Dane County**
- **City of Fitchburg**
- **City of Madison**
- **City of Middleton**
- **City of Sun Prairie**

- **Private Sector DEI Initiatives:**

- **Bank of Sun Prairie**
- **Park Bank**
- **MadRep**
- **United Way Racial Gender Equity Initiatives**



# INCORPORATING RGEI LENS IN RHS

- **Consider historical legacy of racism in housing**
- **Evaluate data through equity lens**
- **Provide space for discussions of lived experience**
- **Consider impacts of strategies:**
  - Does the strategy address inequities?
  - Who will benefit (or not)?
  - Who will be burdened? How can harms be minimized?
  - What are potential unintended impacts?
  - What is the mechanism for accountability?



# DEFINING AFFORDABLE & WORFORCE HOUSING

HAC MEETING #2

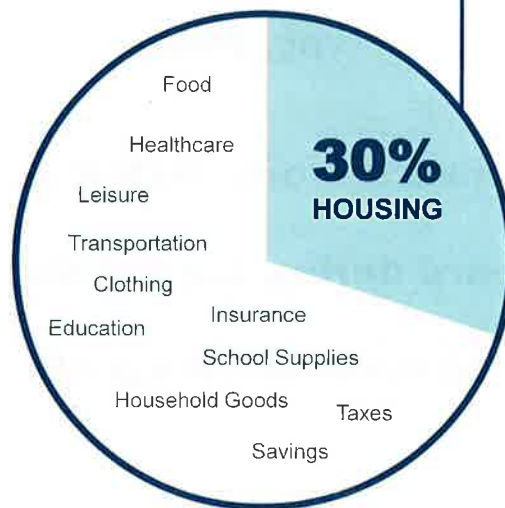


## AFFORDABLE HOUSING

WHAT DOES IT MEAN FOR HOUSING TO BE "AFFORDABLE?"

Housing is considered **affordable** when a household spends **less than 30% of their gross income** on housing-related costs

### Gross Annual Household Income



### HOUSING COSTS

#### Renters

- Rent
- Utilities

#### Owners

- Mortgage payment
- Utilities
- Property tax
- Insurance
- HOA Fees



## STRATEGY SPOTLIGHT

SHARING LOCAL KNOWLEDGE & EXPERIENCE WITH EACH OTHER



## GROUND RULES FOR COLLABORATION

FORGE PARTNERSHIPS & FOSTER RELATIONSHIPS TO HELP IN IMPLEMENTING RHS STRATEGIES

- **Sit by different HAC members during each meeting**
- **Introduce yourself, learn who other people are and what they do**
- **Continue & start conversations during meeting breaks**
- **Let all voices be heard during the breakout groups**
- **Listen and be open to understanding others' ideas**





# HOW AMI DRIVES HOUSING POLICY

LRAH UNITS ARE RESTRICTED TO DIFFERENT AMI BRACKETS

## 2022 HUD INCOME LIMITS BY AMI

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

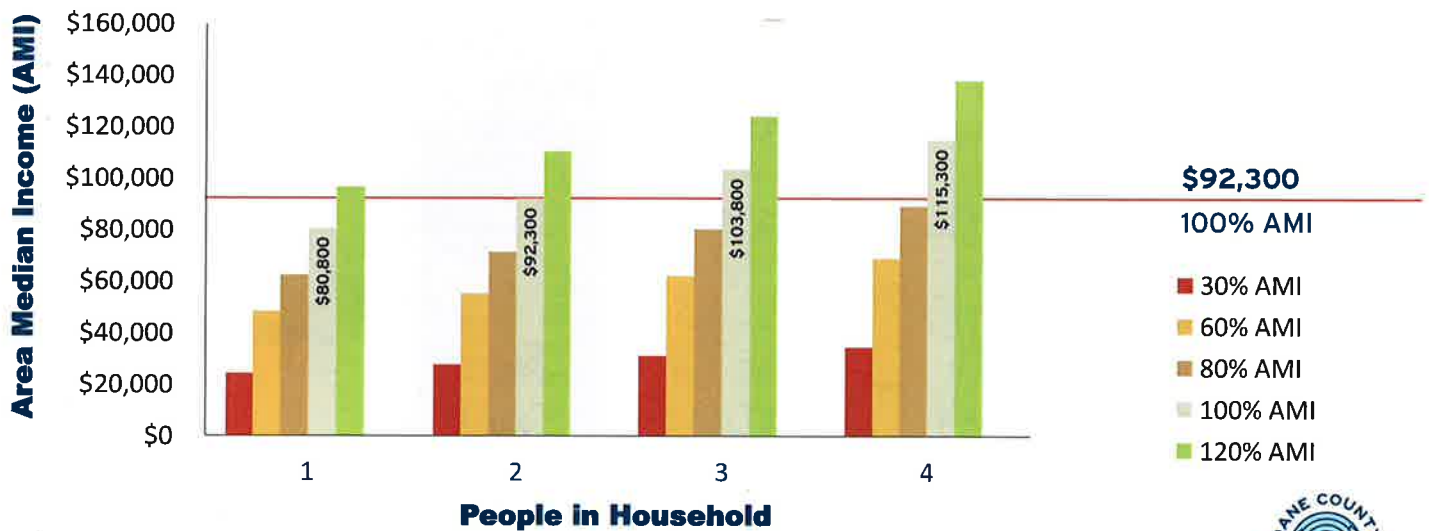


Source: HUD FY 2022, SB Friedman  
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# AMI VARIATION BY HOUSEHOLD SIZE

INCOME LIMITS INCREASE FOR HOUSEHOLDS WITH MORE PEOPLE TO ACCOUNT FOR ADDITIONAL COSTS



Source: HUD, SB Friedman  
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# AREA MEDIAN INCOME

HOUSING POLICY IS CENTERED AROUND THE CONCEPT OF AREA MEDIAN INCOME (AMI)

**\$92,300**

2022 Dane County  
Median Household  
Income for a two-person  
household (“100% AMI”)

**Area Median Income:** The midpoint of an area’s household income distribution – half of households in an area earn more and half earn less

- Dane County is considered its own “area”
- U.S. Department of Housing and Urban Development (HUD) uses AMI to identify specific income targets that define the income ranges for various income groups, calculated as a percentage of AMI
- HUD adjusts for household size within income groups

Source: HUD, SB Friedman

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# TYPES OF HOUSING

AFFORDABLE HOUSING CAN EITHER BE LEGALLY RESTRICTED OR NATURALLY OCCURRING

## AFFORDABLE HOUSING

### Legally Restricted Affordable Housing (LRAH)

- Housing that is contractually bound to serve lower-income households
  - Most often under 60% AMI
- Units are typically funded, owned, and operated by mission-driven organizations including local governments, nonprofits, and more.
- Commonly requires low-income housing tax credits (LIHTC), project-based vouchers, or other federal funding sources

### Naturally Occurring Affordable Housing (NOAH)

- Privately owned units that offer affordable rents for households at 60% AMI or prices for households at or below 100% AMI
- Affordable is defined as less than 30% of the occupant’s household income
- Lower-cost due to age, building quality, location, condition, and/or historically inequitable housing policies like redlining
- Units vulnerable to affordability loss

### Higher Cost Housing

- Privately owned units charging rent only affordable to households earning over 60% AMI or mortgage payments affordable to households earning over 100% AMI

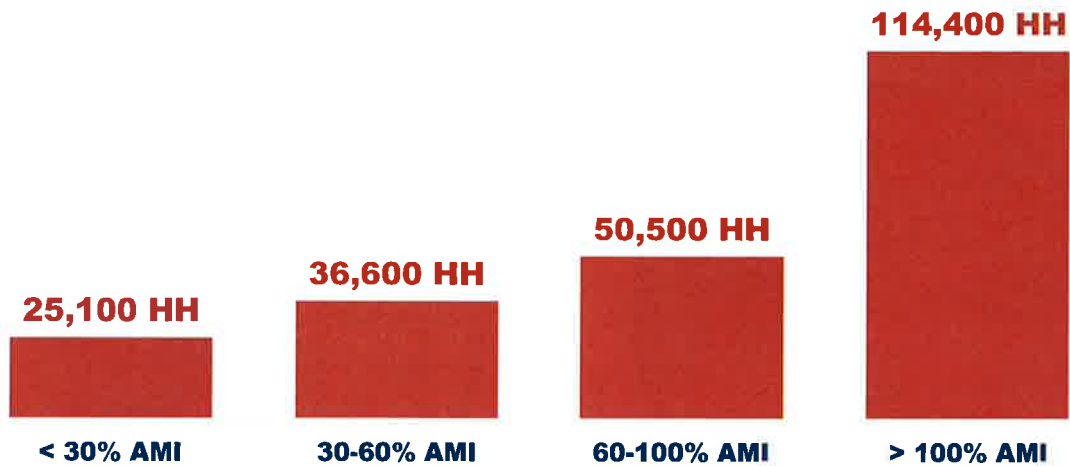
Source: SB Friedman

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# HOUSEHOLDS (HH) BY AMI IN DANE COUNTY

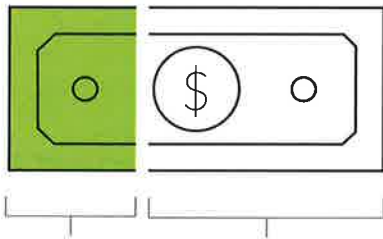
Over 25,000 households are earning below 30% of AMI



Source: PUMs ACS 5-Year Estimates (2016-2020), SB Friedman  
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## HOUSING COST BURDEN



**Affordable-housing household:**  
A household spending less than 30% of their income on housing

**Cost-burdened households:**  
A household spending more than 30% of their income on housing



Lower-income households are more likely to spend **over 30%** of their income on housing

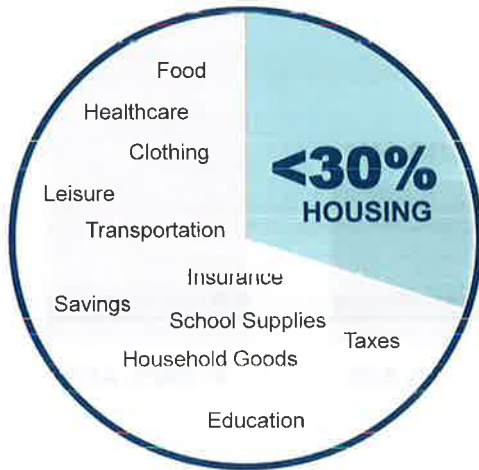


# HOUSING COST BURDEN IMPACT

COST-BURDENED HOUSEHOLDS HAVE TO SACRIFICE ON OTHER COSTS

## Gross annual income for:

### An affordable-housing household



### A cost-burdened household



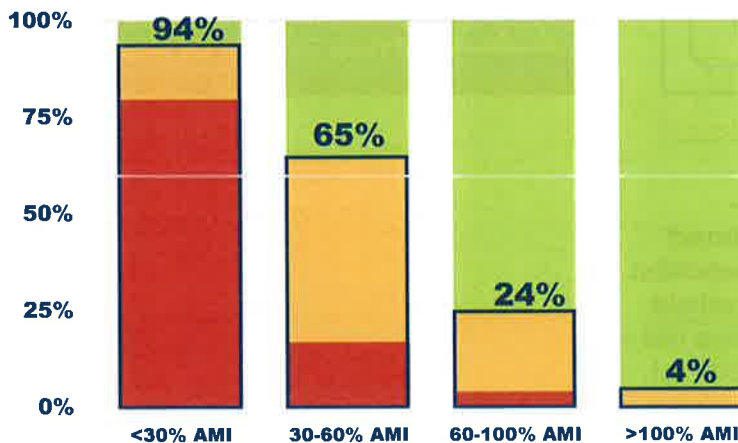
Source: PUMs ACS 5-Year Estimates (2016-2020), SB Friedman  
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# COST BURDEN BY HOUSEHOLD INCOME

LOWER-INCOME HOUSEHOLDS ARE MORE LIKELY TO BE COST-BURDENED

Share of cost-burdened households by AMI



Percentage of Gross Income Spent on Housing Costs



Source: PUMs ACS 5-Year Estimates (2016-2020), SB Friedman  
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# AREA MEDIAN INCOME PROFILE: < 30% AMI

**<\$28k**

INCOME RANGE

**98%**

SINGLE-INCOME  
HOUSEHOLDS

**26%**

PEOPLE OF COLOR

**74%**

RENTERS

## SAMPLE TOP OCCUPATIONS



Cashiers



Janitors



Waiters



Elder Care



Taxi  
Drivers

Source: PUMs ACS 5-Year Estimates (2016-2020), SB Friedman  
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# AREA MEDIAN INCOME PROFILE: 30-60% AMI

**\$28-55k**

INCOME RANGE

**93%**

SINGLE-INCOME  
HOUSEHOLDS

**20%**

PEOPLE OF COLOR

**64%**

RENTERS

## SAMPLE TOP OCCUPATIONS



Retail  
Salespersons



Janitors



Repair  
Workers



Nursing  
Assistants



Truck  
Drivers

Source: PUMs ACS 5-Year Estimates (2016-2020), SB Friedman  
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# AREA MEDIAN INCOME PROFILE: 80-100% AMI

**\$74-92k**

INCOME RANGE

**80%**

SINGLE-INCOME  
HOUSEHOLDS

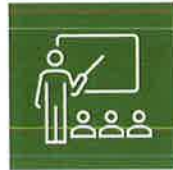
**17%**

PEOPLE OF COLOR

**42%**

RENTERS

## SAMPLE TOP OCCUPATIONS



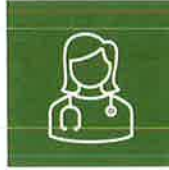
Managers



Real Estate  
Brokers



Customer  
Service  
Representatives



Registered  
Nurses



Software  
Developers

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

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# DEMOGRAPHIC PROFILE DEEP DIVE

**HISTORIC &  
FORECASTED  
GROWTH**

**JOB GROWTH**

**HOUSING  
OUTCOMES  
BY RACE**

**HOUSING  
OUTCOMES BY  
AGE**

**MIGRATION  
PATTERNS**

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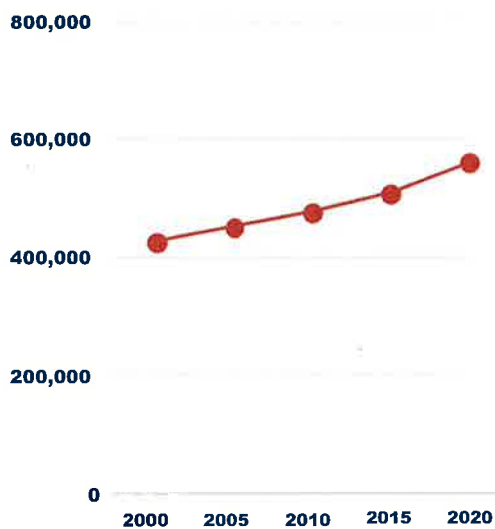
# HISTORIC & FORECASTED GROWTH

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## HISTORIC POPULATION GROWTH 2000-2020

THE PACE OF POPULATION GROWTH INCREASED IN THE PAST DECADE



### New residents 2010-2020

**1.1%**

2000-2010 Compound Annual Growth Rate (CAGR)

**1.6%**

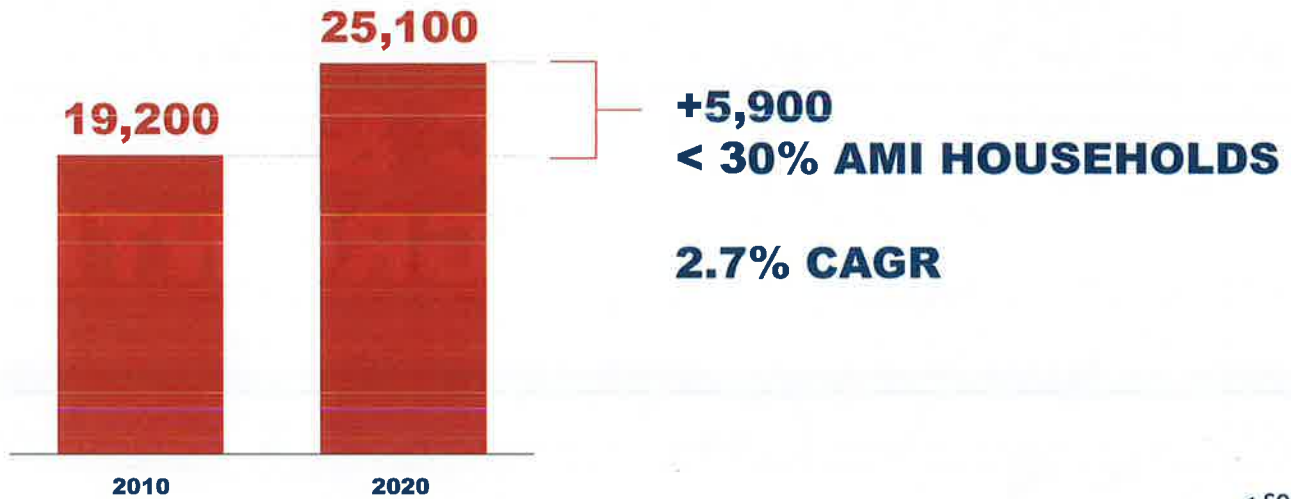
2010-2020 CAGR

Source: U.S. Census Bureau, SB Friedman  
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# GROWTH IN HOUSEHOLDS UNDER 30% AMI

UNDER 30% AMI HOUSEHOLDS GREW 1.7X FASTER THAN THE COUNTY OVERALL

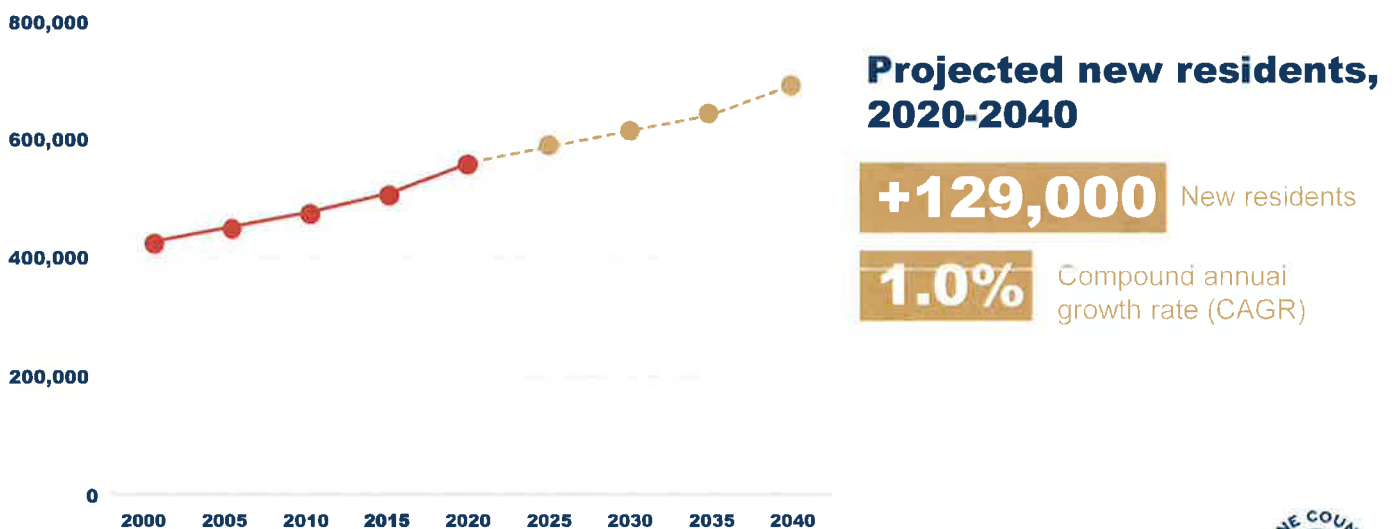


Source: PUMs ACS 5-Year Estimates (2016-2020), Dane County Housing Needs Assessment: 2019 Update, SB Friedman  
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# PROJECTED POPULATION GROWTH 2020-2040

THE COUNTY IS PROJECTED TO ADD NEARLY AS MANY RESIDENTS IN THE NEXT 20 YEARS AS IN THE PAST 20



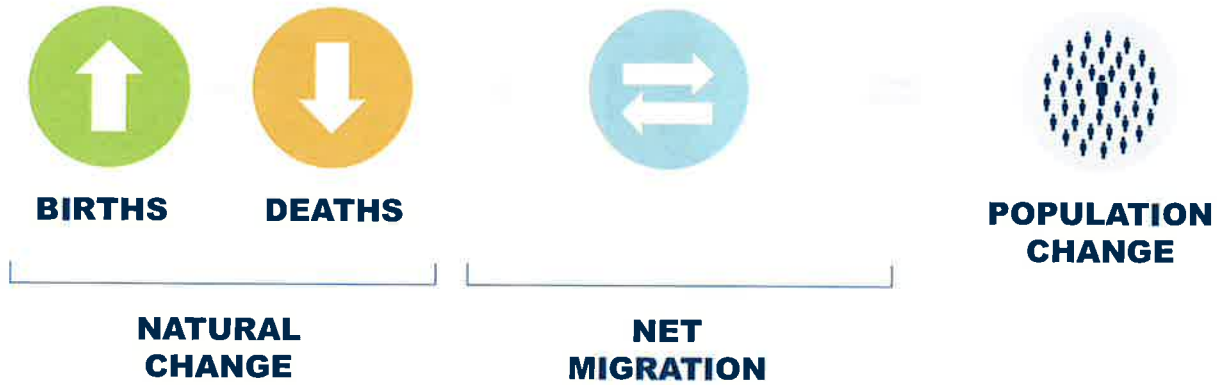
Source: U.S. Census Bureau, CARPC, SB Friedman  
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# COMPONENTS OF POPULATION CHANGE

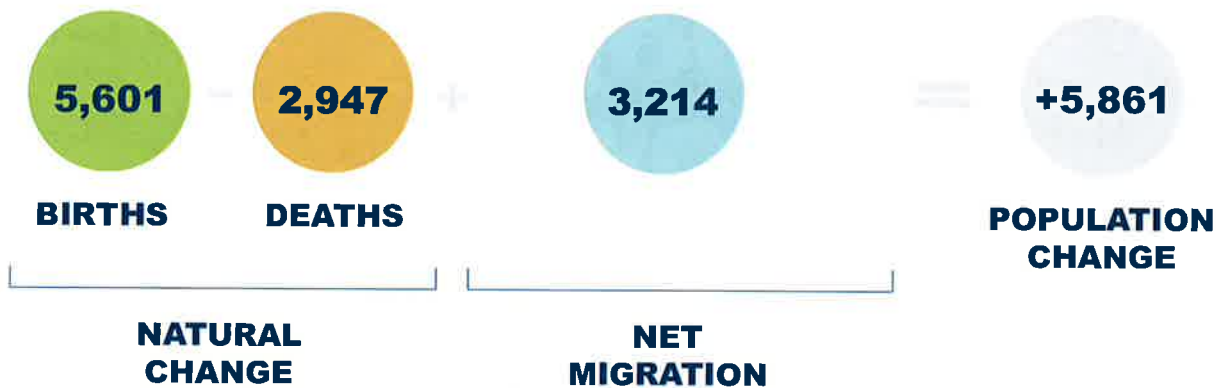
HOUSEHOLD CHANGE IS A FUNCTION OF THREE MAIN VARIABLES



# POPULATION CHANGE IN DANE COUNTY

MAJORITY OF DANE COUNTY GROWTH DRIVEN BY BIRTHS

## ANNUAL COMPONENTS OF CHANGE (2010-2019)



Note: Total Population Change includes a "residual" change not attributed to a particular component. Preceding numbers will not sum to 5,861.  
Source: Census Annual Estimates of the Components of Resident Population Change: 2010 to 2019, SB Friedman



# COMPONENTS OF POPULATION CHANGE

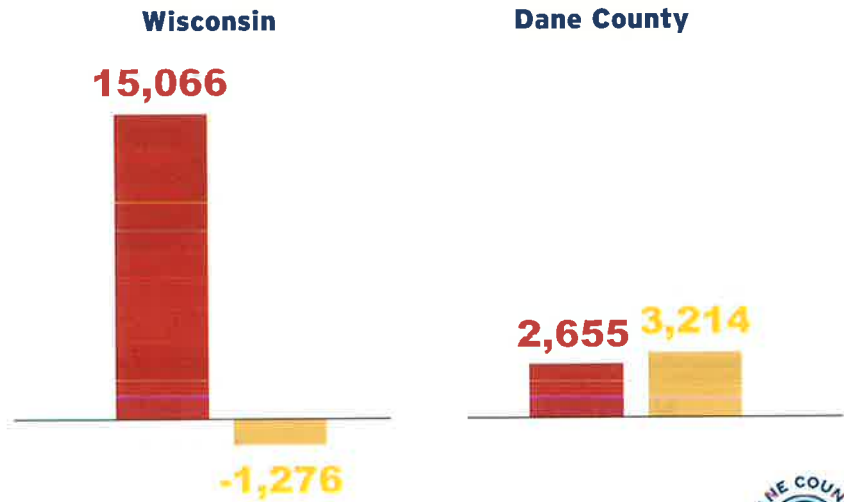
~45% OF DANE COUNTY'S ANNUAL POPULATION GROWTH (2010-2019) IS ATTRIBUTED TO NATURAL CHANGE

## NATURAL CHANGE

Births minus Deaths

## NET MIGRATION

People moving to a place minus people moving out



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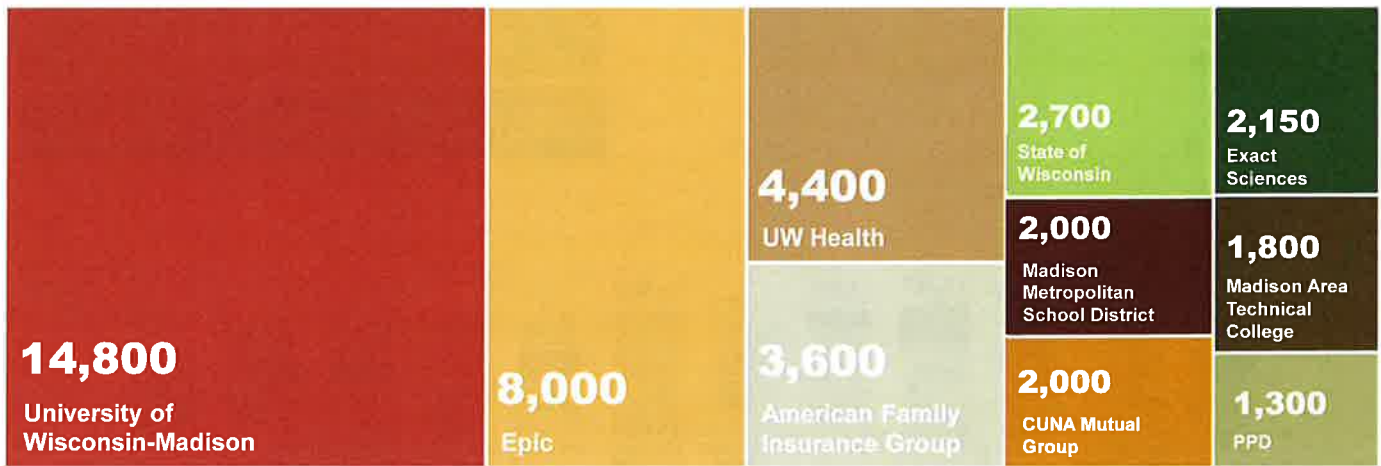
# JOB GROWTH

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# MAJOR EMPLOYERS IN 2022

THE LARGEST EMPLOYERS FALL WITHIN EDUCATION, INFORMATION TECHNOLOGY, AND FINANCE & INSURANCE



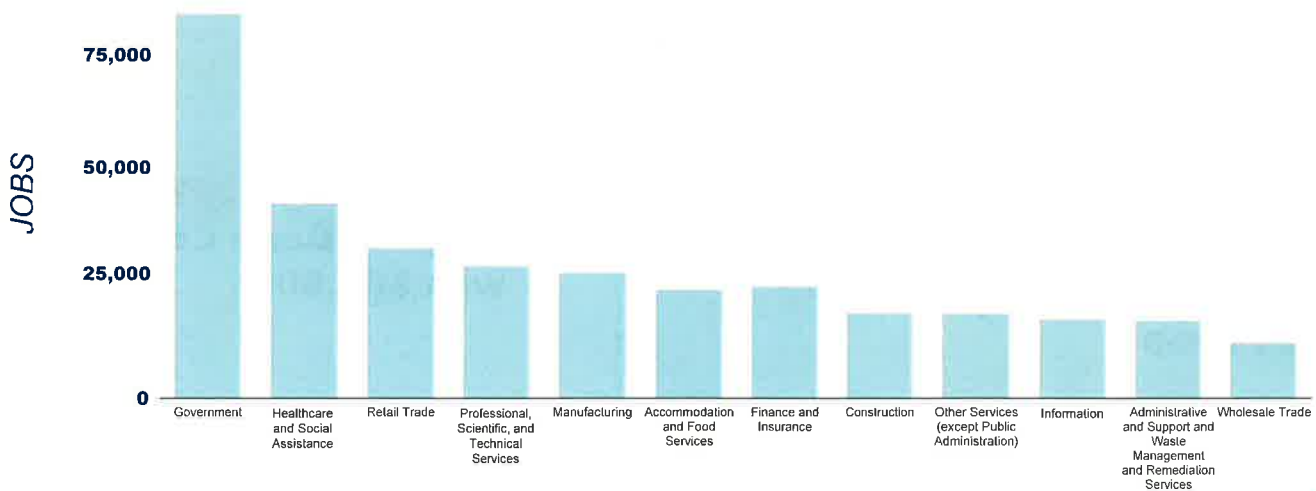
Source: Lightcast

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# 2021 WORKFORCE COMPOSITION

GOVERNMENT, HEALTHCARE, AND RETAIL EMPLOYEES ACCOUNT FOR OVER 40% OF THE WORKFORCE



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

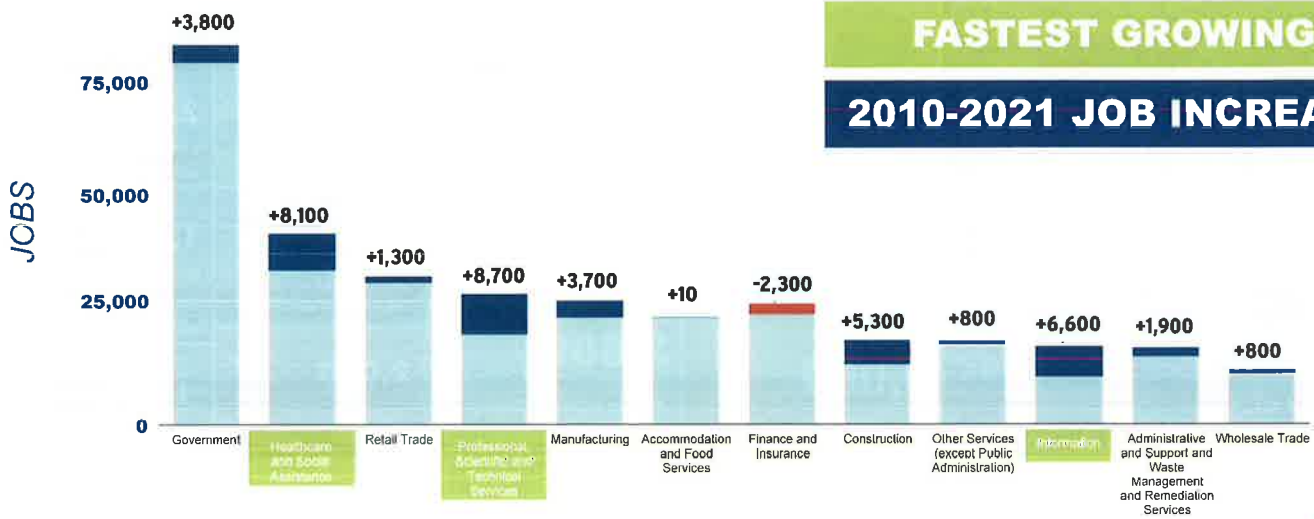
Source: Lightcast

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# WORKFORCE GROWTH 2010 TO 2021

Healthcare, Professional Services, and Information Technology sectors are the fastest growing



**FASTEST GROWING**  
**2010-2021 JOB INCREASE**

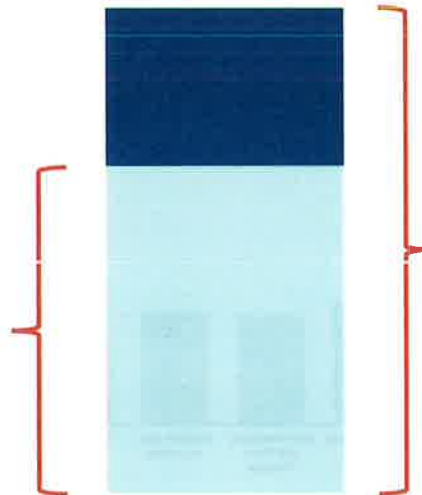
Note: Chart excludes sectors with less than 10,000 employees  
Source: Lightcast, SB Friedman



# WAGE GROWTH

From 2010 to 2021 Dane County average wages grew by \$20,800

The average **2010** wage in Dane County was **\$43,000**



The average **2021** wage in Dane County was **\$63,800**

Source: Lightcast, SB Friedman



# 2021 AVERAGE WAGES

HIGH GROWTH SECTORS REPORT ABOVE AVERAGE WAGES



Source: Lightcast, SB Friedman

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# RACE

## How does affordability vary by race?

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# DANE COUNTY RACE + ETHNICITY (2010-2020)

DANE COUNTY HAS DIVERSIFIED OVER THE PAST 10 YEARS

**WHITE / NOT HISPANIC (+7%)**

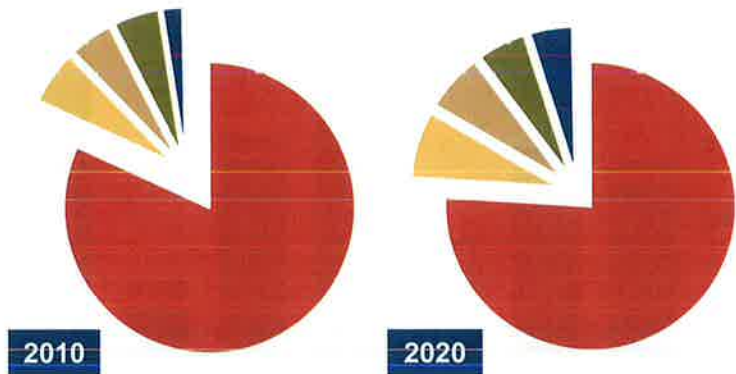
**HISPANIC / LATINO OF ANY RACE (+45%)**

**ASIAN AMERICAN /  
PACIFIC ISLANDER (+55%)**

**BLACK / AFRICAN AMERICAN (+20%)**

**TWO OR MORE RACES /  
"SOME OTHER RACE" (+146%)**

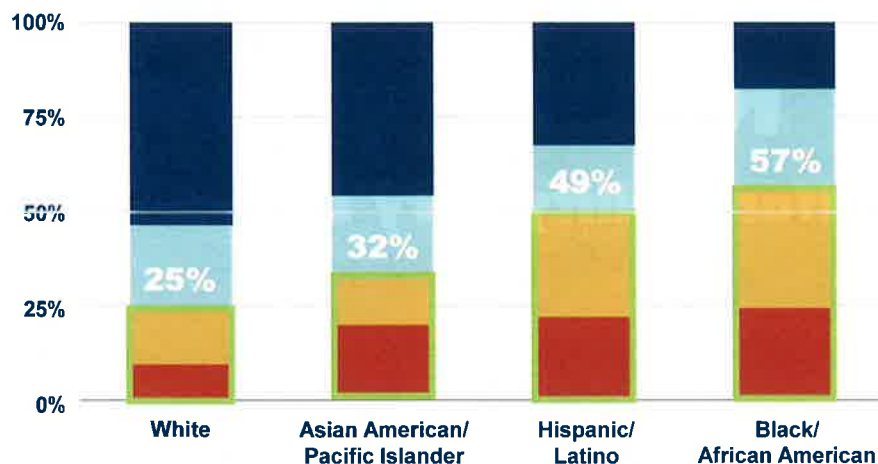
**AMERICAN INDIAN (-5%)**



Source: US Census Bureau 2010 & 2020, SB Friedman  
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# AMI DISTRIBUTION BY RACE/ETHNICITY

OVER 55% OF BLACK HOUSEHOLDS EARN BELOW 60% OF AREA MEDIAN INCOME



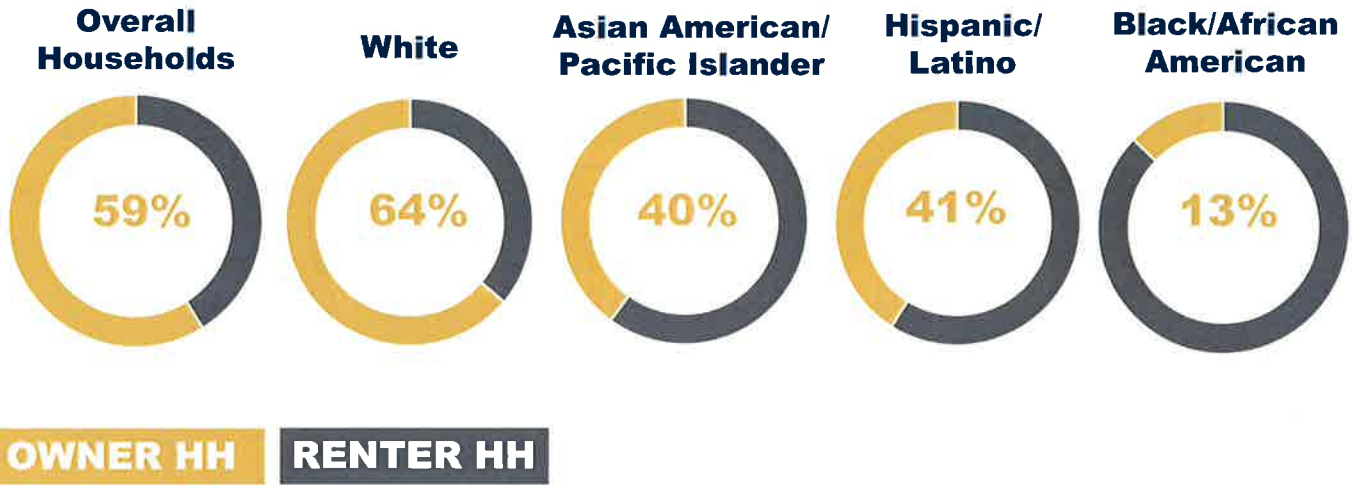
Share of households below 60% AMI by race/ethnicity



Source: PUMs ACS 5-Year (2016-2020), SB Friedman  
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# HOMEOWNERSHIP BY RACE/ETHNICITY

HOMEOWNERSHIP RATES FOR PEOPLE OF COLOR ARE LOWER COMPARED TO WHITE PEOPLE

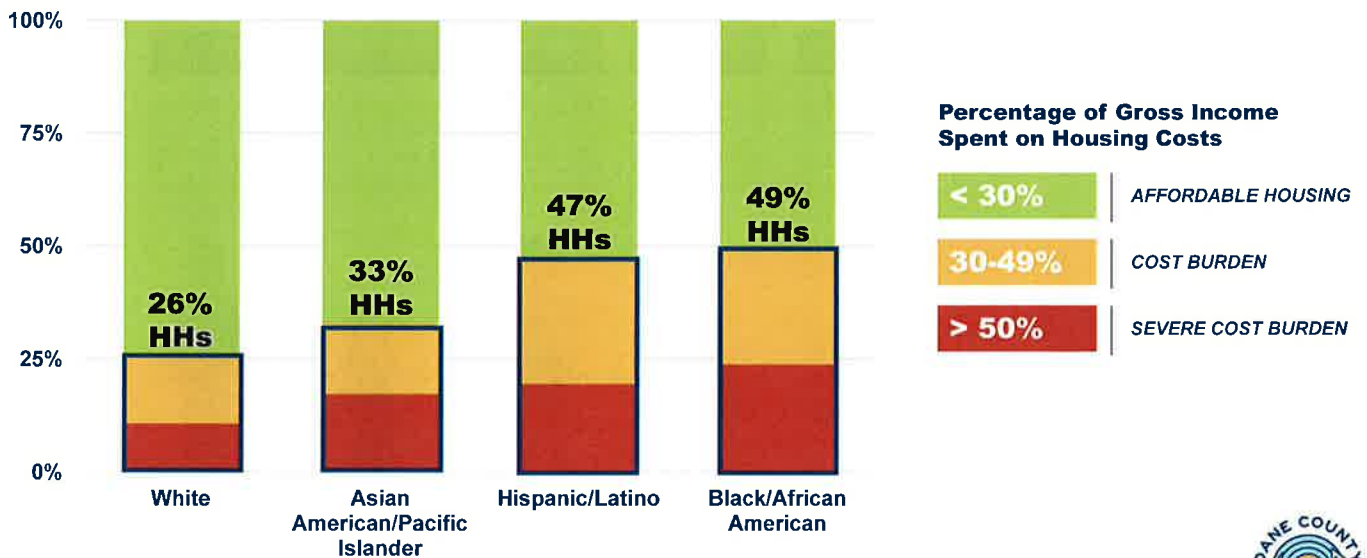


Source: PUMs ACS 5-Year (2016-2020), SB Friedman  
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# COST BURDEN BY RACE/ETHNICITY

PEOPLE OF COLOR ARE MORE LIKELY TO EXPERIENCE COST BURDEN



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

## How does affordability vary by age?

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### DANE COUNTY CHANGE BY AGE COHORT

EVERY AGE COHORT IS GROWING IN DANE COUNTY

Change in  
DANE COUNTY  
and WISCONSIN  
population by age cohort  
from 2010 - 2020:

≤ 14	15 - 24	25 - 34	35 - 54	55 - 74	75+
+3.8%	+15.1%	+8.0%	+1.5%	+30.8%	+21.9%
-4.7%	-1.7%	+2.2%	-9.6%	+26.1%	+9.4%

*Dane County's population is increasing across all age cohorts, especially ages 55 and older.*



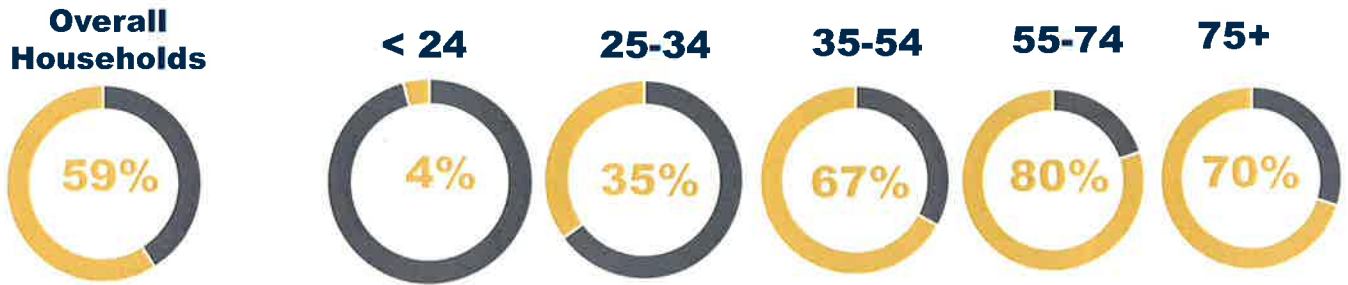
Source: US Census Bureau, SB Friedman  
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# HOMEOWNERSHIP BY AGE COHORT

HOMEOWNERSHIP IS HIGHEST AMONG HOUSEHOLDS IN THE 35-74 AGE COHORTS



OWNER HH

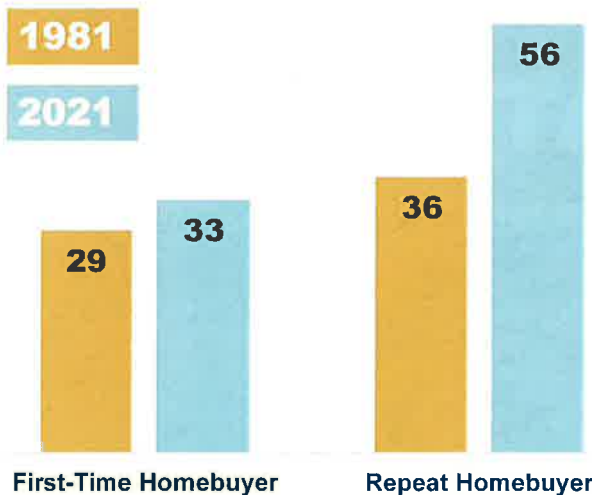
RENTER HH

Source: PUMs ACS 5-Year (2016-2020), SB Friedman  
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# NATIONAL HOMEBUYER AGE CHARACTERISTICS

THE MEDIAN AGE OF BOTH FIRST TIME AND REPEAT HOMEBUYERS IS INCREASING



Share of home sales to first-time homebuyers in 1981 vs 2021

44%

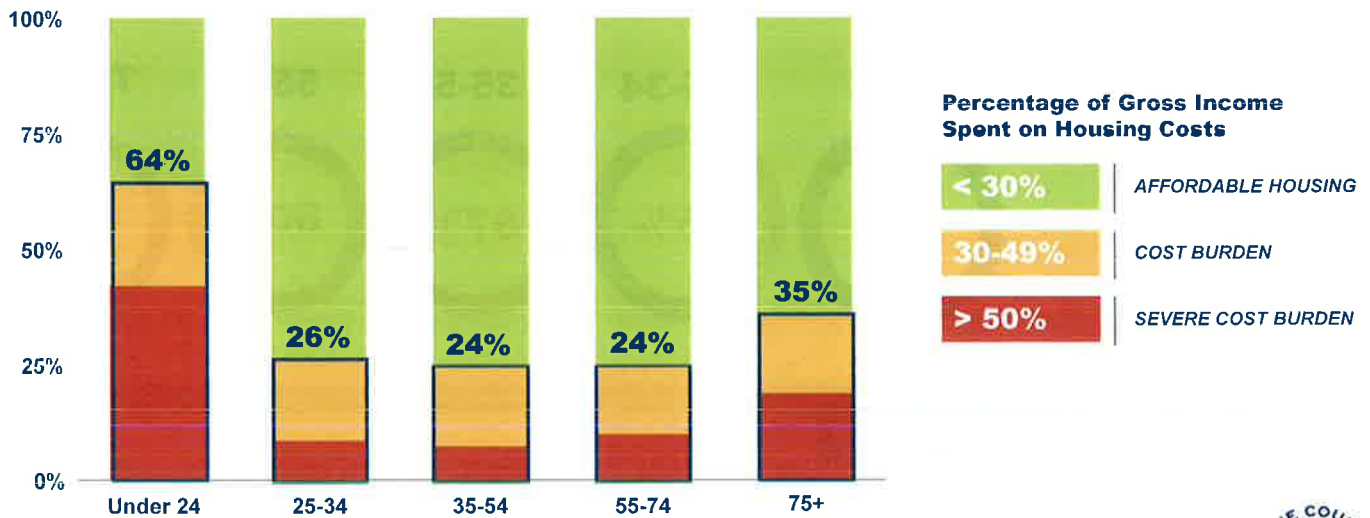
34%

Source: National Association of Realtors, SB Friedman  
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# COST BURDEN BY AGE COHORT

YOUNG PEOPLE AND ELDERLY PEOPLE ARE MORE LIKELY TO BE COST-BURDENED



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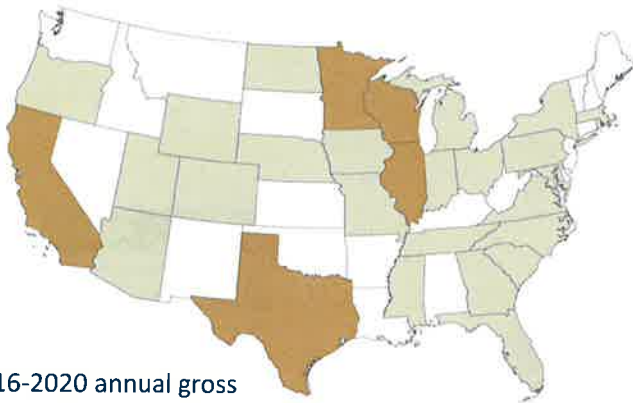
# MIGRATION

Who is moving to Dane County and where are they moving from?



# MIGRATION PATTERNS

THE HIGHEST NUMBER OF MOVERS TO DANE COUNTY ARE FROM THE MIDWEST, TEXAS, AND CALIFORNIA



2016-2020 annual gross



Note: Students are excluded from data  
 Source: PUMs ACS 5-Year (2016-2020), Census County to County Migration (5-year ACS), SB Friedman  
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**101**

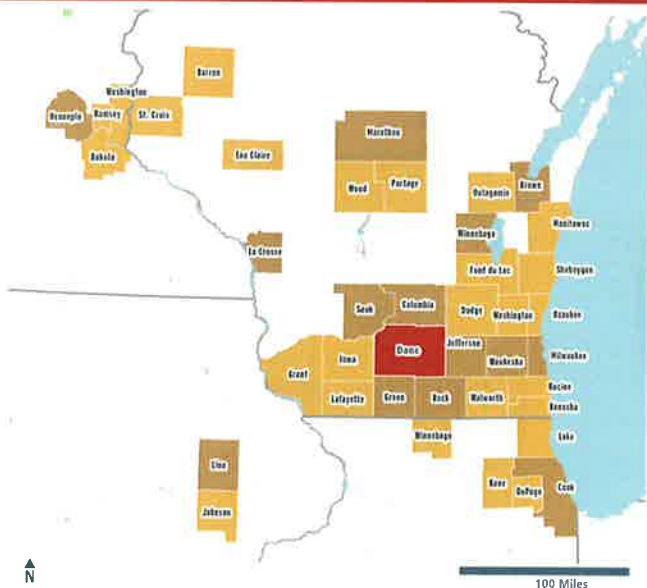
people per day moving into Dane County (2015 to 2019 annual average)

**9**

daily net population increase from (2010 to 2019)

# TOP COUNTIES WITH MOVERS TO DANE COUNTY

DANE COUNTY ATTRACTS MOVERS FROM ACROSS THE STATE AND NEARBY METRO AREAS



## TOP 5 COUNTIES REPORTING 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)

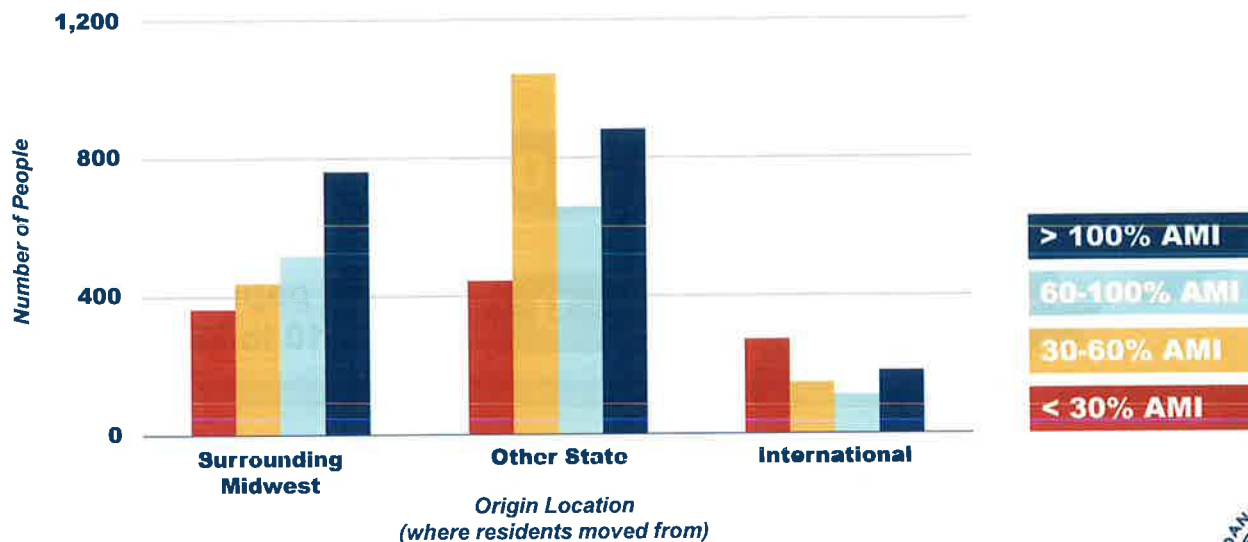


Note: Map and figures represent gross count of movers to Dane County  
 Source: US Census County to County Migration Patterns ACS 5-Year (2016-2020), SB Friedman  
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# AMI BY MOVERS' PRIOR LOCATION

NEARLY 50% OF MOVERS FROM OUTSIDE OF WISCONSIN TO DANE COUNTY EARN BELOW 60% OF AMI

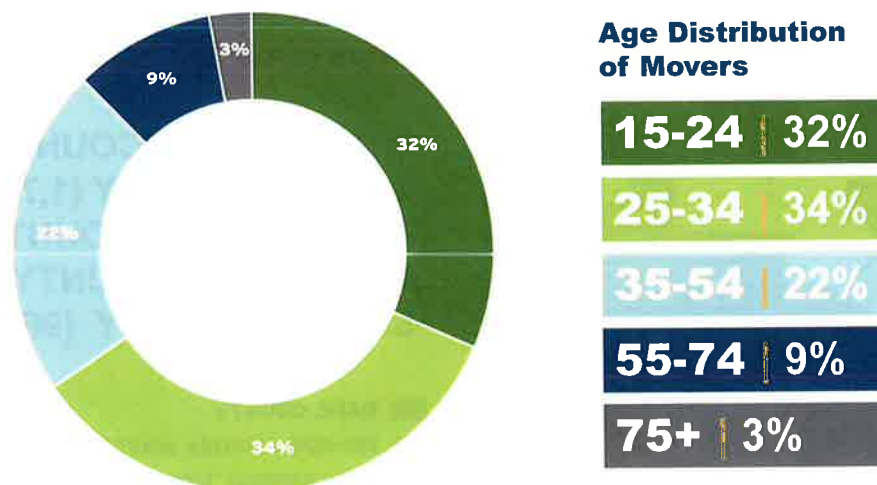


Note: Chart excludes students and movers from Wisconsin  
 Source: PUMs ACS 5-Year (2016-2020), SB Friedman  
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# AGE DISTRIBUTION OF NEW HOUSEHOLDS

TWO THIRDS OF MOVERS TO DANE COUNTY ARE BELOW THE AGE OF 35

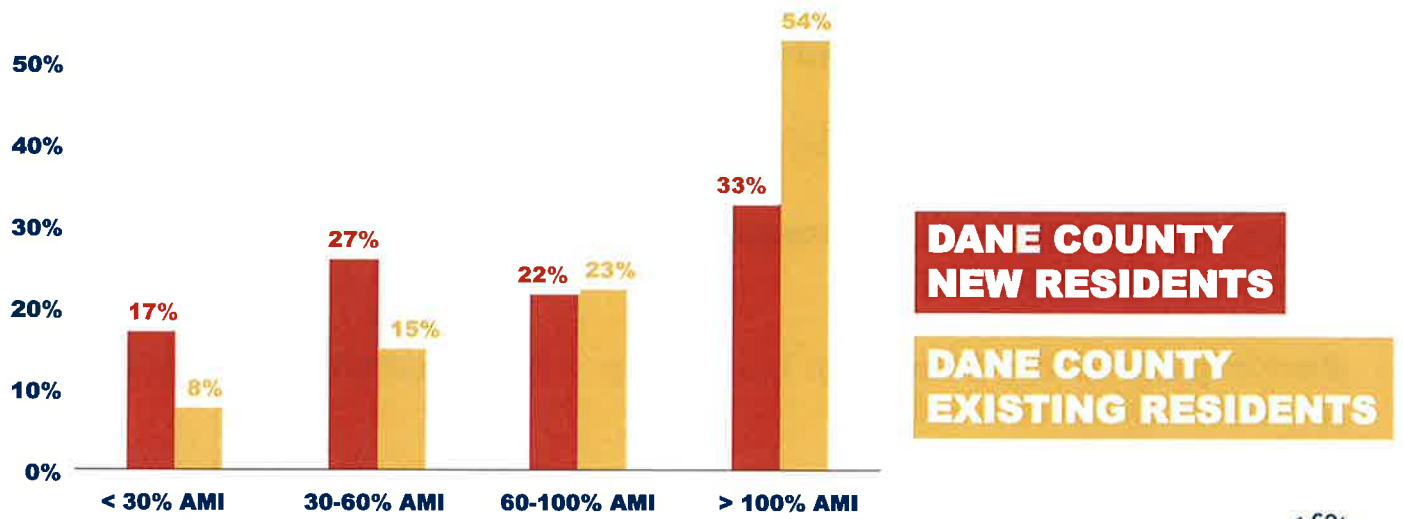


Note: Distribution includes student population  
 Source: PUMs ACS 5-Year (2016-2020), SB Friedman  
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# INCOME DISTRIBUTION OF NEW HOUSEHOLDS

NEW COUNTY RESIDENTS TEND TO HAVE LOWER INCOMES THAN EXISTING RESIDENTS



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



## HAC UPCOMING NEEDS

PLEASE HELP US SPREAD THE WORD ABOUT THE UPCOMING HOUSING SURVEY!

- **Attend Monthly Housing Advisory Committee (HAC) Meetings**
- **Review the Meeting Workbook**
- **Raise Awareness of the Community Housing Survey**  
*(October - November 2022)*
- **Participate in the Program Inventory + Assessment Survey (PIRA)**  
*(October - December 2022)*
- **Volunteer for Strategy Spotlight**

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## PUBLIC SURVEY

HELP US SPREAD THE WORD WITH YOUR NETWORKS & CONNECTIONS

- **Purpose: Gather input from employers and residents, employees, and area stakeholders on housing needs and conditions**
- **Open for 5 weeks (November 2nd – December 7th)**
- **Use the Marketing Toolkit, a one-stop shop marketing document**
  - Social media copy and graphics, print materials, and call-in number
  - Sent out to all HAC members & community partners next week
- **Talk to Abigail after HAC Meeting #2 to discuss marketing opportunities for your community/organization/business**

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## ON YOUR WAY OUT

- **Add your favorite Dane County spot to the Hidden Gem map**
- **Spin our Spooky Prize Wheel!**
- **Fill out a comment card**
- **Turn in the HAC Metrics worksheet**
- **If you missed HAC 1: Turn in your RHS Priorities worksheet**

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## Q+A DISCUSSION

**Have a question? Any comments? Let's discuss!**

**DANE**

**REGIONAL HOUSING STRATEGY: HAC MEETING #2**

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# THANK YOU!

HAC Meeting #3 | Virtual Meeting  
November 30<sup>th</sup> 6:30 - 8:30PM

HAC MEETING #2

