



CITY OF MADISON

ANALYSIS OF IMPEDIMENTS TO FAIR HOUSING  
CHOICE

ADOPTED OCTOBER 1, 2019

## PURPOSE OF ANALYSIS OF IMPEDIMENTS

The purpose of the Analysis of Impediments to Fair Housing Choice (AI) is to identify practices and conditions in the City that impede housing opportunities for residents because of their race, color, national origin, religion, sex, disability, or other “protected class” status. Fair housing impediments include *direct* discriminatory actions, omissions, or decisions related to membership in a protected class, or *indirect* actions, omissions, or decisions that *have the effect of* restricting housing choices for people specifically because of their protected class membership.

The City is required by the Fair Housing Act to “Affirmatively Further Fair Housing.” The AI identifies fair housing choice constraints and offers planning strategies that can be incorporated into other community planning and development processes and decisions. This assessment is required by the Department of Housing and Urban Development (HUD) as a condition of receiving federal housing funds. It should be completed before the City creates its five-year “Consolidated Plan” that describes how those funds will be spent, so that the City can demonstrate that it understands the various direct and indirect impediments to fair housing choice and is actively working to eliminate discriminatory practices and disparate outcomes.

## OVERVIEW OF STUDY

The City of Madison has prepared this Analysis of Impediments to Fair Housing Choice (AI) in compliance with the Fair Housing Act. The AI combines data available from a variety of sources, including population, demographic, economic, and housing data from the American Community Survey; the US Department of Housing and Urban Development (HUD); the Federal Financial Institutions Examination Council; the Consumer Financial Protection Bureau; and the City of Madison.

Both the primary information that was gathered and the secondary data that was analyzed point to a similar set of at-risk groups and possible impediments.

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## IMPEDIMENTS TO FAIR HOUSING CHOICE IN THE CITY OF MADISON

### RACE & ETHNICITY IMPEDIMENTS

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1. Moderate to high racial segregation in areas of the City may indicate barriers to geographic housing choice by race/ethnicity.<sup>1</sup>
2. Lack of affordably priced units with 3 or more bedrooms in specific neighborhoods, especially in neighborhoods with larger Populations of Color.<sup>1</sup>
3. Segregation by race/ethnicity within ELI/VLI households shows potential housing discrimination or other barriers for equal access.
4. Disproportionately higher levels of eviction in neighborhoods with higher populations of Persons of Color disproportionately impact future housing choice.
5. Black/African American individuals and families enter homelessness at a greater rate than other households in the same economic condition, indicating greater levels of housing instability.
6. Lack of access/opportunity for economic mobility in areas that are concentrations of Households of Color, and/or poverty directly impede affordable housing opportunity for Households of Color.
7. Increasing owner-occupied sales prices in areas that are already moderate- to high-income can exclude lower-income households, which are disproportionately Households of Color.
8. Extreme disparities in rates of incarceration by race/ethnicity directly impede future housing opportunity, furthering wage gaps and segregation in the City.

### AGE IMPEDIMENTS

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1. Lack of assisted housing options (varying levels) for current and future aging populations throughout the City.
2. Lack of enough units within neighborhood interiors for current and future aging populations to downsize while remaining in their community.

### DISABILITY IMPEDIMENTS

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1. Black/African American households have greater need for accessible units, based on higher disability rates.
2. Lack of accessible units or units with services to accommodate the projected large increase in current and future aging populations, especially those with disabilities.
3. Lack of assisted or naturally occurring affordable accessible units disproportionately affects low-income populations, who are more likely to have a household member with a disability.

### INCOME/AFFORDABILITY IMPEDIMENTS

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1. Continued lack of supply of lower-rent units creates persistent affordability mismatch and high levels of cost-burden for lower-income households.<sup>1</sup>
2. Lack of affordable units disproportionately affect Households of Color, who have a disproportionately higher need for lower-rent units due to cost burden and income disparities.
3. Lack of mixed-income neighborhood housing options may perpetuate economic and therefore racial segregation.
4. Low labor force participation in some lower-income Census Tracts which display high access to employment opportunities demonstrates a skills mismatch among employers and the potential employees that they are located near, which may perpetuate economic segregation and ownership disparities.
5. Owner-occupied home prices rising faster than incomes in the City, creating a growing income barrier to homeownership.
6. Lack of owner-occupied housing stock affordable to low- and very-low income households may perpetuate economic & therefore racial segregation.
7. Lack of supply of rental units priced affordably for moderate- to high-income households may “squeeze” the housing market, negatively affecting low-income households’ ability to secure affordably priced units.<sup>1</sup>

### HOUSING STOCK IMPEDIMENTS

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1. Lack of new construction of affordable homeownership options, coupled with decline in single-family attached and condo construction activity, may lead to increased cost of ownership - disproportionately affecting lower-income households.

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<sup>1</sup> Also identified in City of Madison 2013 Analysis of Impediments to Fair Housing Choice

2. Little to no rental housing available in specific neighborhoods limits housing choice and opportunity, and lack of supply of units Citywide disproportionately impacts lower-income households.
3. Areas with few “missing middle” housing types, especially areas mostly consisting of single-family detached homes, excludes groups more likely to be renters rather than homeowners, and limits options to age-in-place.
4. Lack of affordable owner-occupied and rental housing stock in West Madison creates geographic segregation for lower-income households.
5. Lack of affordable rental housing stock in moderate- to high-income areas may perpetuate economic and therefore racial segregation.

## LENDING IMPEDIMENTS

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1. Pronounced disparity in lending patterns by race/ethnicity, even for high-income Households of Color.<sup>1</sup>
2. Mortgage lending denial rates, primarily for reasons of credit history, create disparities in ownership by race/ethnicity.
3. Lack of affordable housing in established moderate to higher-income neighborhoods with high concentrations of the City's owner-occupied housing stock effectively serves as a barrier to homeownership in the City.

## EDUCATION IMPEDIMENTS

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1. Unequal access to higher-achieving public schools influences students' long-term earning potential, perpetuating economic and therefore housing disparities.
2. Lower high school completion rates impact future earning potential of individuals by race/ethnicity, disability status, and childhood household income, perpetuating housing barriers and disparities.

## PUBLIC IMPEDIMENTS

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1. Difficult for tenants to file housing discrimination complaints with City and City-contracted agencies results in low numbers of fair housing complaints.<sup>1</sup>
2. State law preempts City's ability to post notice of available tenant resources and rights in rental buildings.
3. Lack of frequent transit service in specific areas with higher than average concentrations of low-income households limits mobility of lower-income residents, impacting access to economic opportunity.<sup>1</sup>
4. High land costs make it difficult to develop multifamily affordable rental in higher-income areas.
5. Many housing types are conditional instead of permitted uses in Madison's Zoning Ordinance, creating administrative restrictions and barriers to accessibility and affordability.
6. Zoning ordinance restricts the number and density of housing units that can be created in established neighborhoods.

## LEGISLATIVE IMPEDIMENTS

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1. State landlord-tenant law currently allows 5-day, no-cure eviction notice for suspicions of criminal activity, with current eviction patterns shown to be more likely in Communities of Color.
2. Frequent state law changes impacting tenant rights makes it difficult for the City and City-contracted agencies to educate tenants of changes to law.
3. State law preempts City's ability to implement solutions to affordable housing shortage common in other states, such as rent control, inclusionary zoning, etc.
4. State law prohibits City's ability to raise minimum wage to a prevailing or living wage.
5. State law limits municipalities from conducting regular housing inspections of rental properties and from requiring landlord registration.

## ACTIONS TO ALLEVIATE IMPEDIMENTS TO FAIR HOUSING CHOICE

Due to the nature of Impediments to Fair Housing Choice, goals and actions to alleviate impediments often encompass several “impediment areas,” each action impacting groups and individuals by social position, identity, history, etc. For this reason, goals and actions are listed by implementation type, along with different impediment areas they address. Please see pp. 1-2 in the 2018/19 Analysis of Impediments to Fair Housing Choice for a list of identified impediments. Items shaded green in the table below are deemed to be the highest priority because of their potential to have a high impact in the City’s housing market, and the strategies have been determined to be highly feasible to implement.

Goals and Actions	Impediment Area	Division
<b>1. Development and Plan Actions</b>		
1. Reduce potential impact of neighborhood opposition to affordable ownership and rental housing development <ul style="list-style-type: none"> <li>a. Create a communication and educational plan for affordable housing for presentations to neighborhood(s).</li> </ul>	Race & Ethnicity, Income, Housing Stock, Public	Planning, Civil Rights
2. Continue to proactively address redevelopment pressures through inter-Division communication and cooperation, prioritizing City funding and program activities to areas identified as facing challenges to equitable development	Race & Ethnicity, Income, Public	Planning, Zoning, CDA, Community Development, Civil Rights
3. Review current regulations within the zoning code and adjust as necessary to maximize potential for context-sensitive density increases in residential and mixed-use districts, supporting missing middle housing types (townhomes, small lots, etc.)	Race & Ethnicity, Age, Disability, Income, Housing Stock, Public	Planning, Zoning
4. Review and adjust ADU zoning ordinance to allow interior-ADU (basement/attic/etc.) conversion by-right in all residential districts <ul style="list-style-type: none"> <li>a. Explore opportunities to shift from conditional to permitted use for detached ADU types in residential districts</li> </ul>	Race & Ethnicity, Age, Disability, Income, Housing Stock, Public	Planning, Zoning
5. Explore removal or modification to City ordinance requiring conditional use for 2 or more unit structures being within a set proximity in residential districts	Housing Stock, Public	Planning, Zoning, Common Council
6. Planning documents should include or be amended to include acknowledgement of residential racial and economic segregation as an impediment to fair housing <ul style="list-style-type: none"> <li>a. Consolidated Plan</li> <li>b. Biennial Housing Report</li> <li>c. Comprehensive Plan</li> <li>d. Sub-Area/Neighborhood Plans</li> </ul>	Race & Ethnicity, Income, Housing Stock, Public	Planning, Community Development, CDA, Zoning
7. Explore adjustments to current zoning to be consistent with the Future Land Use Map and Comprehensive Plan, preemptively easing barriers to development of more affordable housing types in areas where diversification of housing stock would be beneficial <ul style="list-style-type: none"> <li>a. Ex: Adjusted Generalized Future Land Use Low-Medium Residential district allows missing middle and other higher-density structures, but zoning still may serve as impediment to affordable development (adjustments should be explored across all districts to maximize efficiency in development)</li> <li>b. Ex: Proactively adjust zoning after completion of detailed public engagement projects such as sub-area plans, etc., and review neighborhood plans as written to determine opportunities for upzoning consistent with the plan</li> </ul> Ex: Promoting Future Land Use density increases to developers to better take advantage of the intensive public engagement that increased density allowances in certain areas of the City through the Comprehensive Plan	Race & Ethnicity, Income, Housing Stock, Public	Zoning, Planning
8. Preemptively explore opportunities to redefine “low cost housing” within City ordinance to promote affordability of smaller unit types that could be exempted from future impact fees due to affordability	Income, Housing Stock, Age, Public	Community Development, Planning

Goals and Actions	Impediment Area	Division
<ul style="list-style-type: none"> <li>a. Ex: Accessory Dwelling Units and other unit types create opportunities for “low-cost” housing not reflected in current policy</li> </ul>		
<p>9. Future neighborhood planning documents should include specific, neighborhood-level steps to overcome historic and current patterns of potential market exclusion</p> <ul style="list-style-type: none"> <li>a. Ex: Neighborhood plans should propose steps to address neighborhood-specific barriers to fair housing, such as diversity of housing stock, ownership types, and affordability levels, providing specific actions to increase access to residential areas</li> <li>b. Ex: Special Area Plans should address barriers to affordable housing, propose strategies to incorporate affordable housing, and identify and address challenges to equitable development, creating plans for increased fair housing opportunity</li> </ul>	Race & Ethnicity, Income, Housing Stock, Public	Planning, Zoning, Civil Rights
<p>10. Explore relaxing administrative barriers to development, promoting increased development at all rental and ownership levels</p>	Income, Housing Stock, Public	Planning, Zoning
<p>11. Explore implementation of “fair share” zoning and density planning, allowing neighborhoods or aldermanic districts public engagement processes to select parcels for upzoning and promotion for higher-density development</p> <ul style="list-style-type: none"> <li>a. Ex: Metropolitan Council of the Twin Cities utilizes an “affordable housing scorecard”, which prioritizes funding and grants for communities that meet affordable housing production quota</li> </ul>	Income, Housing Stock, Public	Planning, Zoning, Common Council
<p>12. Explore opportunities to relax the City’s review of demolition proposals for residential development</p>	Income, Housing Stock, Public	Planning, Zoning, Building Inspection
<p>13. Review and adjust City zoning ordinances to allow cohousing, housing cooperatives, or other group living arrangements as permitted uses in residential and mixed-use districts</p>	Income, Housing Stock, Public	Planning, Zoning
<b>2. Program Actions</b>		
<p>1. Continue supporting affordable development through capital budget commitments to the Affordable Housing Fund</p> <ul style="list-style-type: none"> <li>a. Build non-profit capacity to participate in the development of new affordable housing</li> <li>b. Enhance program requirements guaranteeing long-term affordability</li> </ul>	Race & Ethnicity, Disability, Income, Housing Stock, Public	Common Council, Community Development, Planning
<p>2. Develop programs to encourage/target affordable housing in areas of the City that specifically lack large numbers of affordable units and rental units</p> <ul style="list-style-type: none"> <li>a. Programs should include both increasing access to interior neighborhoods through missing middle development (townhomes, small lots, etc.), as well as LIHTC &amp; other larger scale development</li> </ul>	Race & Ethnicity, Income, Housing Stock, Public	Community Development, Zoning, Planning, CDA
<p>3. Explore opportunities for expansion of tenant protections and support</p> <ul style="list-style-type: none"> <li>a. Expand landlord education programs</li> <li>b. Expand tenant/landlord mediation programs</li> <li>c. Expand investment into eviction-prevention programs</li> <li>d. Partner with MG&amp;E to distribute information to new tenants when opening utility accounts</li> </ul>	Race & Ethnicity, Disability, Income, Public, Legislative, Homelessness	Community Development, Civil Rights
<p>4. Consider regular RESJI Analyses of current and future Metro routes and scheduling, including complete current system analysis and proposed</p>	Race & Ethnicity, Disability, Age, Income, Public	Metro, Planning, Civil Rights

Goals and Actions	Impediment Area	Division
BRT, to evaluate effectiveness of service in meeting demands of transit-dependent riders, low-income communities, and Communities of Color		
<p>5. Increase mortgage and loan accessibility to households with adverse credit history</p> <ul style="list-style-type: none"> <li>a. Fund targeted credit-repair programs for borrowers</li> <li>b. Continue to support alternative credit-scoring models in underwriting for City programs</li> <li>c. Continue outreach to lenders to inform of fair housing obligations and importance of alternative credit scoring</li> <li>d. Continue to fund homeownership education opportunities</li> </ul>	Race & Ethnicity, Income, Lending, Public	Community Development, Civil Rights
<p>6. Continue and expand targeted funding of educational support programming provided by non-profits for youth in areas that show highest disparities in educational outcomes</p> <ul style="list-style-type: none"> <li>a. Focus programs more explicitly on increasing high school graduation rates and attainment of higher education to increase lifetime income potential</li> </ul>	Race & Ethnicity, Disability, Income, Education	Community Development
<p>7. Explore changes to better target downpayment assistance program as a tool to further fair housing</p> <ul style="list-style-type: none"> <li>a. Expand affirmative marketing of downpayment assistance programs to underrepresented groups, increasing access to high-ownership areas</li> <li>b. Explore increased levels of downpayment assistance offered in areas that are already moderate- to high-income with appreciating value</li> <li>c. Incentivize downpayment assistance in areas undergoing or planned to undergo challenges to equitable development identified through planning processes</li> </ul>	Race & Ethnicity, Income, Housing Stock, Lending, Public	Community Development, Planning
<p>8. Continue exploring use of alternative/expanded data points in mapping process for housing investments, refining preference areas based on unique City attributes (high relative income, active living, lack of rental housing, areas cost prohibitive to development, etc.)</p> <ul style="list-style-type: none"> <li>a. Explore including siting/access to higher-performing public schools as a preference in applications for City housing assistance</li> </ul>	Race & Ethnicity, Age, Disability, Income, Housing Stock, Public	Community Development, Planning
<p>9. Explore developing loan products targeted to senior owner households for home modifications that allow residents to age in-place</p>	Age, Disability, Income	Community Development
<p>10. Continue Property Tax Assistance for Seniors program, and explore opportunities for potential to expand program to serve homeowners with limited equity</p>	Age, Disability, Income	Community Development
<p>11. Further develop and refine affirmative marketing and tenant selection best practices as requirement for participation in City programs</p>	Race & Ethnicity, Disability, Income, Housing Stock, Public	Community Development, Civil Rights, CDA
<p>12. Remove barriers to filing of housing discrimination complaints on City websites</p> <ul style="list-style-type: none"> <li>a. Reorganize the City's search page to direct to DCR as top result for "housing complaint"</li> <li>b. Add "Housing Discrimination" to the City's Report a Problem webpage (Currently Civil Rights Discrimination and Employment)</li> <li>c. Add a Discrimination Complaint link from Building Inspection's Complaints webpage</li> </ul>	Race & Ethnicity, Disability, Age, Income, Public	Civil Rights, Building Inspection
<p>13. Review TIF policy as tool to promote and expand affordable housing without LIHTC requirement</p>	Race & Ethnicity, Income, Housing Stock, Lending, Public	Community Development, Economic Development, Planning

Goals and Actions	Impediment Area	Division
14. Review ordinances that disproportionately criminalize homeless individuals a. Continue to support programs that remove barriers to housing caused by interactions with the judicial system.	Race & Ethnicity, Income, Public	Common Council, Community Development
15. Partner with community development organizations or other partners to review lending patterns of financial institutions in the City a. As of 2018 data release, HMDA data will contain credit score and other data points previously unavailable, allowing CDOs to better determine lending patterns of institutions	Race & Ethnicity, Income, Lending	Community Development
16. Explore increased opportunity to target job & skills training a. Toward areas with high eviction rates b. To formerly-incarcerated individuals c. Toward mismatched access/skill neighborhoods	Race & Ethnicity, Disability, Income, Education	Community Development
<b>3. Strategy Actions</b>		
1. Research land banking and/or other programs that could alleviate problems of prohibitive land cost of affordable development in areas near transit and other amenities	Race & Ethnicity, Income, Housing Stock, Lending, Public	Community Development, Planning, Economic Development
2. Continue promoting needed unit types in City-assisted housing development and rehabilitation as well as the private market d. Continue to encourage and fund scattered-site mod/rehab programs e. Continue to encourage universal design units in all new developments	Race & Ethnicity, Age, Disability, Income, Housing Stock, Public	Community Development, Planning, CDA, Civil Rights
3. Research ways to support increased ownership development, especially of lower-cost ownership types (condo, townhome, cohousing, etc.)	Race & Ethnicity, Income, Housing Stock	Community Development, Planning, Zoning
4. Proactively partner with Madison Metropolitan School District to identify potential investment/development areas to be considered for preference in City programs	Race & Ethnicity, Disability, Income, Housing Stock, Education	Community Development, Planning
5. Create and maintain clear Division responsibilities and implementation strategies for coordinated housing, development, and real estate goals of the City a. Create a City Housing Staff Team	Race & Ethnicity, Age, Disability, Income, Housing Stock, Public	Planning, Zoning, Community Development, Economic Development, Civil Rights
6. Research and promote financing & funding opportunities that can be used to finance development of Accessory Dwelling Units a. Ex: Recruit financial institutions to create portfolio loan products to finance ADUs	Income, Age, Housing Stock, Lending	Community Development
7. Explore and maximize opportunities for City to fund affordable homeownership and other tenure-type development (cohousing, co-op, owner-occupied rental, etc.) a. Explore programs that support conversion from affordable rental to affordable condo/ownership models at end of affordability period	Race & Ethnicity, Income, Housing Stock, Lending, Public	Community Development, CDA
8. Research and implement plans to balance preservation of naturally-occurring affordable homeownership options (most likely to be redeveloped) while encouraging higher-density redevelopment types	Race & Ethnicity, Income, Housing Stock	Planning, Community Development
9. Research policies that support and encourage development of affordable ownership and rental options in the private market without City financial assistance	Income, Housing Stock	Community Development, Planning

Goals and Actions	Impediment Area	Division
10. Consider ordinance changes that encourage the development of affordable housing through the zoning code structured to be consistent with State law	Race & Ethnicity, Income, Housing Stock, Public	Planning, Zoning, Community Development
<b>4. Lobbying Actions</b>		
1. Advocate for legislation to increase local control including repeal of preempting legislation (Regional Transportation Authority, tenant protection, etc.)	Legislative	Citywide
2. Advocate for legislation to increase local authority to conduct regular housing inspections, landlord certifications, and landlord registration	Legislative	Citywide
3. Advocate for legislation to increase statewide minimum-wage and local control for localized minimum wages	Legislative	Citywide
4. Continually monitor and advocate for increased funding opportunities at State and Federal levels	Legislative	Citywide
5. Advocate for legislation to require 30-day Notices to Cure or Quit, as well as general tenant-protections in landlord-tenant law	Legislative	Citywide
6. Advocate for legislation to “ban the box” to further employment and housing protections to formerly-incarcerated individuals	Legislative	Citywide

## DEFINITIONS

### *Affordable Housing*

Affordability of housing is relative to income generated per household. The most commonly used statistic for gauging affordability is 30% of a household’s income – that is, a household can spend *up to 30%* of their income towards housing related expenses while maintaining affordability. All housing related costs are included as a percent of gross income, for instance renter affordability limits would include utility cost. Owner related affordability limits include taxes, insurance, and utilities as well as mortgage payment and anticipated costs of repair.

### *American Community Survey*

The American Community Survey (ACS) is an ongoing survey conducted by the US Census Bureau that provides data estimates every year. ACS data is used to show characteristics and trends in populations, not hard counts. Five-year data is used when available to increase the accuracy of counts.

### *Community Development Block Grant (CDBG)*

The Community Development Block Grant is a federal grant program administered by HUD that provides funding for flexible community development opportunities directly to municipalities, called *entitlement communities*. The goal of the CDBG program is to provide benefit to low-income households in ensuring affordable housing opportunity, providing services to vulnerable populations, and supporting economic development opportunities.

### *Fair Housing Act*

The Fair Housing Act is a broad statute that prohibits discrimination based upon race, color, religion, sex, national origin, disability, or familial status in the majority of housing transactions.

### *HOME Investment Partnerships Program (HOME)*

The Home Investment Partnerships Program (HOME) is a federal grant program administered by HUD that provides funding to municipalities, referred to as *participating jurisdictions*, to fund acquisition, rehabilitation, and/or construction of affordable housing. These funds are often utilized to strengthen the mission of local non-profit partners for either homeownership or rental opportunities to low-income households.

### *Home Mortgage Disclosure Act*

The Home Mortgage Disclosure Act (HMDA) is a data source supplied in part by mandatory reporting of loan applications within metropolitan statistical areas. HMDA data is used in this report to show loan originations and denials only, by race, for first-liens on owner-occupied housing.

### *Housing Cost Burden*

When a household spends more than 30% of adjusted gross household income on housing, they are considered cost burdened. Households that spend more than 50% of their household income on housing are considered **severely cost burdened**.

### *HUD-CHAS*

Comprehensive Housing Affordability Strategy (CHAS) data is a US Department of Housing and Urban Development (HUD) custom tabulation of ACS data from the US Census Bureau that are not available through standard Census products. Datasets are typically released a year behind ACS tabulations, but have increased precision of tabulations, especially among housing-related data. These data are meant to demonstrate the extent of housing problems and housing needs, particularly for low-income renter households.

### *HUD Area Median Family Income (HAMFI)*

HUD Area Median Family Income (HAMFI) is a measure of median income by household calculated by HUD-determined housing markets, largely based on metropolitan statistical areas. While HAMFI does not provide the precision of a County Median Income or City Median Income, HAMFI offers HUD the ability to adjust median income by known household size in CHAS tabulations, providing more consistent data metrics across demographics.

### *Income Classifications*

HUD provides different income classifications for different programs that they administer – for instance, CDBG programs define “low-income” households as earning below 50% of the Area Median Income, while under Section 8 Housing Assistance Payments a household earning 50% of the Area Median Income or under would be considered “very low-income”. These income definitions vary by program across all income levels. For the purposes of this report, a variation of the most common definitions are used to describe the income levels of households of various sizes. These income categories are:

#### **Extremely Low-Income (ELI)**

Extremely Low-Income (ELI) households earn less than or equal to 30% of the HUD Area Family Median Income as measured by MSA, adjusted for family size. Per HUD 2018 FY Income Limits, a household of four (4) in the Madison, WI MSA

earning less than or equal to \$27,500 annually would be considered an extremely low-income household. These households fall into the broader low-income classification.

#### **Very Low-Income (VLI)**

Very Low-Income (VLI) households earn greater than 30% but less than or equal to 50% of the HUD Area Family Median Income as measured by MSA, adjusted for family size. Per HUD 2018 FY Income Limits, a household of four (4) in the Madison, WI MSA earning greater than \$27,500 but less than or equal to \$45,850 annually would be considered a very low-income household. These households fall into the broader low-income classification.

#### **Low-Income (LI)**

Low-Income (LI) households earn greater than 50% but less than or equal to 80% of the HUD Area Median Family Income as measured by MSA, adjusted for family size. Per HUD 2018 FY Income Limits, a household of four (4) earning greater than \$45,800 but less than or equal to \$71,900 annually would be considered a low-income household. These households fall into the broader low-income classification.

#### **Moderate-Income (MI)**

Moderate Income (MI) households earn greater than 80% but less than or equal to 100% of the HUD Area Median Family Income as measured by MSA, adjusted for family size. Per HUD 2018 FY Income Limits, a household of four (4) earning greater than \$71,900 but less than or equal to \$91,700 annually would be considered a moderate-income household.

#### **Moderate to High-Income (MHI)**

Moderate to High-Income (MHI) households earn greater than 100% but less than or equal to 140% of the HUD Area Family Median Income as measured by MSA, adjusted for family size. Per HUD 2018 FY Income Limits, a household of four (4) earning greater than \$91,700 but less than or equal to \$128,400 annually would be considered a moderate to high-income household.

#### **Very High-Income (VHI)**

Very High-Income households earn greater than 140% of the HUD Area Family Median Income as measured by MSA, adjusted for family size. Per HUD 2018 FY Income Limits, a household of four (4) earning greater than \$128,400 annually would be considered a very high-income household.

#### *Low-Cost Housing*

This report defines low-cost housing as housing that would be affordable to a family with an income at 50% of the HUD Area Family Median Income, adjusted for family and bedroom size.

#### *Metropolitan Statistical Area (MSA)*

For many data areas, but especially for income-related data, HUD often utilizes Metropolitan Statistical Areas (MSAs) as the unit of measure. MSAs are a geographic unit with at least one urbanized area greater than 50,000 in population, plus adjacent municipalities with a high level of integration with the core as measured by commuting trends. This allows HUD to better represent the effect of regional choice and mobility within housing and economic markets.

## **I. INTRODUCTION**

Fair housing choice is equal opportunity housing. It is the right for all people to obtain housing, of their choice, without discrimination. Provisions to affirmatively further fair housing (AFFH) are fundamental components of the Department of Housing

and Urban Development's (HUD) community development and housing programs. These provisions stem from the Fair Housing Act<sup>2</sup>, a section of which required HUD to administer the Department's programs in a manner that fulfills their AFFH obligation.

HUD maintains several Community Planning and Development (CPD) Programs, including the Community Development Block Grant (CDBG) and Home Investment Partnership (HOME) programs, from which the City of Madison receives annual grants. As a recipient of these funds, HUD requires the City of Madison to work to affirmatively further fair housing. Although a grantee's AFFH obligations arise in connection with their receipt of federal funding, the obligations extend to all housing and housing-related activities in the grantee's jurisdictional area, whether publically or privately funded.

The Federal Civil Rights Act and Fair Housing Amendments established protected classes, which are groups of people who share a characteristic that historically has been used as the reason for discrimination. These characteristics have no relevance as to whether or not a person will make a good tenant or homeowner. As such, these groups are protected from housing discrimination under federal, State of Wisconsin, Dane County, and City laws. These different levels of government may have different sets of protected classes; however, all four levels of laws are applicable within the City of Madison.

Table 1-1 displays the protected classes at a federal, state, county and local level. The following websites provide additional information on each of these laws:

City of Madison Equal Opportunities Ordinance (Appendix B)

<http://library.municode.com/index.aspx?clientId=50000>

Dane County Fair Housing Ordinance

<http://danedocs.countyofdane.com/webdocs/pdf/ordinances/ord031.pdf>

State of Wisconsin Housing Discrimination Law

[http://dwd.wisconsin.gov/er/discrimination\\_civil\\_rights/open\\_housing\\_law.htm](http://dwd.wisconsin.gov/er/discrimination_civil_rights/open_housing_law.htm)

United States Fair Housing Code

<http://www.law.cornell.edu/uscode/text/42/chapter-45>

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## PROTECTED CLASSES

### Figure 1-1. Summary of Protected Classes and Exceptions

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<sup>2</sup> Title VIII of the Civil Rights Act of 1968 (also known as the Fair Housing Act) prohibits discrimination in the sale, rental, and financing of dwellings based on race, color, religion, sex, or national origin. Title VII has been amended since its original adoption in 1968 to include more protected classes. Refer to [www.hud.gov/offices/fheo/progdsc/title8.cfm](http://www.hud.gov/offices/fheo/progdsc/title8.cfm) for other laws which have fair housing components. Exceptions to the Fair Housing Act, depending on the jurisdiction can include housing for elderly or disabled persons, illegal distribution or manufacture of illegal drugs, certain convictions, student status in relation to housing needs and gender where housing is devoted exclusively to members of the same sex.

Protected Class	Federal (42 U.S.C 3602)	Wisconsin (Wis. Stat. 106.50(1))	Dane County (31.01-31.03(5))	Madison (Sec 39.03, MGO)
Race	✓	✓	✓	✓
Color	✓	✓	✓	✓
Religion	✓	✓	✓	✓
Sex/Gender	✓	✓	✓	✓
National Origin	✓	✓	✓	✓
Handicap/Disability	✓	✓	✓	✓
Perception of disability		✓	✓	✓
Familial Status	✓	✓	✓	✓
Sexual Orientation		✓	✓	✓
Marital Status		✓	✓	✓
Ancestry		✓	✓	✓
Lawful Source of Income		✓	✓	✓
Age		✓	✓	✓
Status as a victim of Domestic abuse, sexual abuse, or stalking (limited protections)		✓	✓	✓
Physical appearance			✓	✓
Political beliefs			✓	✓
Status as a student			✓	✓
Arrest or conviction record (limited protections)*			✓*	✓*
Type of military discharge			✓	✓
Refusal to disclose Social Security Number*			✓*	✓*
Domestic Partnership Status			✓	✓
Citizenship Status				✓
Gender Identity			✓	✓
Genetic Identity				✓
Receipt of Rental Assistance			✓	✓
<b>Exceptions</b>	Owner-occupied buildings with 4 or fewer units	Roommates (5 or fewer)	Housing for elderly or persons with disability	Certain convictions including violent crimes, property destruction and drug offenses
	Housing for elderly or persons with disabilities	Housing for elderly or persons with disabilities	Student status in relation to housing needs	Housing for older or people with disabilities
	Illegal distribution or manufacture of drugs		Certain convictions	
			Gender where such housing is devoted exclusively to members of one sex	

\* "Arrest or conviction record" and "Refusal to disclose Social Security Number" are still in the City and County ordinances, but they are not enforceable due to 2011 Wis. Act 108.

## PROTECTED CLASS EXCEPTIONS, OR LEGAL DISCRIMINATION

There are exceptions written into the local, county, state, and federal fair housing laws that allow for discrimination based on characteristics that are otherwise protected. All levels of government grant exceptions for the benefit of elderly and disabled residents, in that it is legal to offer housing designated specifically for such residents, and to age-restrict against younger residents and persons without disabilities. Similarly, Dane County allows discrimination by gender in the case of single-sex housing.

Most levels of government allow discrimination based on criminal convictions for certain crimes that could put other tenants or employees at risk. To a limited extent, housing occupants are allowed to discriminate in the selection of other occupants, including roommates, as long as there are five or fewer people in the same unit. Owner-occupants of buildings with four or fewer units are permitted by federal law to discriminate against their renters, but this means only that the federal government cannot pursue a discrimination case in these circumstances. This exception is not included in State, County, or City laws, meaning that all landlords are required to comply with fair housing requirements as defined at each of those levels, including duplex owners.

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#### WHAT IS REQUIRED TO AFFIRMATIVELY FURTHER FAIR HOUSING?

HUD defines affirmatively furthering fair housing as requiring grantees to:

- Conduct an analysis to identify impediments (AI) to fair housing choice within the jurisdiction,
- Take appropriate actions to overcome any impediments identified through the analysis, and
- Maintain AFFH records.

Beyond these requirements, the intent is that the grantee will take proactive steps to overcome historic patterns of segregation, promote fair housing choice, and foster inclusive communities for all.

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#### WHAT ARE IMPEDIMENTS TO FAIR HOUSING CHOICE?

There are two types of impediments to fair housing choice, as defined by HUD and restated here for clarity:

- Direct impediments: any actions, omissions, or decisions that directly restrict housing choices or the availability of housing choices based on race, color, religion, sex, disability, familial status, national origin, or other protected class status;
- Indirect impediments: any actions, omissions, or decisions that *have the effect* of restricting housing choices or the availability of housing choices by resulting in conditions in which members of protected classes experience disparate outcomes as compared to the general population.

Any policies, practices, or procedures that may appear neutral but operate to deny or adversely affect the availability of housing to a person may be considered an indirect impediment. To the best extent possible, this AI defines the existence, nature, extent, and causes of impediments to fair housing choice within the City of Madison, and the resources available to overcome them. It is the goal of this document and the process by which it was created to identify any issues within the City of Madison that are preventing some persons from having access to housing of their choice without discrimination.

## II. ANALYSIS OF FAIR HOUSING ISSUES

This section summarizes relevant background data for the City of Madison. Much of the data was derived from the US Census, American Community Survey, and HUD Comprehensive Housing Affordability Strategy. Likely students have been removed from many calculations, identified as very low-income, severely cost burdened renter households in Tracts closely associated with the UW campus.

Caution should be used when interpreting the data from secondary sources. The United States has transitioned from the Census long-form to the American Community Survey (ACS) as a primary data source. The majority of the data that the American Community Survey collects is a statistical sample of the total population, and therefore is subject to both sampling errors (deviations from the true population) and non-sampling errors (human and processing errors), though margins of error are generally not significant enough to be noted. The ACS is released every year and covers all of the social, economic, housing, and demographic questions that previously were covered by the Census long-form.

Unlike the Decennial Census, which attempts to take a snapshot of the population on April 1<sup>st</sup>, the ACS provides consecutive estimates. Because the data is “smoothed out” over the period, it is difficult to pinpoint specific changes that may have occurred at any given point. The majority of the data in this document is from the 2012-2016 ACS 5-Year Estimates. Because this data is only an estimate, the ACS data may not perfectly represent data within the City. When comparing ACS data, it is necessary to take the margin of error (MOE) into account. Numbers that may appear to be different may not actually be *statistically significantly* different. This is addressed by the use of 5-year estimates, which provides a rolling average over the sample period, increasing the sample size and decreasing the margin of error. However, it is important to note the source of the data herein and understand the caveats that accompany it.<sup>3</sup> Due to the scope of the AI, data is often presented as households as opposed to population, although attempts to represent both statistics are used. HUD CHAS Estimates only utilize household data, and are calculated from ACS 5-Year Estimates. Data is not distributed at a smaller geographic level than Census Tracts for CHAS data largely due to confidentiality concerns.

While data collection is a necessary part of the process to prepare an AI, it is also important to remember that the AI is meant to be a practical document that identifies impediments to fair housing choice and creates a systematic plan to remove them. For the most part, the community is aware of impediments, and those that are not clearly presented in the data are identified through the focus group process described in this document.

*Note: Maps in this document were produced for use at a larger scale and are provided within the text to convey general variations among census tracts. The same maps are provided at a larger scale in Appendix, where the detailed data labels are more legible. For best quality, the Appendix should be printed in 8.5"x14" with a landscape orientation. Maps containing Census Block Group divisions are labeled with corresponding Census Tract designations rather than with Block Group designations to maintain legibility. Please see the attached Census Block Group Reference Map for official designation.*

## CENSUS TRACT REFERENCE MAPS

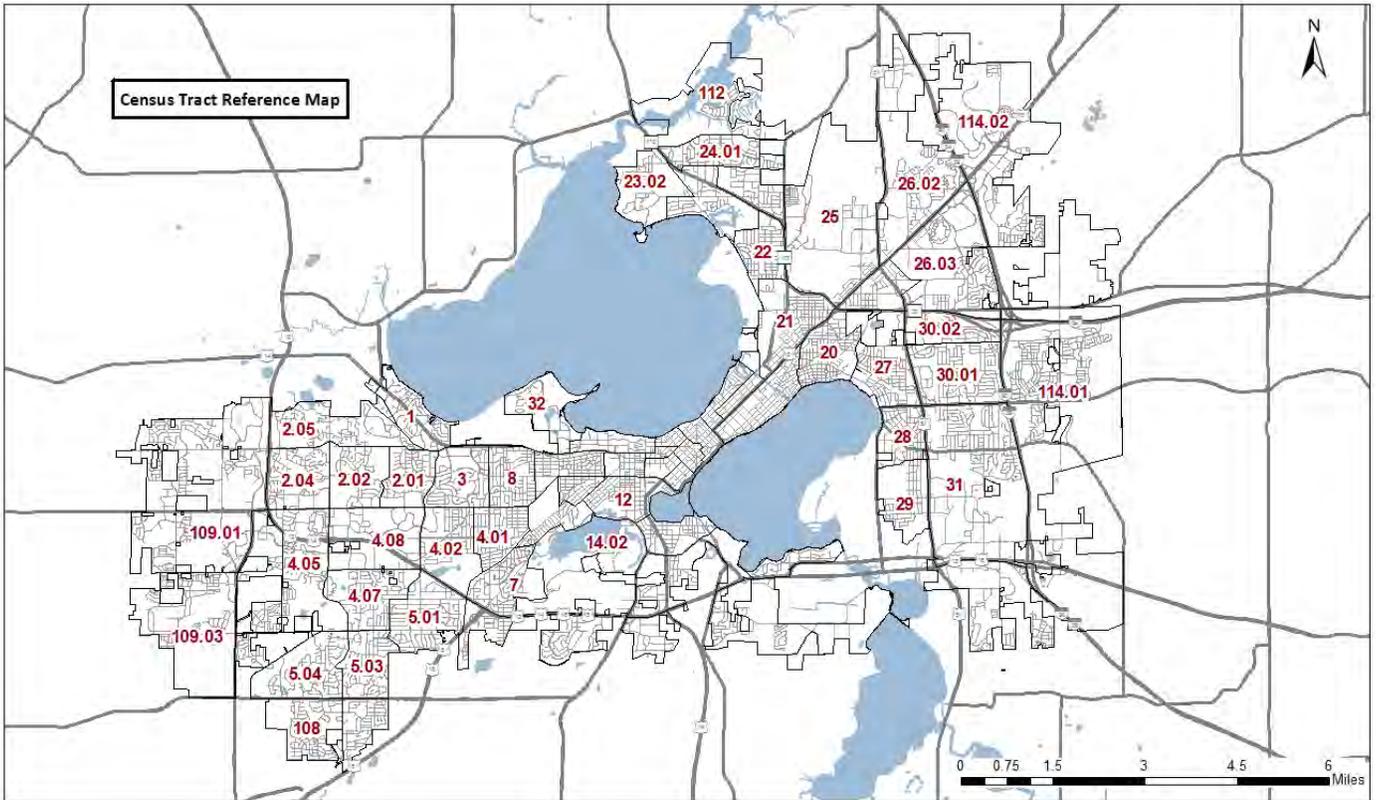
### At A Glance

<b>246,034</b>	population of Madison + 12,825 from prior AI
<b>105,789</b>	total households + 3,273 from prior AI
<b>25.2%</b>	% Persons of Color + 4.1% from prior AI
<b>\$56,464</b>	Median Household Income + \$5,956 from prior AI
<b>16.9%</b>	individuals below poverty level - 1.8% from prior AI
<b>8.2%</b>	families below poverty level - 1.0% from prior AI
<b>52.1%</b>	of units larger than single-family + 0.3% from prior AI
<b>52.4%</b>	of units renter-occupied + 1.7% from prior AI
<b>24.7%</b>	of homeowners experiencing cost burden
<b>54.6%</b>	of renters experiencing cost burden

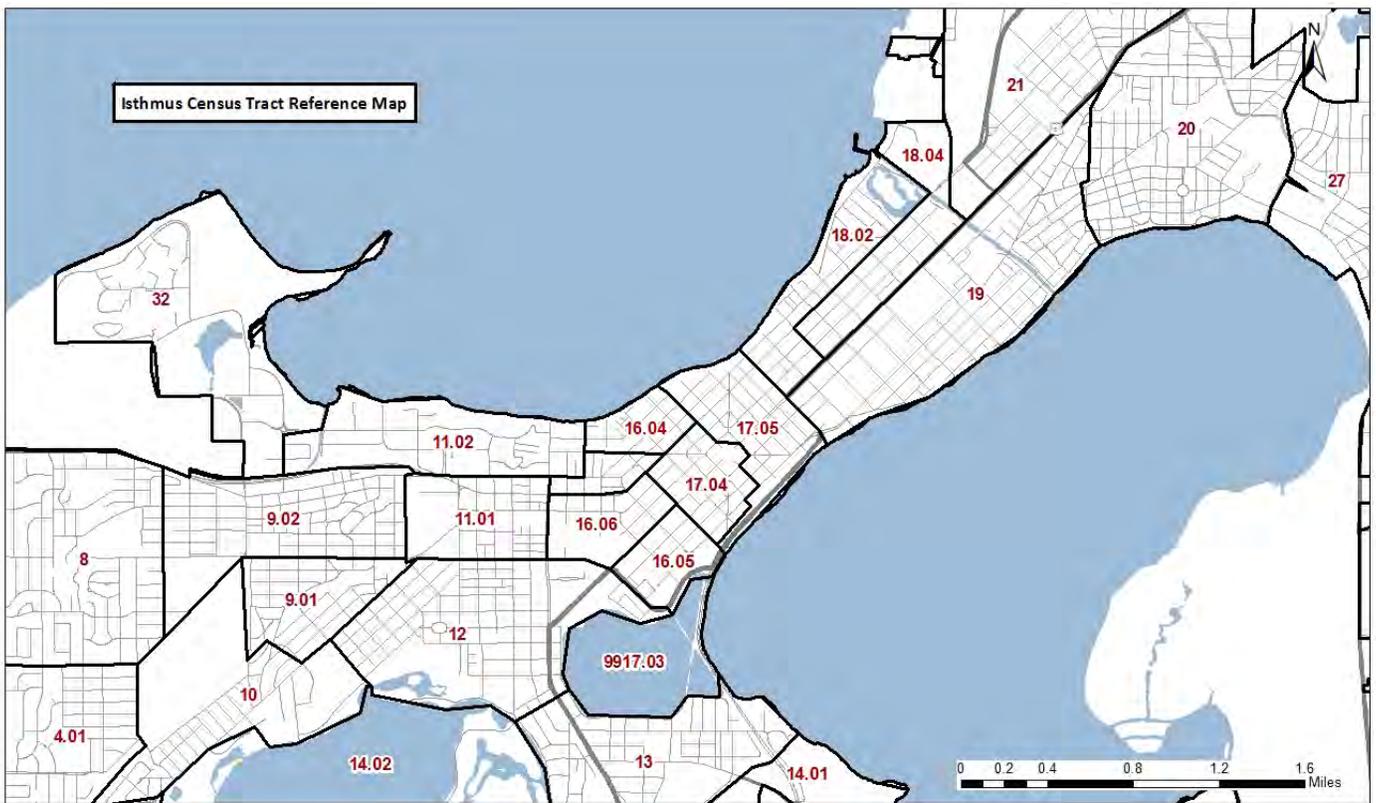
Sources: 2016 ACS 5-Year. 2010-2014 HUD CHAS

*\*Prior AI was completed in 2013 utilizing 2010 ACS 1-Year Estimates.*

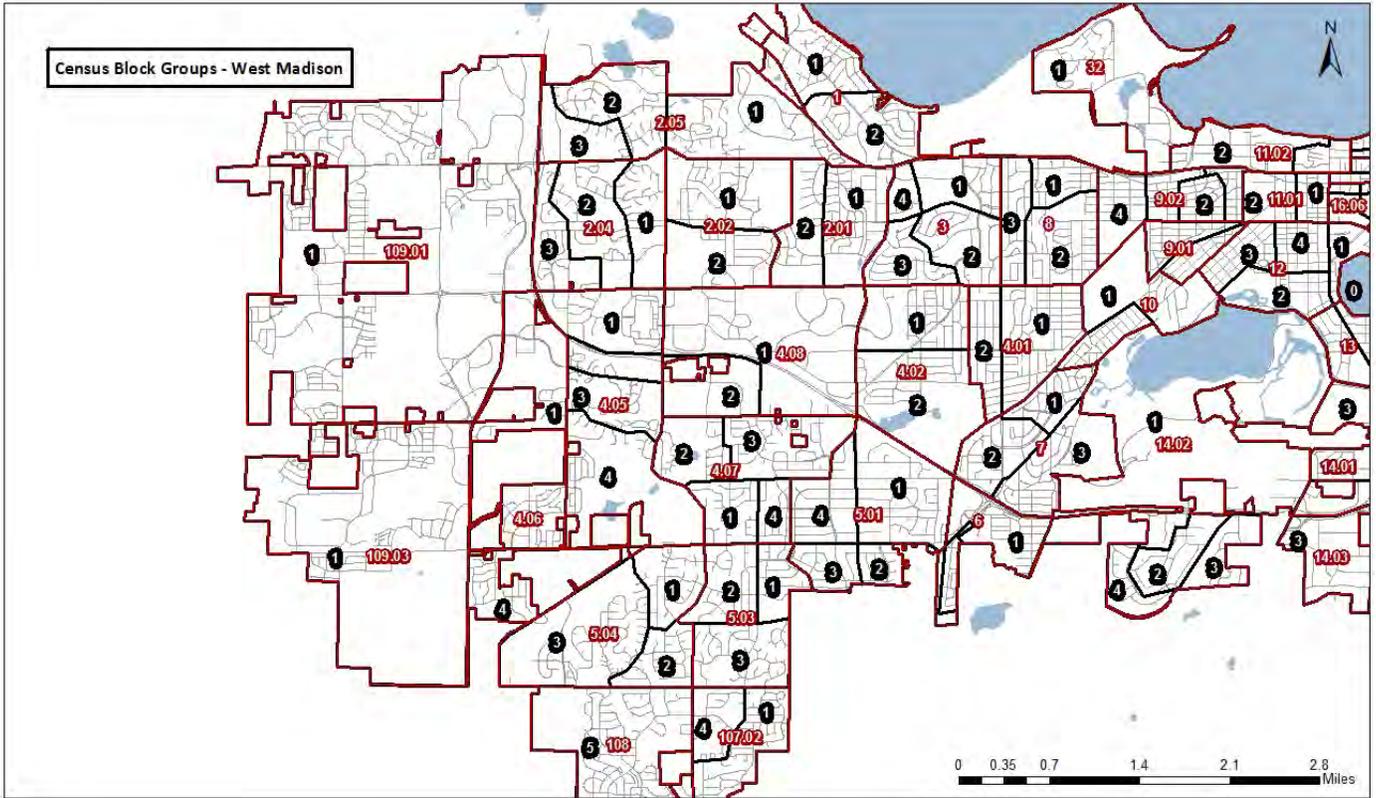
<sup>3</sup> For more information on the ACS and how to appropriately interpret the data, visit [www.census.gov](http://www.census.gov)



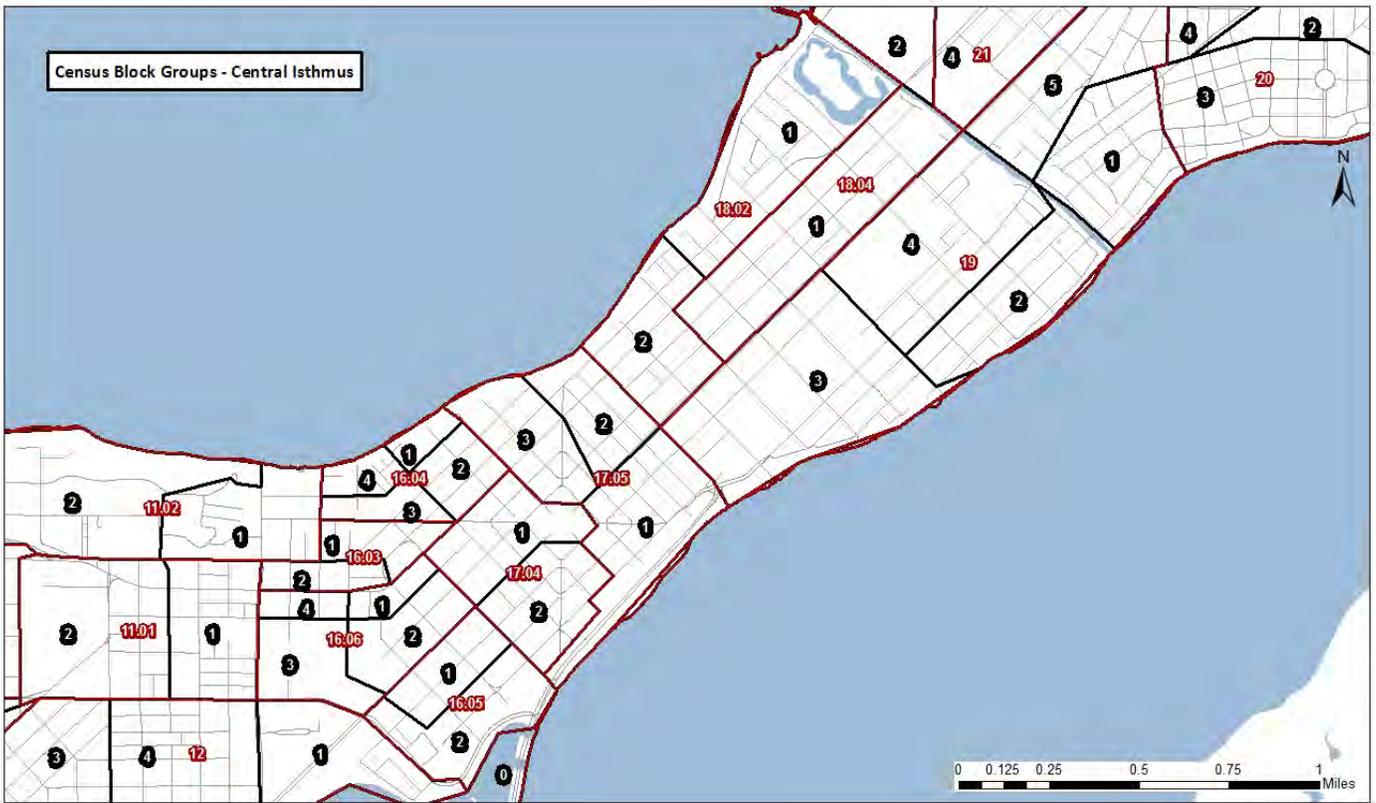
Source: US Census Bureau



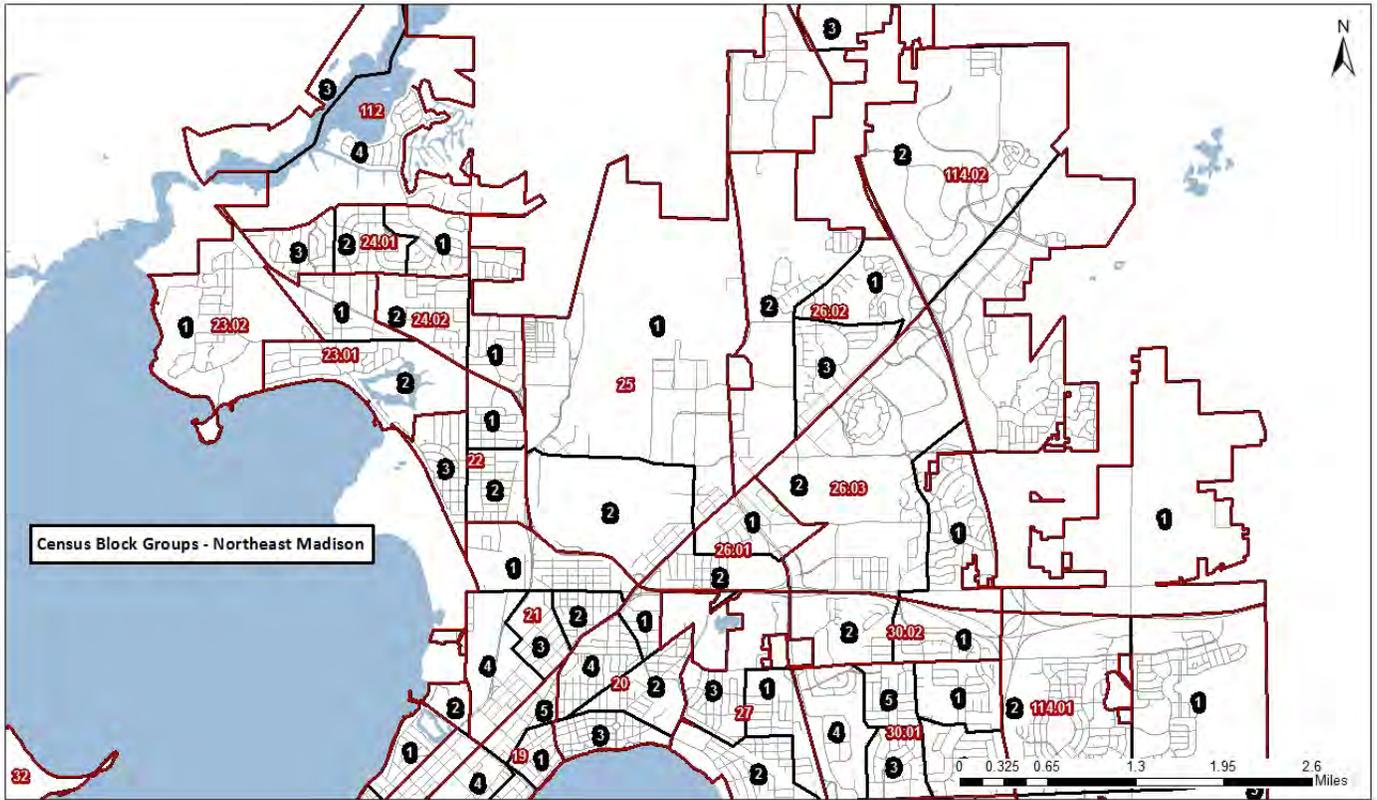
Source: US Census Bureau



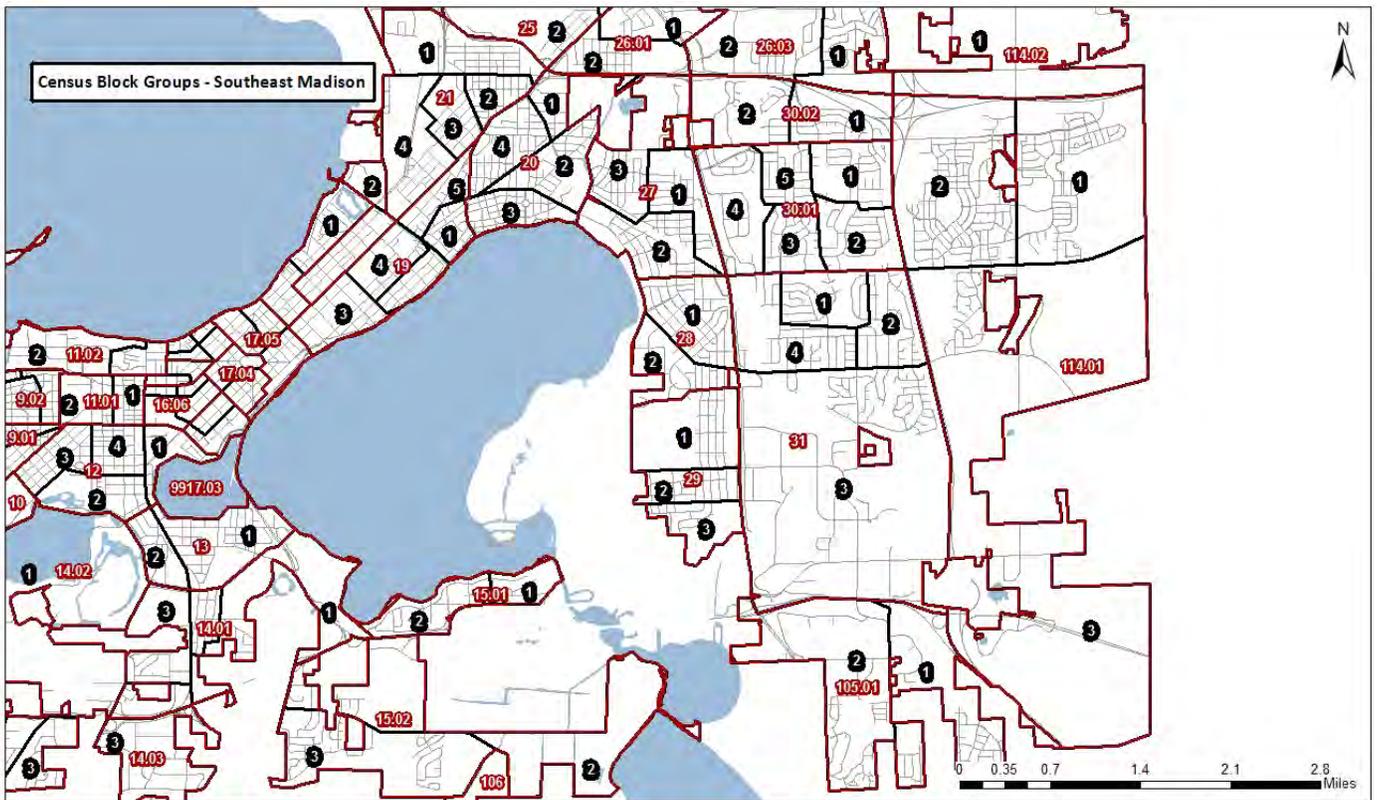
Source: US Census Bureau



Source: US Census Bureau



Source: US Census Bureau

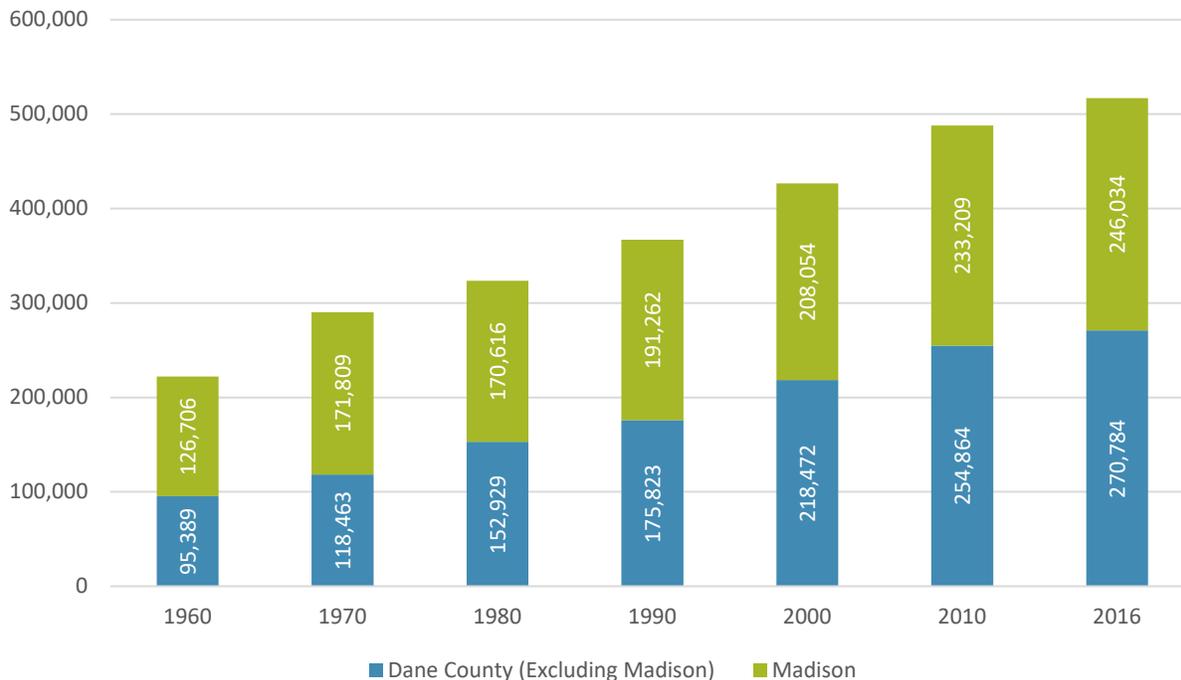


Source: US Census Bureau

POPULATION TRENDS

Tracked through the decennial U.S. Census, the populations of both Madison and Dane County are increasing, and are projected to continue that trend. Since 1960, the City of Madison has roughly doubled in population with a 56-year population growth rate of approximately 1.68% per year. Excluding Madison, Dane County has grown at a more rapid pace, roughly tripling in size since the 1960 decennial census. The population of the County, excluding Madison, has grown at an average rate of 2.1% per year since 1960.

Figure 1. Population Growth in Dane County 1960 - Present



Source: Decennial Census, 2016 ACS 5-Year Estimates

- Population growth in Madison has remained consistent since 1990, at rates between 0.9% and 1.2% annually.
- Population growth has generally occurred faster in the County outside of Madison since 1990, although population growth rates in each area have been relatively equal to each other since 2010.

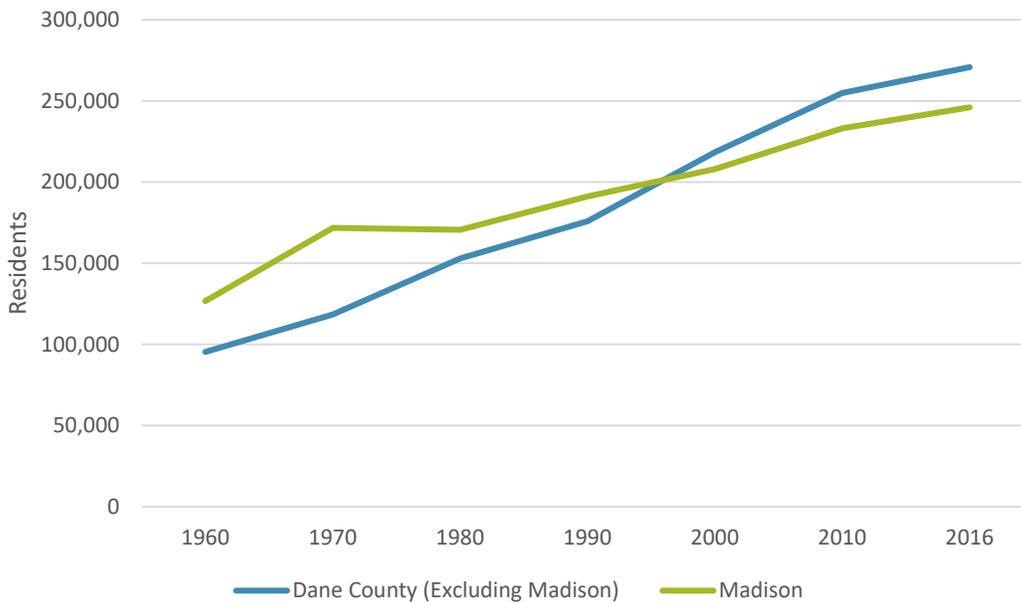
Table 1. Population Growth in Dane County 1960 - Present

	Madison, WI Population	Avg. Annual Growth	Dane County Population (Excluding Madison)	Avg. Annual Growth	County Total	Avg. Annual Growth
1960	126,706		95,389		222,095	
1970	171,809	3.6%	118,463	2.4%	290,272	3.1%
1980	170,616	-0.1%	152,929	2.9%	323,545	1.1%
1990	191,262	1.2%	175,823	1.5%	367,085	1.3%
2000	208,054	0.9%	218,472	2.4%	426,526	1.6%
2010	233,209	1.2%	254,864	1.7%	488,073	1.4%
2016	246,034	0.9%	270,784	1.0%	516,818	1.0%

Source: Decennial Census, 2016 ACS 5-Year Estimates

As displayed in the figure below, the City of Madison has traditionally maintained the majority of the population share of Dane County. At its peak in 1970, Madison comprised 59% of the County’s total population. Since 1970, however, the rapid growth of suburban, and to a lesser extent rural, Dane County has far outpaced the increase in population of Madison. This caused the majority population share to shift as of the 2000 decennial census, marking the first time that Madison comprised the minority share of the County’s population. According to 2012-2016 ACS 5-Year Estimates, Madison currently comprises approximately 48% of the County’s total population.

Figure 2. Residence Location in Dane County 1960 - Present



Source: Decennial Census, 2016 ACS 5-Year Estimates

With the exception of a small decrease in Madison’s population from 1970 to 1980, the City and County as a whole have demonstrated sustained growth through recent decades. While growth has slowed in both geographic areas since the historic highs of the 1960s, Madison has sustained a consistent 1.2% growth rate since the 1980s, with the remainder of the County averaging a 2.1% growth rate over the same timeframe, although slowing significantly since 2000 to 1.3% for the period 2000-2016. Some cities and towns in Dane County have grown at a more rapid pace than the County overall, notably in Sun Prairie and Fitchburg, which display growth rates at approximately three and two times that of the City of Madison, respectively.

Other larger municipalities in Dane County have displayed higher growth rates for the region since the 2000 Census, both in population growth as well as in share of the County’s total population. Sixty-five percent of Dane County’s population resides in the Dane County’s five most populous Cities – Madison, Sun Prairie, Fitchburg, Middleton, and Stoughton.

Table 2. Population Growth Rates for Select Dane County Municipalities

	Population	Percent of County Total	Annual Growth Rate*
Madison	246,034	47.6%	1.1%
Sun Prairie	31,721	6.1%	3.5%
Fitchburg	27,254	5.3%	2.1%
Middleton	18,707	3.6%	1.2%
Stoughton	13,041	2.5%	0.3%

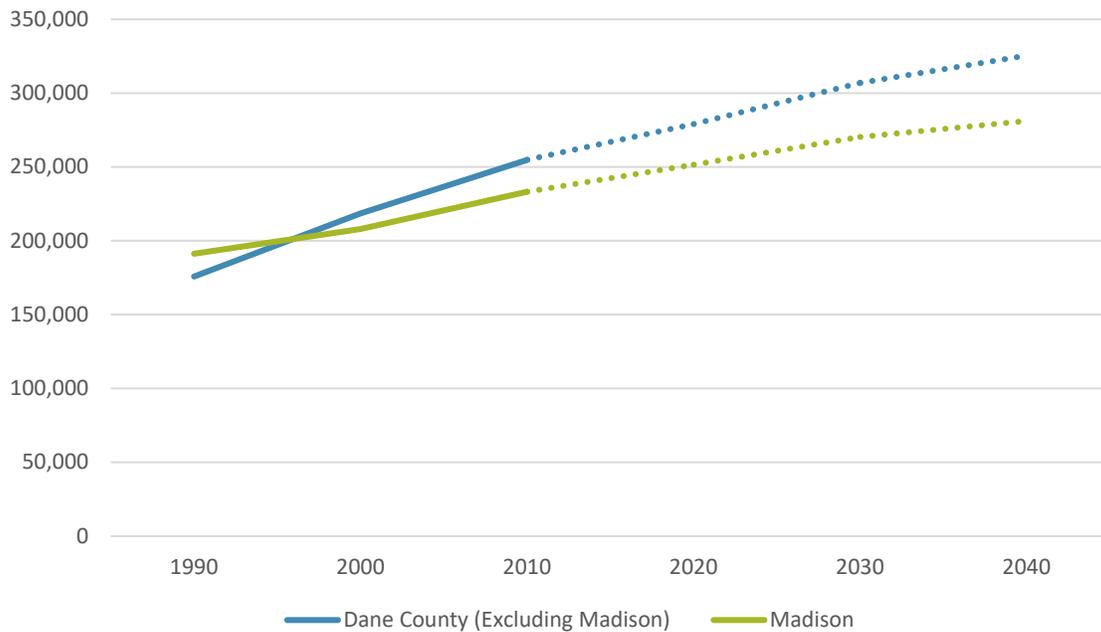
Source: Decennial Census, 2012-2016 ACS 5-Year Estimates

\*Annual Growth Rate displayed contains years 2000 to 2016.

The Wisconsin Department of Administration (DOA) forecasts that population increases will continue in both areas through at least 2040.

- The City of Madison is expected to add 35,116 individuals (+14%) to the City over the next 24-year period, without accounting for current annexation agreements.
- The County (excluding Madison) is projected to add 54,686 individuals (+20%) over the same timeframe, although a small portion of this population increase will be added to the City through annexation agreements in place with the Town of Madison, the Town of Blooming Grove, and certain other Towns bordering the City.

Figure 3. WI Department of Administration Population Projections



Source: Decennial Census, WI Department of Administration Projections

The Wisconsin Department of Administration does not project population increase by Census Tract, so the portions of the Town of Madison and Town of Blooming Grove that are under annexation agreements are unable to be accounted for independently. The addition of population for each municipality is projected to be 6,415 individuals at the time of annexation for the Town of Madison, and 1,810 individuals at time of annexation from the Town of Blooming Grove.

Table 3. Available Population Projections for Madison and Neighboring Towns with Annexation Agreements

Name and Type	2010 Census	2015 Projection	2020 Projection	2025 Projection	2030 Projection	2035 Projection	2040 Projection
City of Madison	233,209	241,250	251,550	268,015	278,755	284,825	289,480
Town of Madison	6,279	6,305	6,415				
Town of Blooming Grove	1,815	1,805	1,810	1,810			

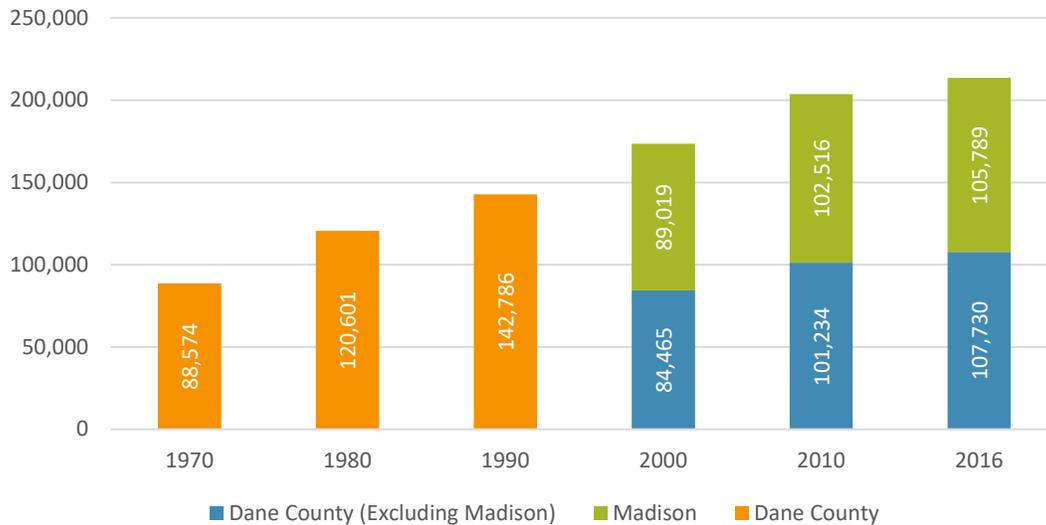
Source: WI Department of Administration

Household trends are particularly helpful in gauging the region’s growth and need, as households, by definition, are equivalent to currently occupied dwelling units.

- Since the 1990 Census, Dane County as a whole has added 70,733 households, representing an average 2016 household size of 2.4 persons. This displays a relative decrease from the average household size of 2.6 for the County in 1990.
- Madison in 2016 represents 49.5% of all households in the County, with a City average household size of 2.3 individuals.

Due to U.S. Census data not aggregating household data by Census Place until the 2000 decennial census along with inconsistency in Census Tract borders between jurisdictions, the City is unable to display information relative to household growth prior to 2000.

Figure 4. Household Growth in Dane County 1970 - Present



\*Note: Household Data not recorded until 1970 Decennial Census, Household Data not recorded by Census Place until 2000 Decennial Census  
Source: Decennial Census, 2016 ACS 5-Year Estimates

Although Madison became the minority population share of the County at the time of the 2000 Decennial Census, Madison did not become the minority share of households for the County until shortly after the 2010 census. This is representative of the smaller average household size within the City of Madison across all demographics. Enrollment at the University of Wisconsin – Madison has remained consistent from 1990 (43,536) to present (43,336), and represents a significant number of households within the City and region (representing at least 5,033 households in Madison alone as of 2014).

Table 4. Household Growth in Dane County 1970 - Present

	Madison Households	Avg. Annual Growth	Avg. Household Size	Dane County Households (Excluding Madison)	Avg. Annual Growth	Avg. Household Size	County Total	Avg. Annual Growth	County Average Household Size
1970							88,574		3.3
1980							120,601	3.6%	2.7
1990							142,786	1.8%	2.6
2000	89,019		2.3	84,465		2.6	173,484	2.1%	2.5
2010	102,516	1.5%	2.3	101,234	2.0%	2.5	203,750	1.7%	2.4
2016	105,789	0.50%	2.3	107,730	1.1%	2.5	213,519	0.8%	2.4

Source: Decennial Census. ACS 5-Year Estimates

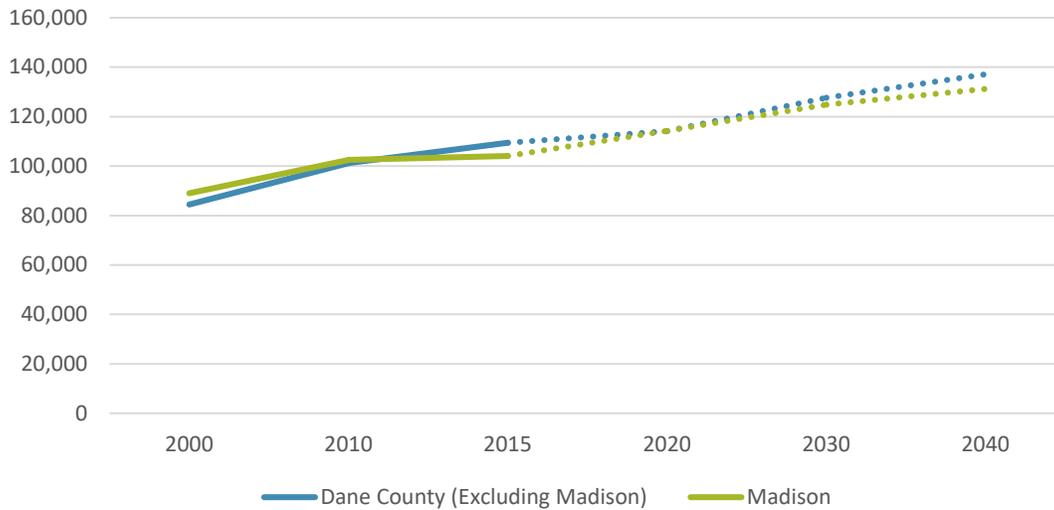
HOUSEHOLD FORECASTS

Despite the steady rate of household growth, the actual number of households in more recent years have fallen short of projections from the Wisconsin Department of Administration.

- The 2013 DOA household projections for 2015 fall short of 2015 ACS 5-Year Estimates outside of a standard margin of error, resulting in County growth falling 0.7% short of the projected 2015 value, and the City falling 2.3% short of projected 2015 values.
- The County excluding Madison experienced growth that exceeded household projections by 0.8% over 2015 estimated values (Table 4).

The Wisconsin Department of Administration projects household growth to continue at similar rates for the County and City until 2030, after which City household growth is expected to slow relative to household growth in the County.

Figure 5: DOA Projected Household Estimates



Source: Decennial Census, 2016 ACS 5-Year Estimates

Table 5: DOA Household Projections

Name and Type	2010 Census	2015 Projection	2020 Projection	2025 Projection	2030 Projection	2035 Projection	2040 Projection	2040 Projected Household Size
City of Madison	102,516	108,216	114,245	122,905	128,812	132,505	135,204	2.03
Town of Madison	2,852	2,916	3,003					2.06
Town of Blooming Grove	789	799	811	819				2.16

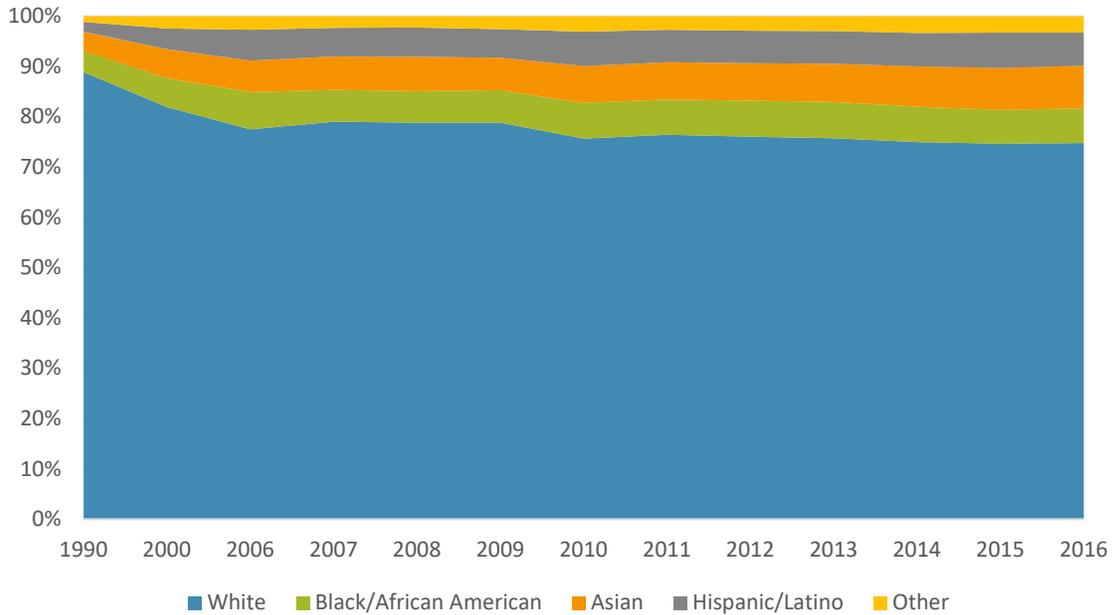
Source: WI Department of Administration

Because households are equivalent to housing units, the City of Madison would need to create approximately 30,000 new housing units by 2040 in order to accommodate household growth while maintaining a consistent vacancy rate. The City is making progress toward achieving its goal of increasing the vacancy rate to a “healthy” five percent, and per the 2016 American Community Survey, the City is approximately 1,000 units from that goal without accounting for an increase in households. To maintain that goal long-term under projected growth, the City will need to plan for continued density and construction while accounting for units removed the market.

## RACE & ETHNICITY TRENDS

From 2000 to 2016 Madison’s demographic composition has remained relatively constant, with a consistent and slight decrease in percent of White population year to year. While there have been times which the White population has both increased and decreased as a percent of total, the most recent trends display a consistent decline in share averaging -0.55% per year since 2009. Corresponding with the overall decrease in White population as a percent since 1990, there has been a net increase in other racial demographics by share of total, notably increases in Asian (0.17% per year) and Hispanic/Latino (0.15% per year) populations since 2000.

Figure 6: Percent of Population by Race/Ethnicity



Source: Decennial Census, ACS 5-Year Estimates

All Census-identified Populations of Color demographics have increased as a share of the population within the City of Madison since 1990. While the increase in individual populations of color are relatively small in both number and growth rate, they do display an important shift in trends among the relative consistency of the City’s population demographics as a whole.

Contained within the “Other” demographic categories are a 2016 population percent of 0.31% American Indian, 2.88% Two or More Races, and less than 0.1% Pacific Islander and Some Other Race designations. The largest increase in demographics for that category is in individuals who identify as the Two or More Races Census designation. This category is largely not considered on its own for the purpose of this report, as Census sampling prior to 2000 did not include this designation, making it difficult to draw meaningful comparisons.

Table 6: Percent of Population by Race/Ethnicity

	1990	2000	2006	2008	2009	2010	2011	2012	2013	2014	2015	2016	Avg. Change	Total Change
White	88.9	82.0	77.5	78.8	78.9	75.7	76.4	76.0	75.7	75.0	74.6	74.8	-0.55%	-14.27%
Black/African American	4.2	5.8	7.4	6.3	6.4	7.1	7.0	7.2	7.2	7.0	6.7	6.9	0.10%	2.65%
Asian	3.8	5.8	6.3	6.8	6.5	7.3	7.4	7.4	7.6	8.1	8.4	8.5	0.18%	4.71%
Hispanic/Latino	2.0	4.1	6.1	5.8	5.7	6.8	6.5	6.5	6.5	6.6	7.0	6.6	0.19%	5.02%
Other	1.1	2.4	2.7	2.3	2.6	3.1	2.7	2.9	3.0	3.3	3.3	3.3	0.08%	2.16%

Source: Decennial Census, American Community Survey 3- and 5-Year Estimates

While the City of Madison only accounts for 48% of the County’s total population, the City is the main geography of residence for the majority of the County’s population of Persons of Color (63%).

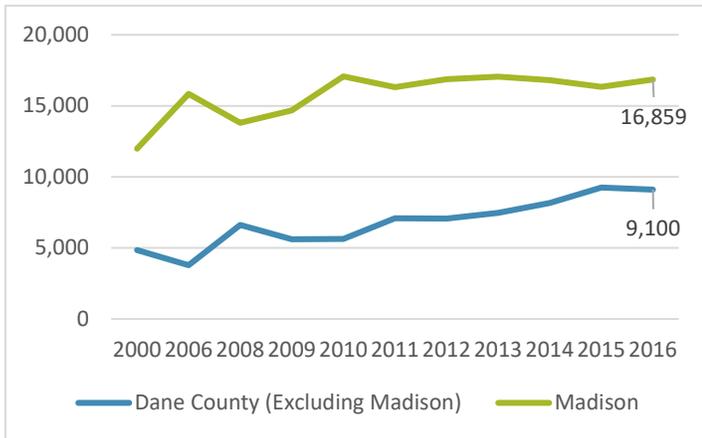
For instance, the City of Madison is the place of residence for:

- 65% of the County’s Black/African American population
- 74% of the County’s Asian population
- 50% of the County’s Hispanic/Latino population.

While increasing in number in greater Dane County since 1990, the non-White growth rate outside of the City of Madison did not keep pace with the City’s growth rate for these demographics until 2000, after which the growth rate for non-White populations has been slightly higher in greater Dane County compared to the City.

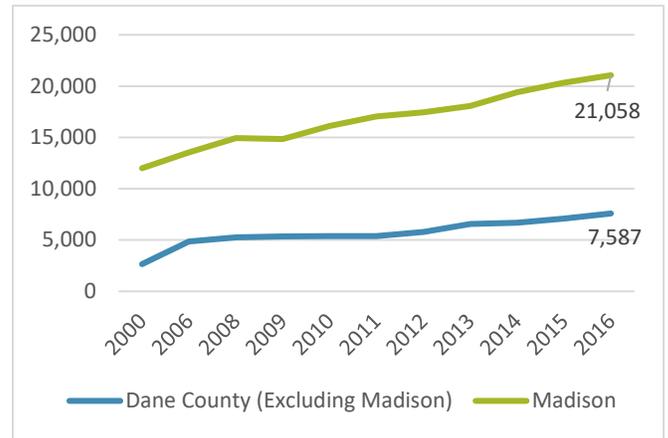
- The share of White residents in greater Dane County is approximately 10% greater than in the City of Madison (Table 7), decreasing at an average rate of 0.35% per year (0.2% slower than the City since 1990).

**Figure 7: Black/African American Population of Dane County**



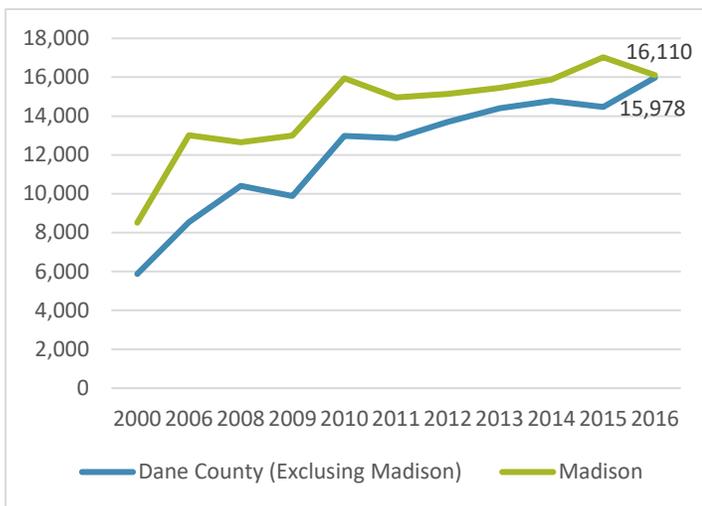
Source: Decennial Census, ACS 5-Year Estimates

**Figure 8: Asian Population of Dane County**

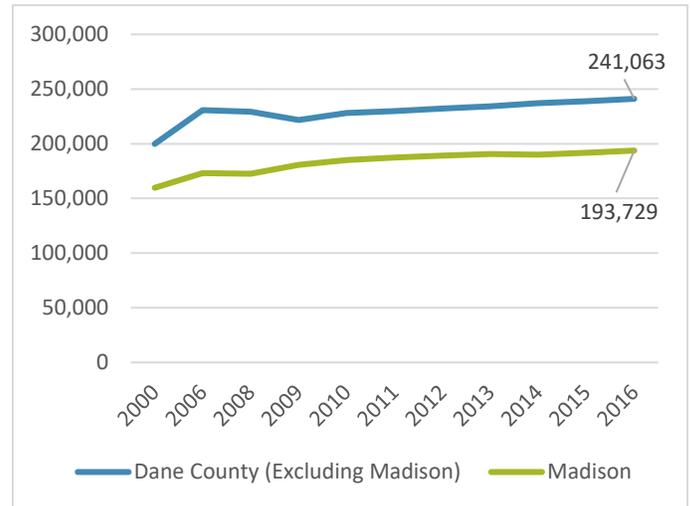


Source: Decennial Census, ACS 5-Year Estimates

**Figure 9: Hispanic/Latino Population of Dane County**



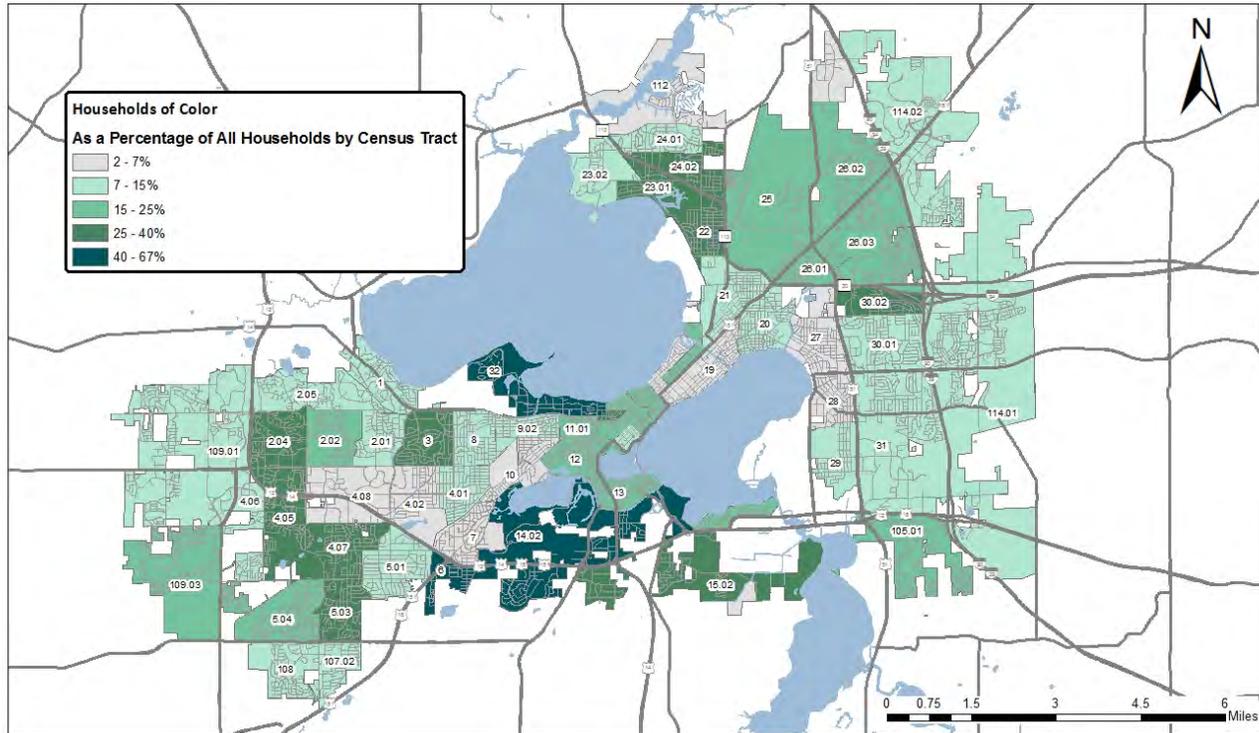
**Figure 10: White, Non-Hispanic Population of Dane County**



Source: Decennial Census, ACS 5-Year Estimates

Similar to the City being the predominant place of residence for Households and Persons of Color in the County, there are areas within the City of Madison which display larger concentrations of Households of Color – households are not evenly distributed within the City.

Figure 11: Households of Color



Source: 2010 -2014 HUD CHAS Table 1

- Aside from University of Wisconsin campus-associated Census Tracts, the largest concentrations of Households of Color are in south Madison: Census Tract 6, Census Tract 14.01, Census Tract 14.02, and Census Tract 15.02.
- These four Census Tracts encompass other municipalities to the south – namely Fitchburg and the Town of Madison.
- Only four Census Tracts in Madison contain a higher percentage of Households of Color than White Households – Census Tract 6, Census Tract 11.02, Census Tract 14.01, and Census Tract 32.
- Other areas with large proportional populations of Households of Color are southwest Madison and north Madison, Census Tract 3, and Census Tract 30.02.

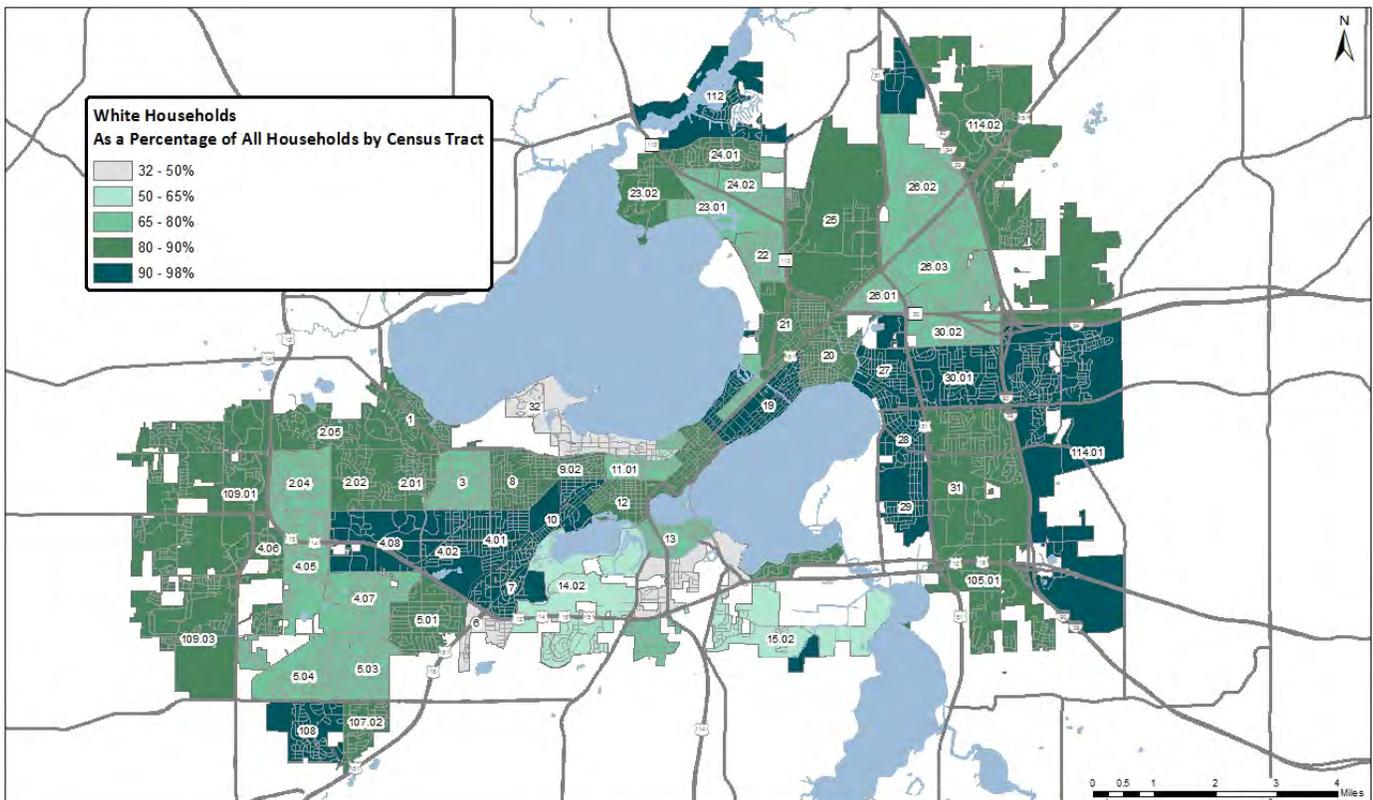
Table 7: Demographics of Common Household of Color Census Tracts

Tract	Households of Color		White Households		Black/ African American Households		Asian Households		Hispanic/ Latino Households		Other Race/ Ethnicity Households	
	#	%	#	%	#	%	#	%	#	%	#	%
<b>32</b>	757	66.1%	388	33.9%	24	2.1%	624	54.5%	74	6.5%	35	3.1%
<b>6</b>	1,335	59.8%	899	40.2%	445	19.9%	160	7.2%	670	30.0%	60	2.7%
<b>14.01</b>	1,421	55.1%	1,160	44.9%	435	16.9%	364	14.1%	554	21.5%	68	2.6%
<b>11.02</b>	40	51.3%	38	48.7%	0	0.0%	25	32.1%	15	19.2%	0	0.0%
<b>14.02</b>	954	40.7%	1,390	59.3%	440	18.8%	45	1.9%	410	17.5%	59	2.5%
<b>15.02</b>	914	39.5%	1,400	60.5%	230	9.9%	204	8.8%	470	20.3%	10	0.4%
<b>3</b>	974	34.4%	1,855	65.6%	100	3.5%	665	23.5%	90	3.2%	119	4.2%

Source: 2012-2016 ACS 5-Year Estimates

Approximately 80% of all Households in Madison are considered White households, meaning they are households with a White head of household, regardless of the race or ethnicity of any other member of the household.

Figure 12: White Households



Source: 2010 -2014 HUD CHAS Table 1

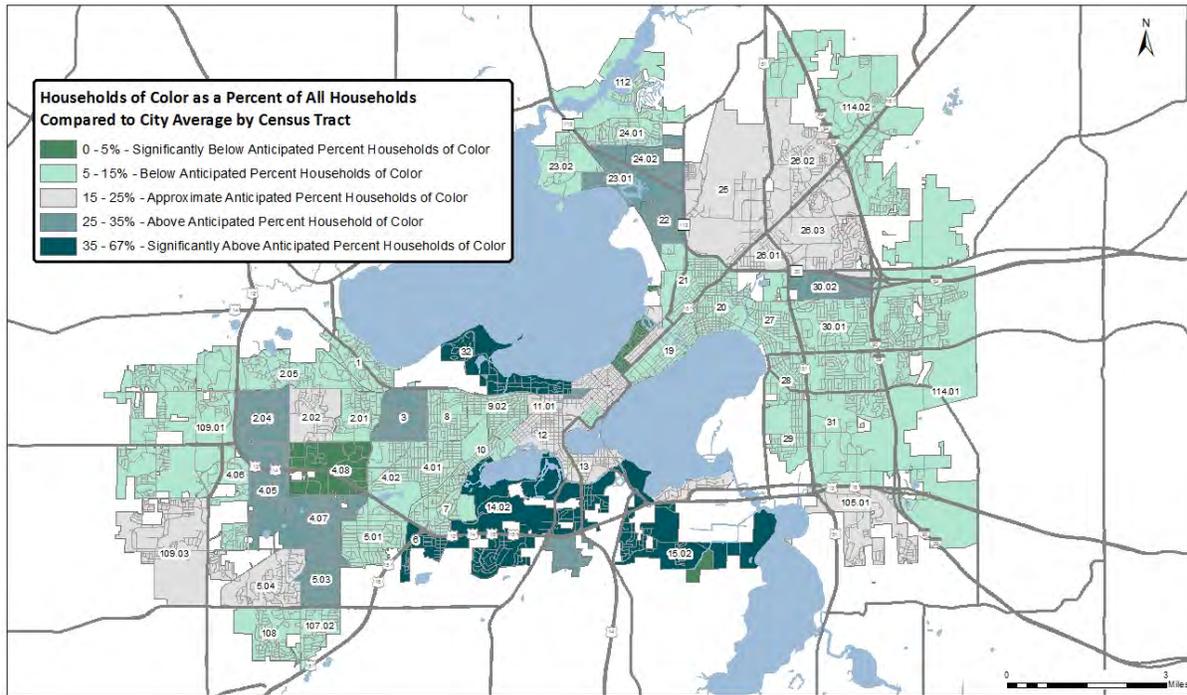
- There are 17 Census Tracts in Madison, or partially within Madison, in which over 90% of householders are White.
- Aside from Census Tract 4.08, areas with the highest concentrations of White households are the adjacent neighborhoods from Vilas to Orchard Ridge, Spring Harbor to Wexford Village neighborhoods, Tenney-Lapham and Marquette neighborhoods, North Lake Mendota and Kennedy Heights neighborhoods, and southeast Madison neighborhoods.
- Census Tracts bordering municipalities to the East, West, and North of Madison have higher percentages of White households, which slightly distorts the data within City boundaries also encompassed by these larger Census Tracts.
- There is a large variance in the number of low-income households among Census Tracts with large White populations

Table 8: Demographics of Common White Household Census Tracts

Tract	White Households		Black/ African American Households		Asian Households		Hispanic/ Latino Households		Other Race/ Ethnicity Households		Households Under 80% HAMFI
	#	%	#	%	#	%	#	%	#	%	%
<b>4.08</b>	1,200	96.9%	0	0.0%	4	0.3%	10	0.8%	24	1.9%	66.0%
<b>18.02</b>	1,359	95.5%	30	2.1%	20	1.4%	10	0.7%	4	0.3%	49.9%
<b>10</b>	782	94.9%	14	1.7%	10	1.2%	4	0.5%	14	1.7%	18.8%
<b>19</b>	3,040	94.6%	15	0.5%	40	1.2%	85	2.6%	35	1.1%	50.2%
<b>4.02</b>	979	94.0%	4	0.4%	33	3.2%	25	2.4%	0	0.0%	30.7%
<b>9.01</b>	757	93.8%	15	1.9%	8	1.0%	19	2.4%	8	1.0%	17.4%
<b>7</b>	1,269	93.8%	10	0.7%	14	1.0%	30	2.2%	30	2.2%	27.2%

Source: 2012-2016 ACS 5-Year Estimates

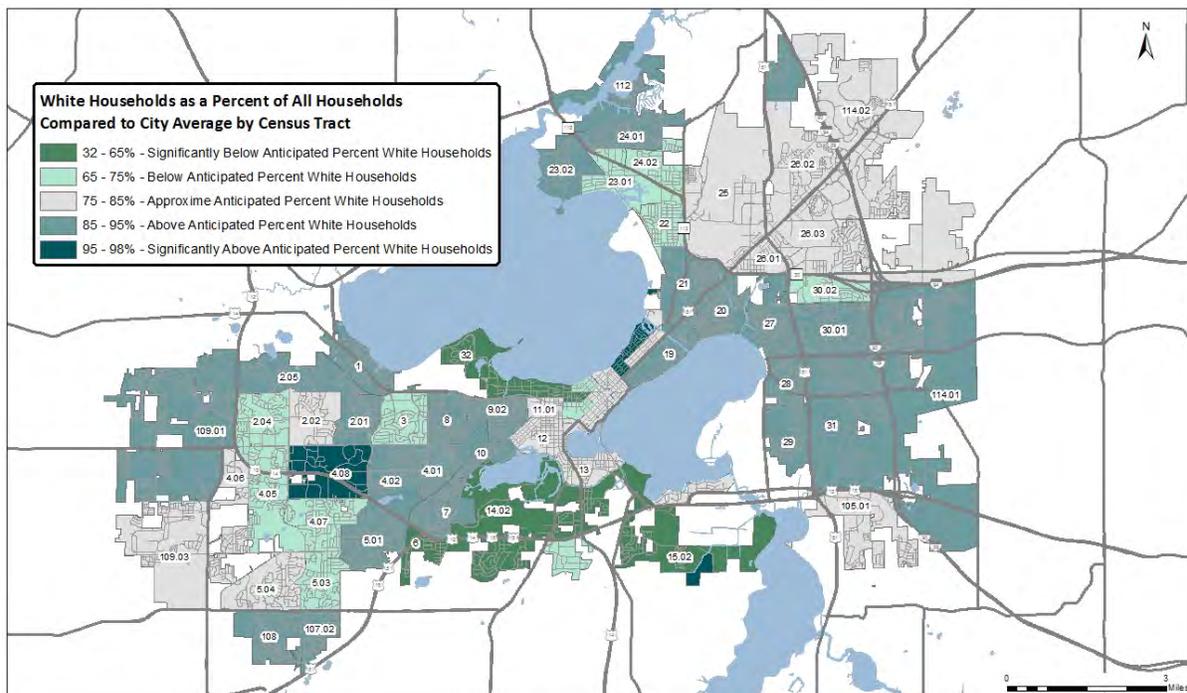
Figure 13: Households of Color Relative to City Average



Source: 2010-2014 HUD CHAS Table 2

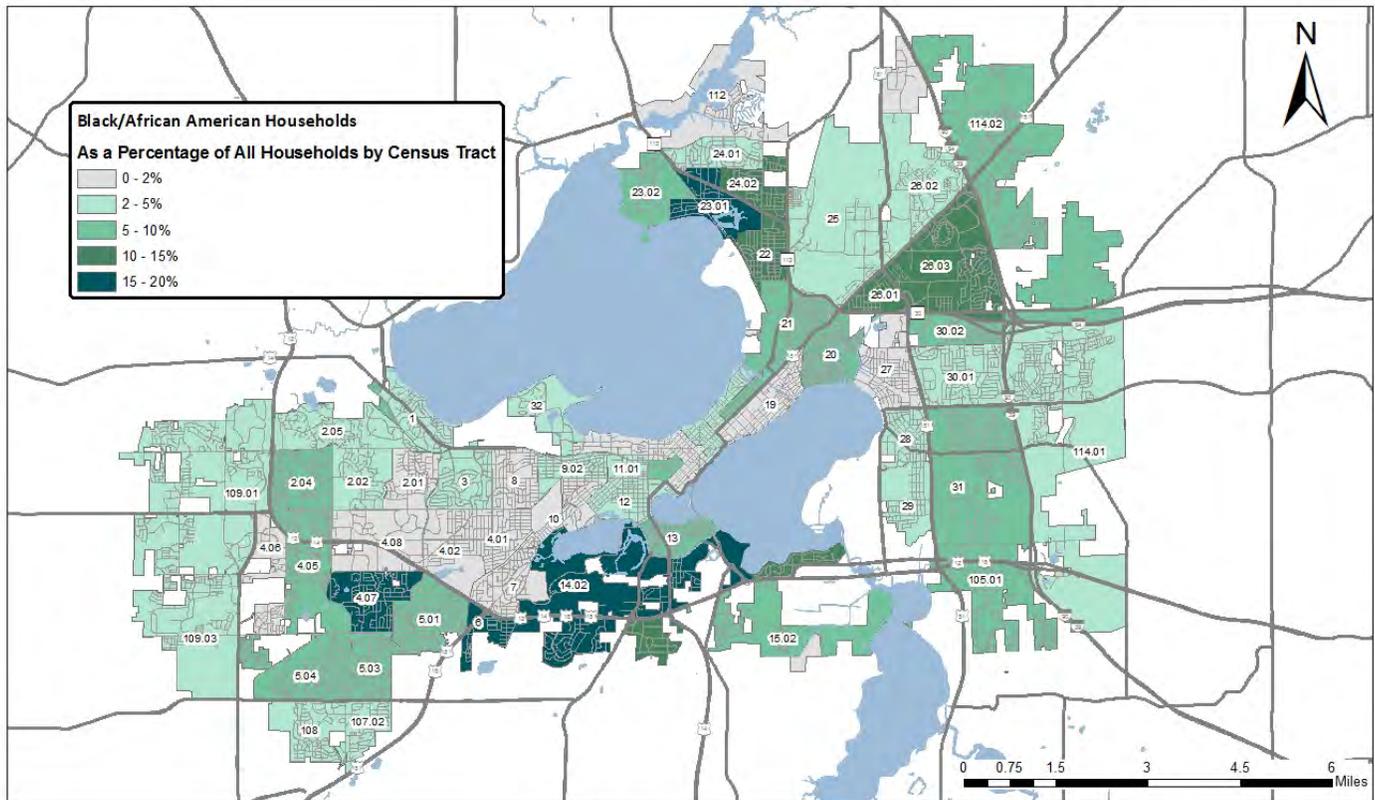
Displaying a distribution of households by race/ethnicity as compared to the City average, it is possible to identify areas (Census Tracts) in the City that have populations of any race/ethnicity within an expected range. For the City as a whole, approximately 80% of households identify as White. Areas within 5% of the City average (25% of the total population of Households of Color) are considered to be the average expected distribution in these maps, while areas with a variance of more than 75% of the total population of Households of Color (15% overall) are considered for these purposes “significantly” above or below anticipated.

Figure 14: White Households Relative to City Average



Source: 2010-2014 HUD CHAS Table 2

Figure 15: Black/African American Households



Source: 2010 -2014 HUD CHAS Table 1

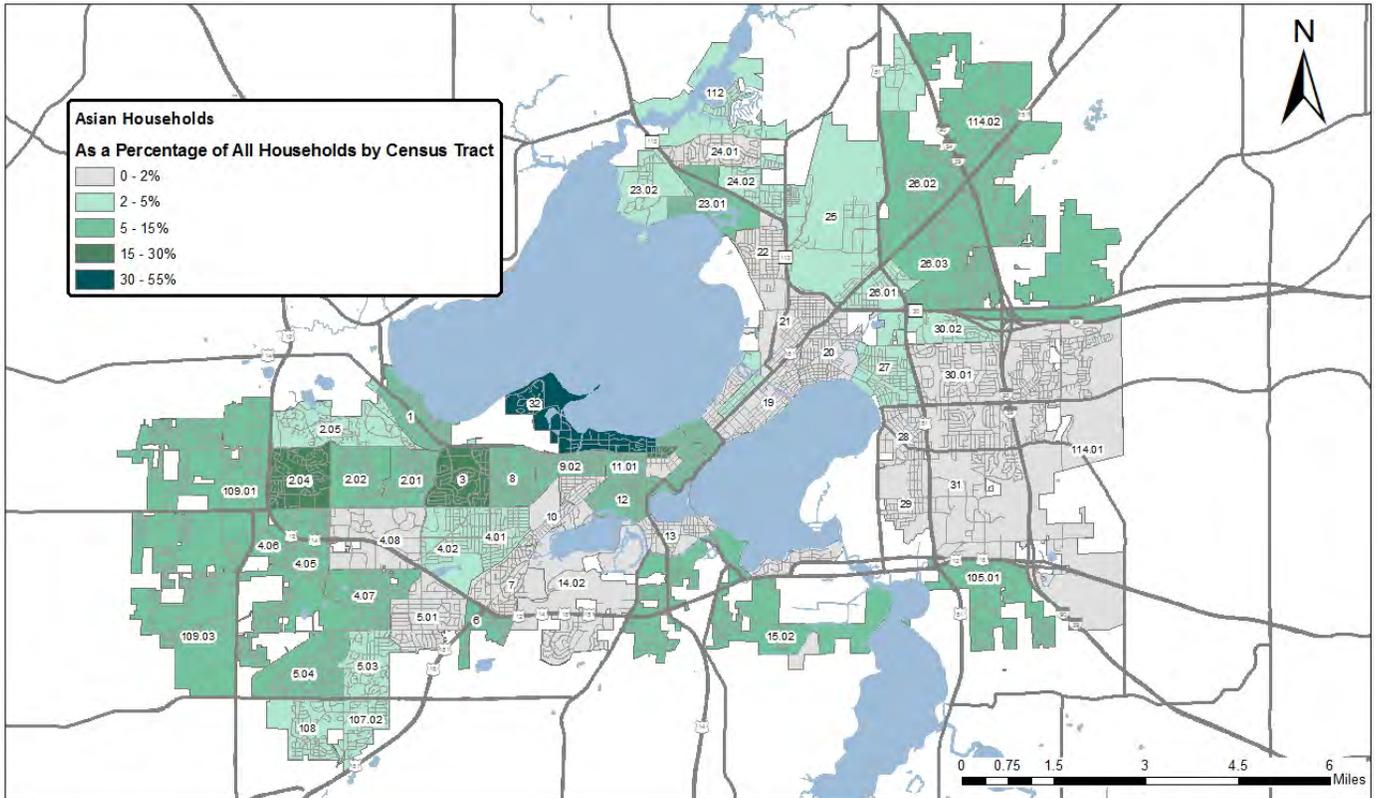
- There are three Census Tracts in Madison in which Black households comprise over 18% of all households, more than three times the City average
  - These Census Tracts are Tracts 6, 23.01, and 14.02 in south and north Madison
- In all but one Tract (4.07), greater than 50% of all households are classified as low-income households
  - In the two Tracts with the highest percentage of Black households, the low-income population comprises nearly three-quarters and two-thirds of all households, respectively.
  - In general, Census Tracts in north and south Madison contain higher percentages of households that qualify as low-income (under 80% HAMFI)
- Three Tracts, Tracts 6, 14.02, and 14.01 in south Madison also contain Hispanic/Latino households as a percentage more than three times the city average.

Table 9: Demographics of Common Black/African American Household Census Tracts

Tract	Black/African American Households		White Households		Asian Households		Hispanic/Latino Households		Other Race/Ethnicity Households		Households Under 80% HAMFI
	#	%	#	%	#	%	#	%	#	%	%
<b>6</b>	445	19.9%	899	40.2%	160	7.2%	670	30.0%	60	2.7%	71.4%
<b>23.01</b>	233	19.9%	800	68.4%	62	5.3%	70	6.0%	4	0.3%	64.7%
<b>14.02</b>	440	18.8%	1,390	59.3%	45	1.9%	410	17.5%	59	2.5%	58.7%
<b>14.01</b>	435	16.9%	1,160	44.9%	364	14.1%	554	21.5%	68	2.6%	84.2%
<b>4.07</b>	350	16.7%	1,454	69.5%	110	5.3%	104	5.0%	75	3.6%	48.9%
<b>24.02</b>	220	14.8%	1,080	72.7%	70	4.7%	75	5.1%	40	2.7%	67.1%
<b>22</b>	285	14.7%	1,425	73.5%	10	0.5%	140	7.2%	80	4.1%	64.7%

Source: 2012-2016 ACS 5-Year Estimates

Figure 16: Asian Household Distribution



Source: 2010 -2014 HUD CHAS Table 1

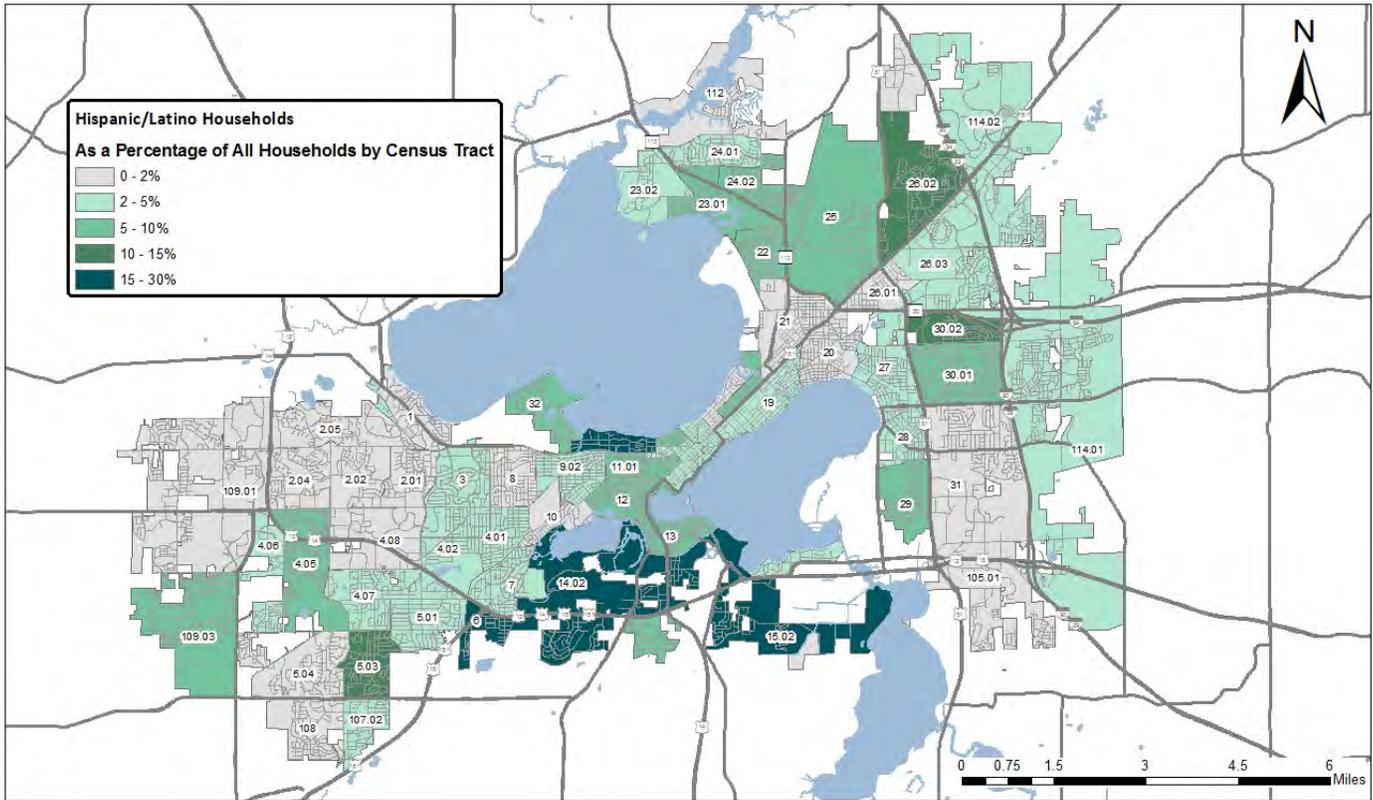
- The two Census Tracts with the highest shares of Asian households are University of Wisconsin-Madison associated Tracts, Tracts 32 and 11.02.
  - Census Tracts 16.03 and 16.04 are additional University-associated tracts, with high levels of student housing.
- Aside from the University-associated Tracts, Tract locations with a high share of Asian households include west Madison (2.04 and 3), and Tract 14.01 in south Madison.
  - Tracts associated with the University, as expected by enrollment numbers, contain relatively high percentages of low-income households.
  - Tracts 3 and 2.04 display relatively lower percentages of low-income households, but 14.01 displays relatively high numbers of low-income households.
- A large number of these tracts contain high populations of low-income households

Table 10: Demographics of Common Asian Household Census Tracts

Tract	Asian Households		White Households		Black/African American Households		Hispanic/Latino Households		Other Race/Ethnicity Households		Households Under 80% HAMFI
	#	%	#	%	#	%	#	%	#	%	%
<b>32</b>	624	54.5%	388	33.9%	24	2.1%	74	6.5%	35	3.1%	69.6%
<b>11.02</b>	25	32.1%	38	48.7%	0	0.0%	15	19.2%	0	0.0%	87.1%
<b>3</b>	665	23.5%	1855	65.6%	100	3.5%	90	3.2%	119	4.2%	53.5%
<b>16.03</b>	275	21.4%	845	65.9%	15	1.2%	40	3.1%	108	8.4%	86.0%
<b>2.04</b>	380	15.9%	1745	72.9%	195	8.1%	15	0.6%	60	2.5%	34.9%
<b>14.01</b>	364	14.1%	1160	44.9%	435	16.9%	554	21.5%	68	2.6%	84.2%
<b>16.04</b>	250	13.7%	1380	75.4%	35	1.9%	135	7.4%	30	1.6%	80.0%

Source: 2012-2016 ACS 5-Year Estimates

Figure 17: Hispanic/Latino Household Distribution



Source: 2010 -2014 HUD CHAS Table 1

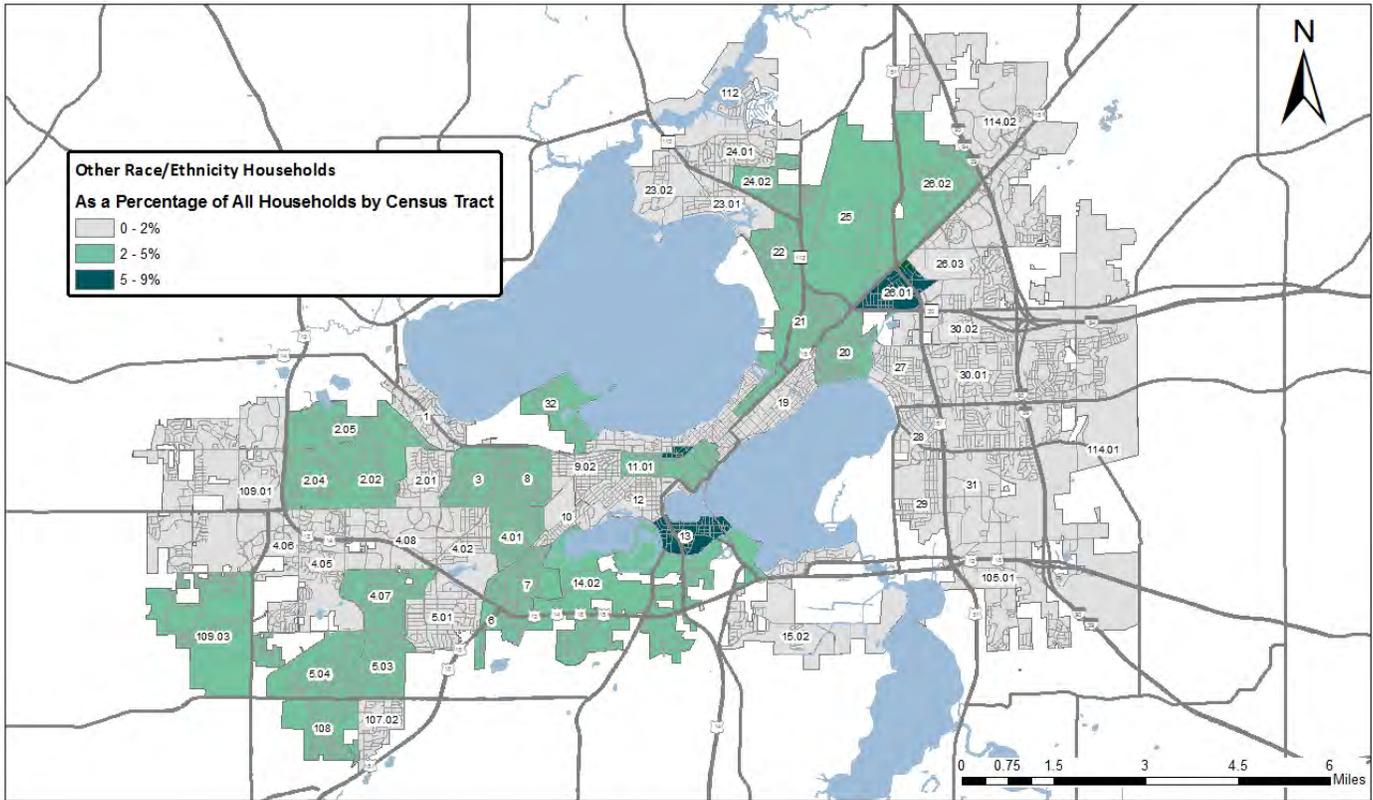
- Hispanic/Latino households make up 30% of all households in Census Tract 6 in south, a share approximately 6.5 times larger than the City average for Hispanic/Latino households.
  - Census Tracts 6, 14.01, and 14.02 also display relatively large shares of Black/African American households.
- All four Tracts with the largest proportions of Hispanic/Latino households are located in south Madison (excluding 11.02 due to its relatively small number of households overall).
- The remaining Census Tracts with the largest percentages of Hispanic/Latino are in north Madison (26.02), and east Madison (30.02). These Tracts have Hispanic/Latino household percentages approximately two and three times higher than the City average, respectively.
- All but one of the Census Tracts with the highest Hispanic/Latino household concentration contains more than 50% low-income households

Table 11: Demographics of Common Hispanic/Latino Household Census Tracts

Tract	Hispanic/Latino Households		White Households		Black/African American Households		Asian Households		Other Race/Ethnicity Households		Households Under 80% HAMFI
	#	%	#	%	#	%	#	%	#	%	
<b>6</b>	670	30.0%	899	40.2%	445	19.9%	160	7.2%	60	2.7%	71.4%
<b>14.01</b>	554	21.5%	1160	44.9%	435	16.9%	364	14.1%	68	2.6%	84.2%
<b>15.02</b>	470	20.3%	1400	60.5%	230	9.9%	204	8.8%	10	0.4%	64.9%
<b>11.02</b>	15	19.2%	38	48.7%	0	0.0%	25	32.1%	0	0.0%	87.1%
<b>14.02</b>	410	17.5%	1390	59.3%	440	18.8%	45	1.9%	59	2.5%	58.7%
<b>30.02</b>	214	14.2%	1063	70.8%	140	9.3%	55	3.7%	30	2.0%	66.8%
<b>26.02</b>	260	10.9%	1855	77.6%	80	3.3%	145	6.1%	49	2.1%	48.7%

Source: 2012-2016 ACS 5-Year Estimates

Figure 18: Other Race/Ethnicity Household Distribution



Source: 2010 -2014 HUD CHAS Table 1

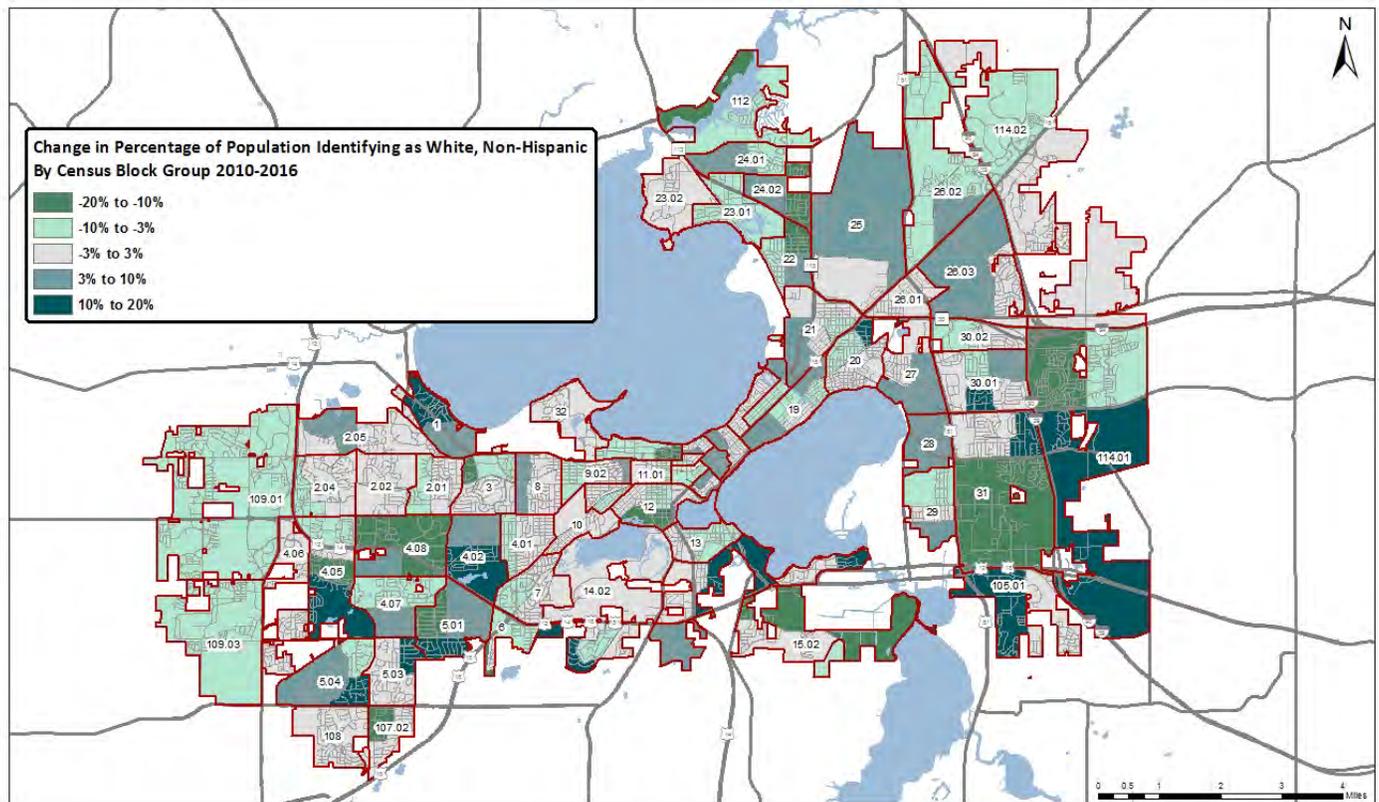
- Only three Census Tracts in Madison have “Other” race/ethnicity households that approach more than double the City’s average of 3.2%
  - Census Tract 16.03, a University of Wisconsin campus-associated Tract that is adjacent to the University
  - Census Tract 26.01, the Hawthorne neighborhood of Madison
  - Census Tract 13, the Bay Creek neighborhood in south Madison
- Each of these Census Tracts feature percentages of White households that are below the City average
- Five of the seven Census Tracts with the largest shares of “Other” race/ethnicity households are within 5% of the City average for White households, showing a larger propensity for “Other” race/ethnicity households to live in areas closer to the City average for White households
- The Census Tracts with the highest concentrations of “Other” race/ethnicity households also have greater than 50% of their households as low-income

Table 12: Demographics of Common Other Race/Ethnicity Household Census Tracts

Tract	Other Race/ Ethnicity Households		White Households		Black/African American Households		Asian Households		Hispanic/ Latino Households		Households Under 80% HAMFI
	#	%	#	%	#	%	#	%	#	%	%
<b>16.03</b>	108	8.4%	845	65.9%	15	1.2%	275	21.4%	40	3.1%	86.0%
<b>26.01</b>	58	7.3%	617	77.7%	87	11.0%	20	2.5%	12	1.5%	64.0%
<b>13</b>	74	6.1%	929	76.5%	105	8.6%	24	2.0%	83	6.8%	45.3%
<b>18.04</b>	84	4.4%	1525	79.3%	120	6.2%	70	3.6%	125	6.5%	64.3%
<b>25</b>	34	4.3%	655	82.0%	29	3.6%	24	3.0%	57	7.1%	71.4%
<b>17.04</b>	69	4.3%	1319	82.1%	29	1.8%	154	9.6%	35	2.2%	50.4%
<b>3</b>	119	4.2%	1855	65.6%	100	3.5%	665	23.5%	90	3.2%	53.5%

Source: 2012-2016 ACS 5-Year Estimates

Figure 19: Change in White Population as Percentage of Block Group 2010-2016



While American Community Survey estimates sometimes display a large margin of error for small populations due to sampling method, they provide a consistent sample for larger populations. For populations identifying as White, Non-Hispanic (the largest racial/ethnic group within the City), Block Group-level sampling, especially utilizing five-year estimates, can provide a useful examination of population changes based on the largest sample group.

Utilizing this method to map the change in percentage of population for White, Non-Hispanic persons provides the most accurate spatial data. While there is not consistency in population change over large areas, there are areas of the City that are increasing in their percentage of White households. Within central Madison, this is displayed throughout Census Tract 4.02, the Midvale Heights neighborhood, as well as the Capitol View neighborhood and sections of Spring Harbor, Arbor Hills, Heritage Heights, Bridge-Lakepoint, and Madison West neighborhoods.

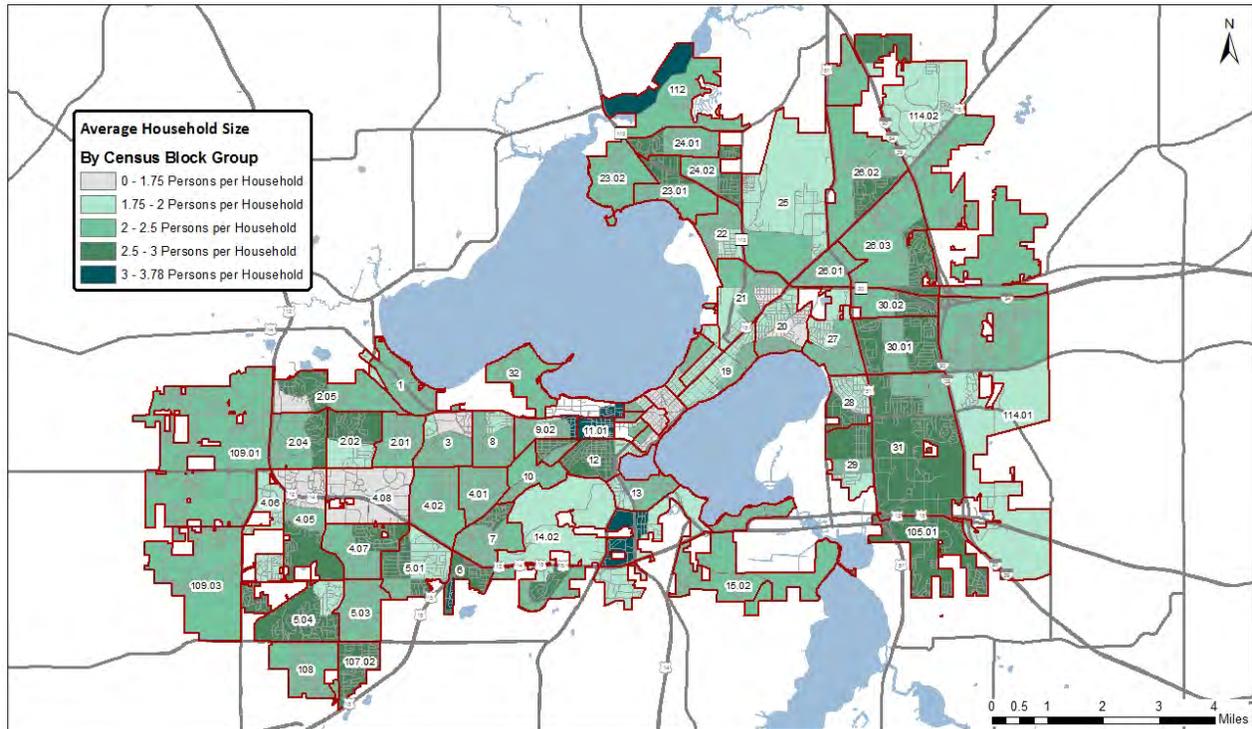
Conversely, there are areas that display a decrease in their share of White persons, signifying an increase in Persons of Color. Some of these areas include portions of the Orchard-Ridge, Glen Oak Hills, Greenbush, Whitetail Ridge, Berkley Oaks, McClellan Park, and Buckeye neighborhoods.

Cities inherently undergo demographic changes, and the most useful interpretation of this data is that change in demographics often occurs independently at a neighborhood-level, and may not be consistent with other neighborhoods that are in the same Census Tract. Many Census Tracts display different markers of demographic change within different Block Groups, even Block Groups that share a direct border. This could represent residents moving within a neighborhood, from other areas of the City, or from other areas of the State or country; it is unclear from the data available. What is clear, however, is that neighborhoods experience demographic change on an individual scale independent of macro-level trends.

## HOUSEHOLD SIZE & AGE

Dane County and the City of Madison both display variances among household size, both geographically and by racial demographic, in both areas smaller than County, State, and national averages.

Figure 20: Household Size Distribution



Source: ACS 2011-2016 5-Year Estimates

Areas with larger average household sizes include downtown area campus-associated Census Tracts, likely due to the number of student-led households living in housing with other students. Additional areas include the north side of Tract 112, likely reflecting a larger homeownership share to the suburban and rural areas north of Madison, and finally Burr Oaks and Bram’s Addition surrounding Park Street in south Madison. Burr Oaks and Bram’s Addition display large representative populations of Persons of Color, likely a contributing factor to the larger than average household sizes in these neighborhoods, as Households of Color are more likely to have a larger average household size overall.

Table 13: Demographics of Census Tracts with Largest Average Family Sizes

Tract	Average Household Size	White Persons		Persons of Color		Renter Households		Cost Burdened Households		Median Income \$
		#	%	#	%	#	%	#	%	
11.02	3.57	2,587	67.8%	1,230	32.2%	79	100%	80	94.1%	\$0
11.01	3.2	4,205	77.0%	1,256	23.0%	1,605	99.4%	1,315	92.0%	\$18,050
6	2.88	2,022	30.3%	4,651	69.7%	1,842	79.7%	1,210	54.5%	\$35,278
105.01	2.78	2,593	80.0%	648	20.0%	138	11.9%	380	33.6%	\$88,750
31	2.62	4,991	79.2%	1,314	20.8%	338	14.1%	670	27.7%	\$76,226
9.01	2.61	1,961	87.8%	272	12.2%	174	20.4%	250	30.7%	\$118,625
12	2.6	5,324	78.3%	1,475	21.7%	2,070	79.5%	1,280	51.3%	\$43,186
<b>City Average</b>	<b>2.21</b>		<b>74.8%</b>		<b>25.2%</b>		<b>52.4%</b>		<b>40.8%</b>	<b>\$54,464</b>

Source: 2012-2016 American Community Survey 5-Year Estimates

By race/ethnicity, average household sizes vary within the City of Madison by up to one person per household. White households display the smallest average household size in the City, followed by Asian households, Black/African American households, and Hispanic/Latino households. Asian and Black/African American households average 0.5 additional members per household over White households, while Hispanic/Latino Households average one full additional person in each household over White households.

Figure 21: Household Size by Race/Ethnicity

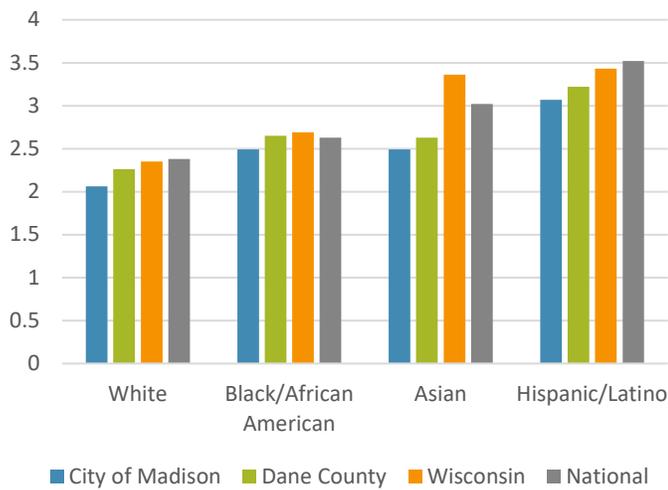
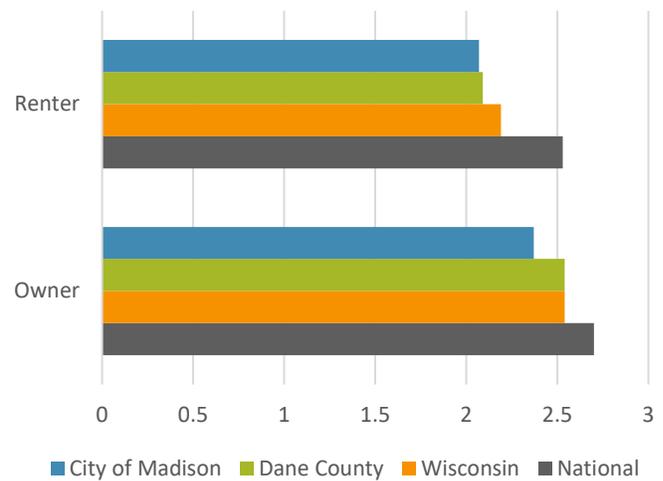


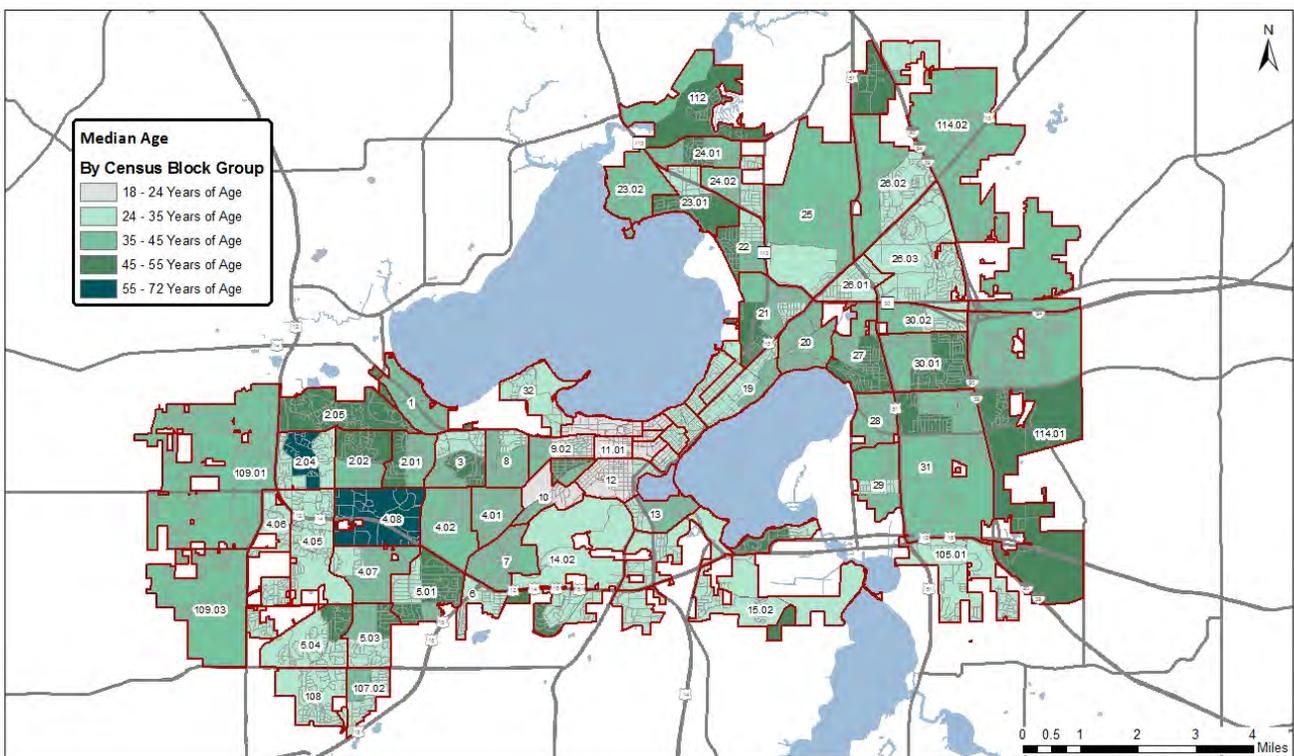
Figure 22: Household Size by Tenure



Source: 2010-2014 HUD CHAS

By area, Census Block Groups associated with the University of Wisconsin display a relatively low median age representative of larger student populations. There are Census Tracts scattered throughout the City displaying a median age of at least 45 years, but only two Block Groups display a median age over 55. These two areas are Census Tract 4.08, and Census Block Group 2 of Census Tract 2.04. The median age for the City is 30.8 years overall, 3.9 years less than for Dane County in total (including Madison).

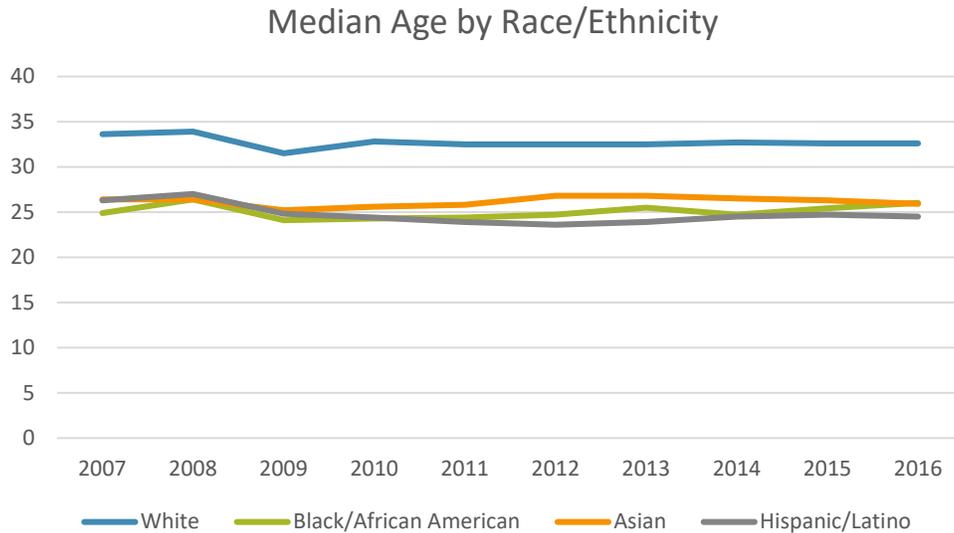
Figure 23: Median Age



Source: 2016 ACS 5-Year Estimates

The median age for the City of Madison, by race/ethnicity, displays a consistently higher median age for the White population. This is likely due to a number of factors, including a larger population of White elderly persons within the City, but is also likely due to larger average household sizes for Households of Color, often indicating more children present within the household who have not yet left to form their own households.

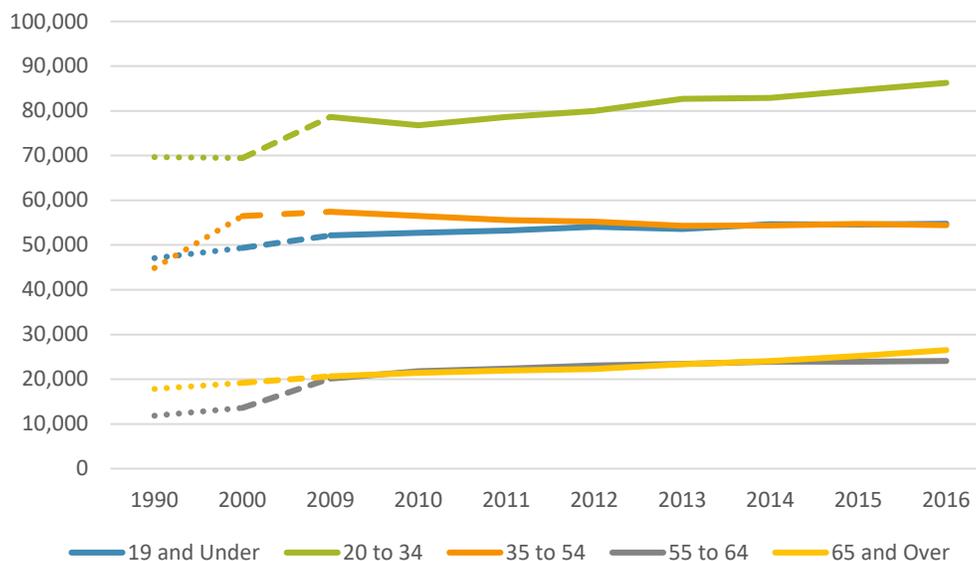
Figure 24: Median Age by Race/Ethnicity



Source: ACS 5- and 3- Year Estimates

Madison has consistently displayed steady increase of a school-aged population (19 and under), increasing by approximately 200 individuals on an annual basis. There has also been a sustained increase among the population age 20 to 34, showing increased preference of this demographic to live in a more urban setting (UW-Madison enrollment has remained constant since 1990, which would not solely account for this increase). Matching the increase in the 20 to 34 age group was the 2000 to 2010 in the 55 to 64 demographic. Over the ten-year period post-2000, this population increased by over 1,000 individuals per year. This is coupled with steady increases in the 65 and over demographic, displaying a relative increase of over 9,000 individuals since 1990. The only demographic by age shown to be consistently decreasing within the City is the 35 to 54 age group, which has decreased steadily from year to year since 2009.

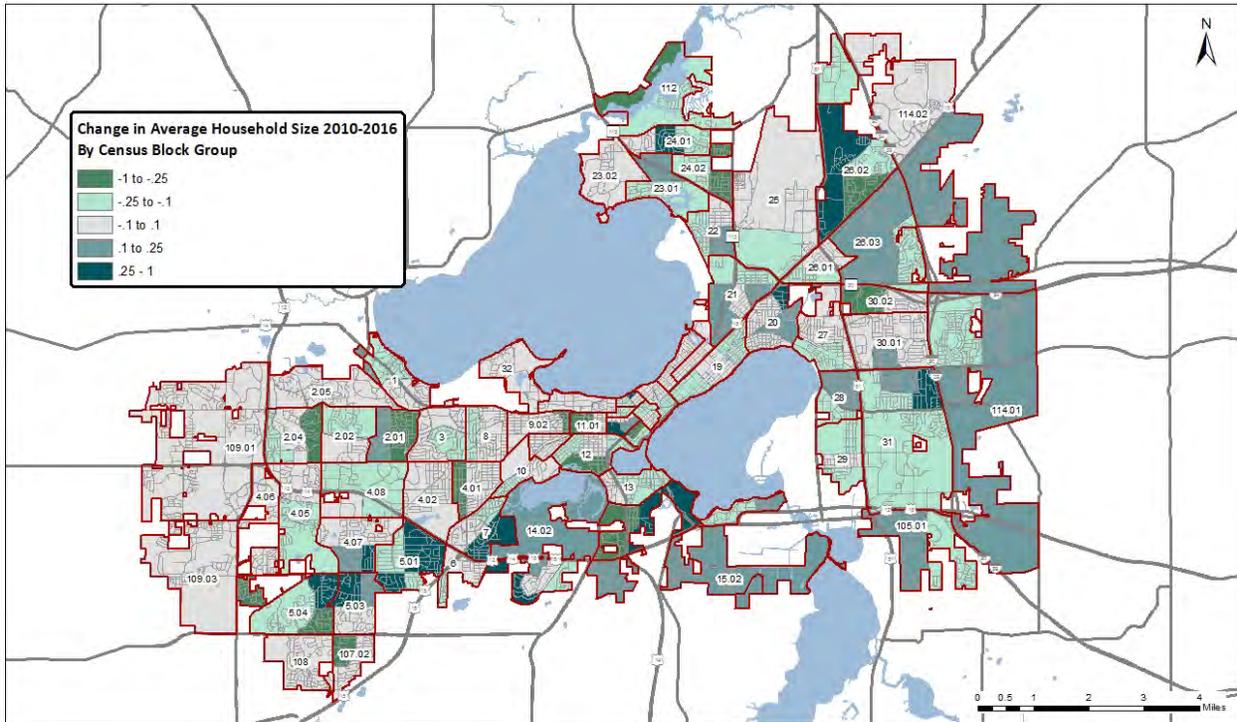
Figure 25: Population by Age in Madison, WI



Source: Decennial Census (1990, 2000), ACS 5-Year Estimates

## CHANGE IN HOUSEHOLD SIZE

Figure 26: Change in Household Size by Block Group 2010-2016

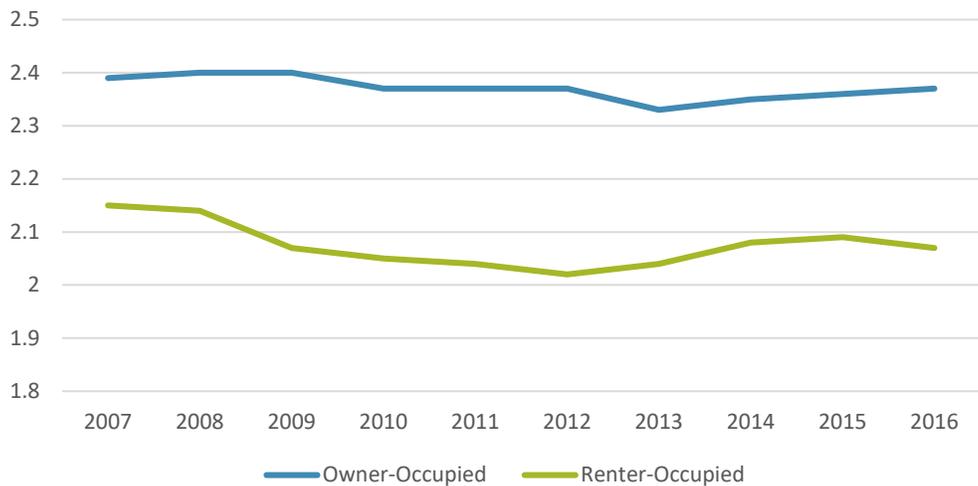


Source: 2016 ACS 5-Year Estimates

As areas develop, they may become more or less likely to increase or decrease in average household size. Within the City of Madison, homeowners are more likely to have a larger household size than are renters. In general, areas developing more single family or owner-occupied housing stock are more likely to increase in household size. Similarly, areas with rental development or aging populations may see a decrease in average household size as the rental stock increases or new households form by individuals moving out of their parent’s homes. Average household size for homeowners has shown relative consistency since 2007, with slight differences from year to year. Renter households have shown a trend toward smaller household sizes over time, but are still relatively consistent.

Figure 27: Household Size by Tenure

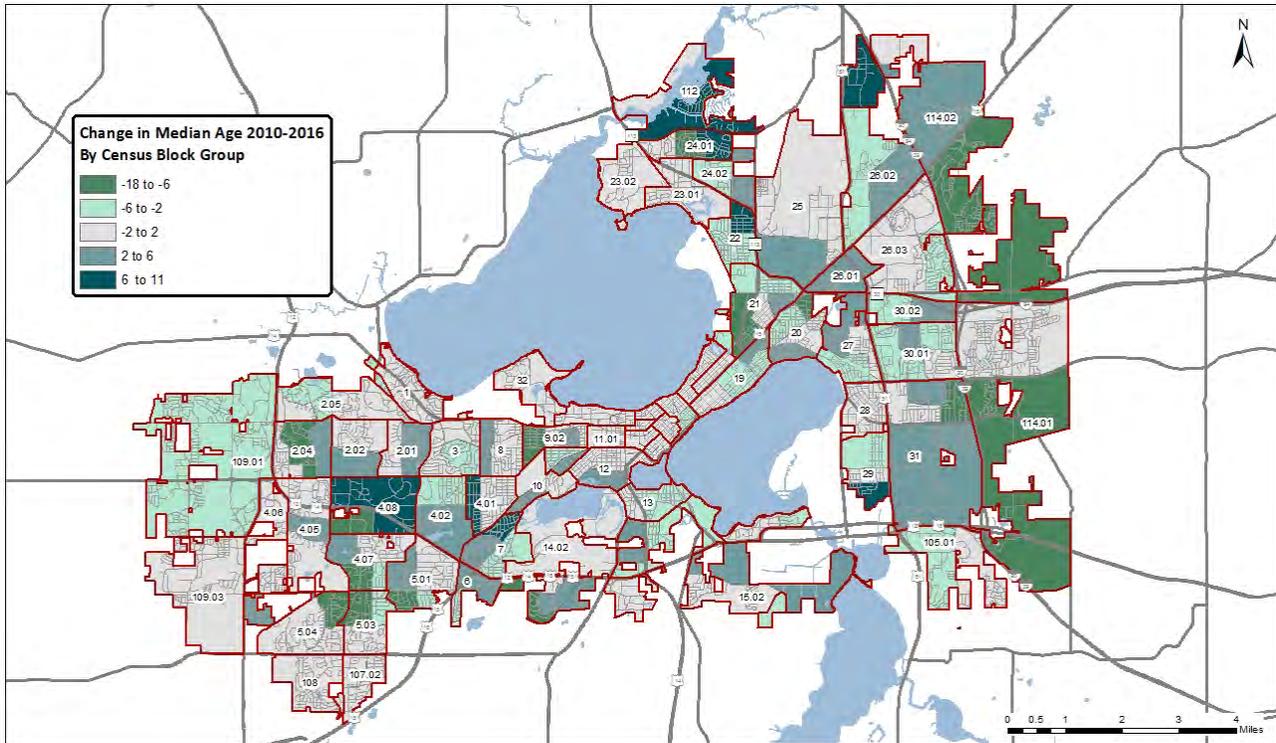
### Average Household Size by Tenure



Source: ACS 3- and 5- Year Estimates

## CHANGE IN MEDIAN AGE

Figure 28: Change in Median Age by Block Group 2010-2016

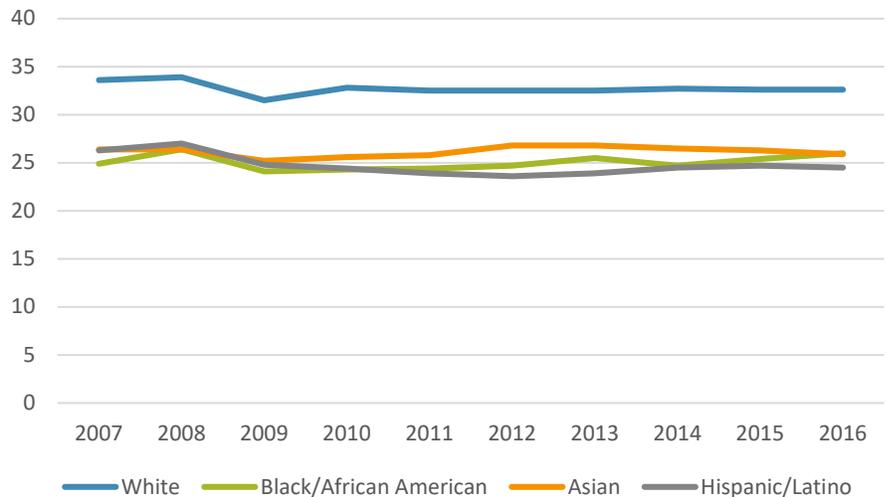


Source: 2016 ACS 5-Year Estimates

Similarly, as households age in place or new households enter an area through turnover or development of housing stock, median ages may be affected. Areas of Madison with the largest decrease in median age from 2010 to 2016 are developing areas on the east side of the City and select Block Groups in the north and west/southwest. Areas displaying an increase in median age are south Madison, as well as Census Tract 4.08 and select other Block Groups throughout the City. There are no larger areas that display consistent increases or decreases in age over a large geography, varying by distinct neighborhood or Block Group independently.

Figure 29: Age by Race/Ethnicity

Within the City, there are large differences displayed in median ages by race/ethnicity. Despite a University population of 33,000 White students, the median age for White residents of Madison is consistently six to seven years more than that for Persons of Color.

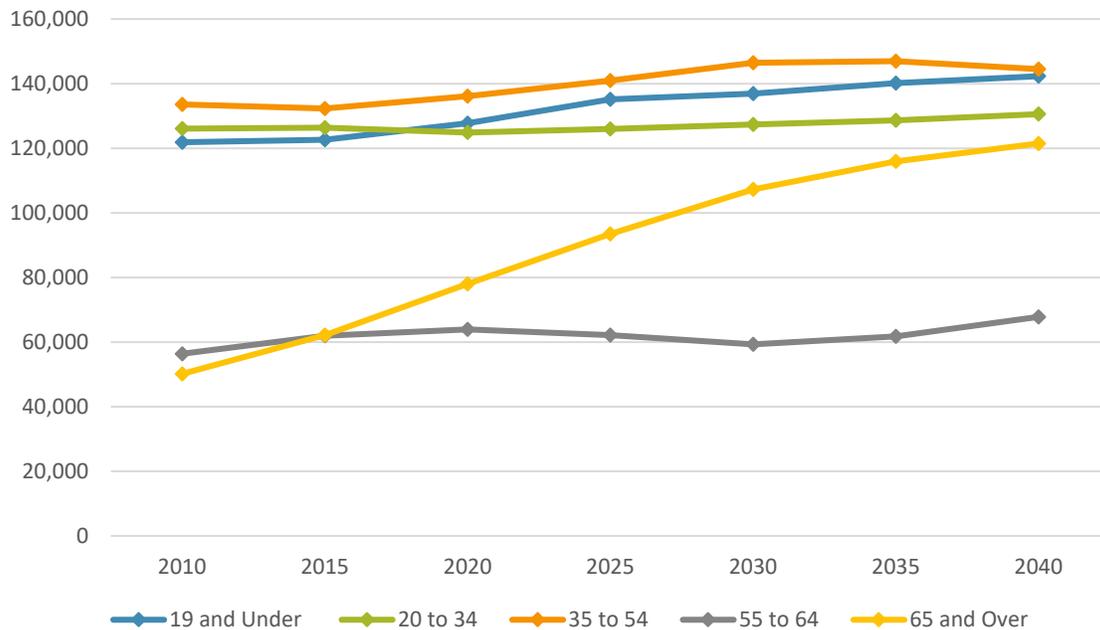


Source: ACS 5- and 3- Year Estimates

## POPULATION PROJECTIONS BY AGE

The Wisconsin Department of Administration does not issue age projections by minor civil division or place, yet analyzing age projections for Dane County as a whole can illustrate trends that will also affect the City. Enrollment at the University of Wisconsin is expected to remain at a similar level that it has had since 1990, displayed in projections as remaining consistent for the age groups 19 and under as well as 20 to 34. Most age groups will maintain relatively stable populations through 2040, with the exception of the 65 and over age group, which is anticipated to more than double in size from 2010 to 2040.

Figure 30: Population Projections by Age - Dane County, WI



Source: WI Department of Administration (2013)

Projecting future population growth by age by using the current distribution of age groups within the City, Madison is expected to gain 30,670 persons aged 65 and over, more than doubling the current population of this age group in the City (26,571 in 2016)

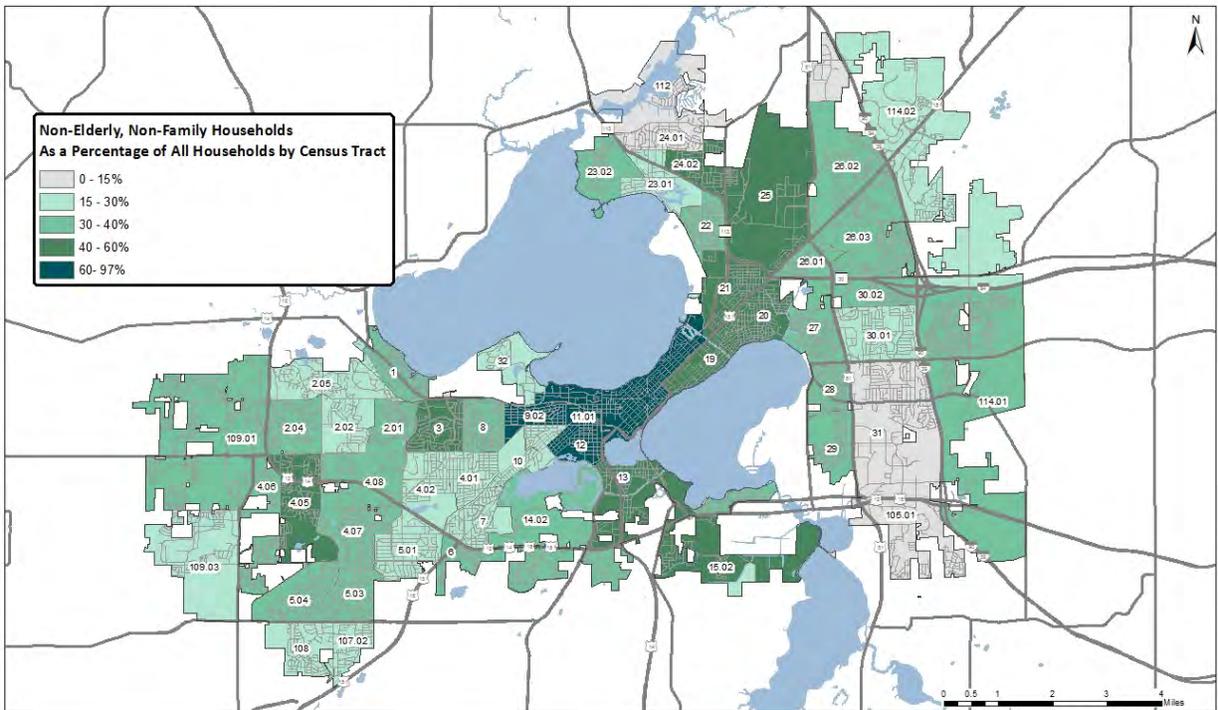
Table 14: Madison Share of Population Projections by Age

Age Group	Projected Increase 2010-2040	Annual Growth Rate	City Share of Total	Adjusted City of Madison Projected Growth 2010-2040
	#	%	%	#
19 and Under	20,444	0.6%	43%	8,791
20 to 34	4,445	0.2%	64%	2,845
35 to 54	10,907	0.3%	41%	4,472
55 to 64	11,425	0.7%	39%	4,456
65 and Over	71,326	4.7%	43%	30,670

Source: Decennial Census, 2016 ACS 5-Year Estimates, WI DoA

Considering the large growth rate for the elderly population through 2040, Madison will likely see a large increase in demand for age-restricted housing options, both for programs that offer services as well as seniors looking for opportunities to age in place. The City should attempt to preemptively address these issues to improve housing choice and opportunities for the aging population.

Figure 31: Non Elderly, Non-Family Households

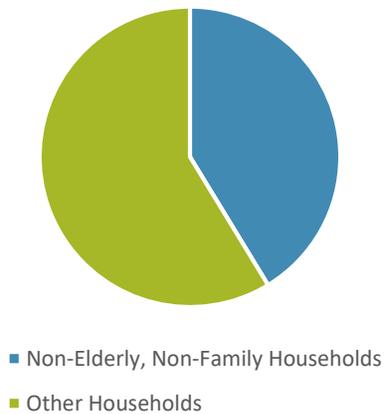


Source: 2010-2014 HUD CHAS Table 7

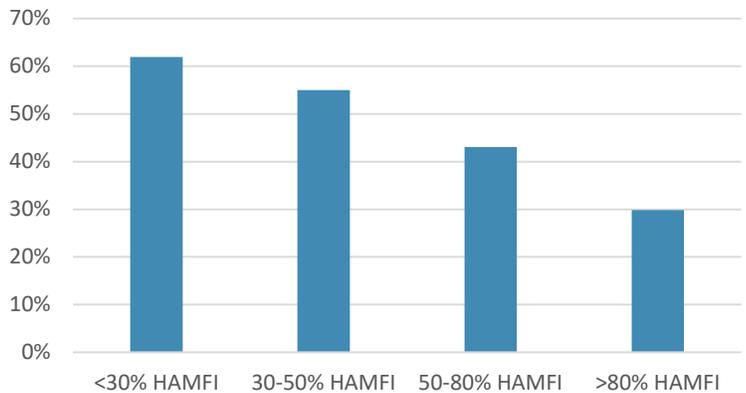
- There is a concentration of non-elderly, non-family households throughout the isthmus and campus, indicating areas of student housing
- South Madison and the eastern isthmus, extending north toward the airport, also display a relatively large amount of non-elderly, non-family households
- This family type is the most prevalent in Madison – although concentrated in specific areas, non-elderly, non-family households represent 41% of all households in Madison, and are disproportionately low-income
- 75% of all non-elderly, non-family households in Madison are renter households, representing 80% of all renter households

Figure 32: Non-Elderly, Non-Family Households

Non-Elderly, Non-Family Households in Madison



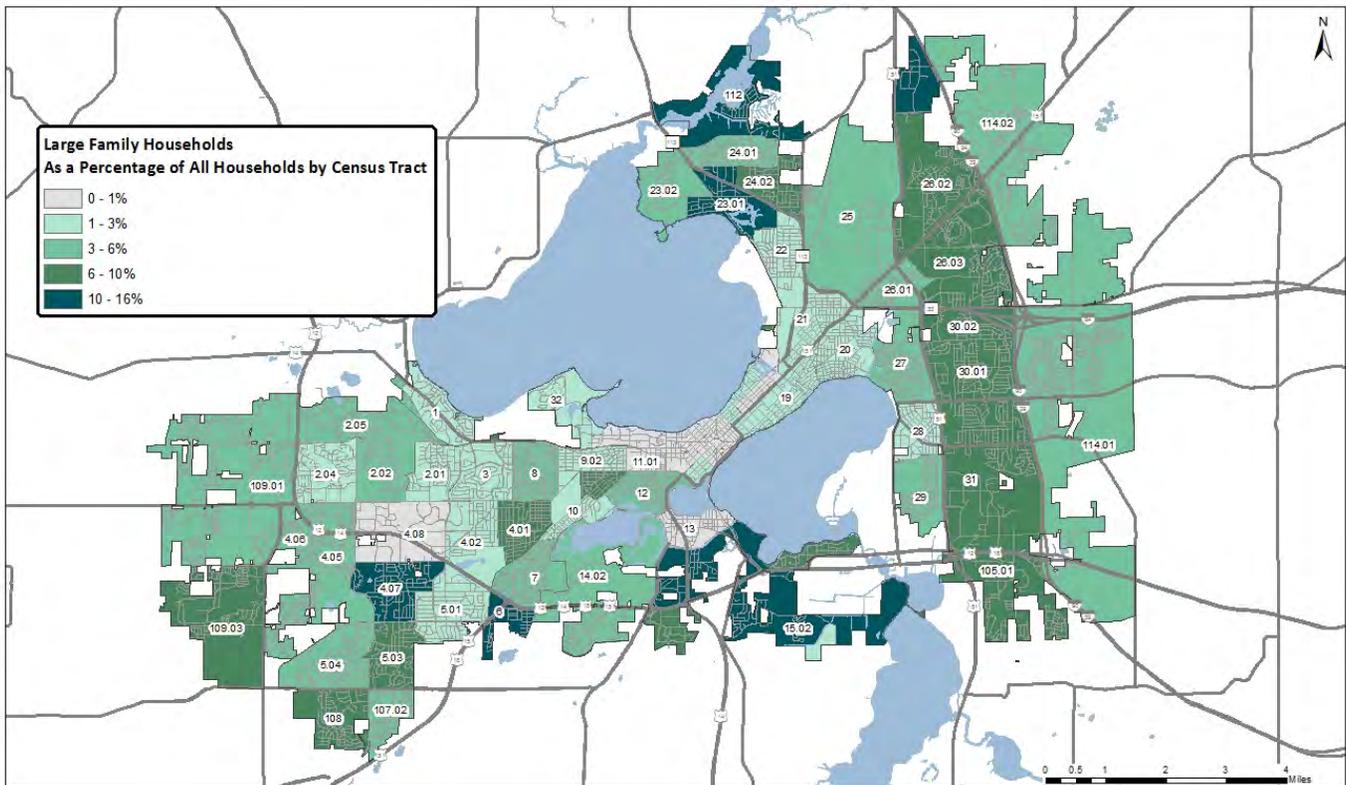
Non-Elderly, Non-Family Households as a % of Total Households by Income



Source: 2010-2014 HUD CHAS Table 7

## LARGE FAMILY HOUSEHOLDS

Figure 33: Large Family (5+ Person) Households



Source: 2010-2014 HUD CHAS Table 7

- There are concentrations of large family households (five or more persons) at a rate more than 2.5 times the City average in south Madison Census Tracts 6, 14.01, 15.02, and north Madison Census Tract 23.01
- While Census Tract 112 displays a large percentage of large family households, this Tract is a large suburban Tract that encompasses much of the area north of Lake Mendota
- East Madison displays an increased prevalence of large family households, connecting from the East Buckeye neighborhood to Greater Sandburg. This area is consistent with higher levels of affordability of owner-occupied housing, adjusted for household size, which may be a strong consideration in neighborhood choice for larger families
- 63% of all large family households in Madison own their home, 37% are renter households

Table 15: Demographics of Common Large Family Household Census Tracts

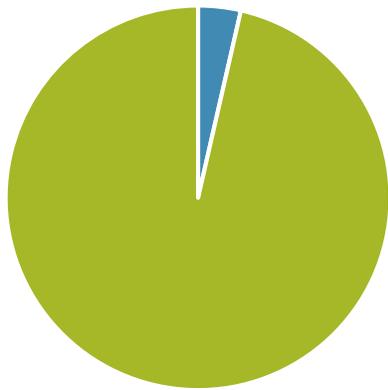
Tract	Large Family Households		Large Family Ownership Rate		Large Family Cost Burden		Extremely Low-Income (0-30% AMI)		Very Low-Income (30-50% AMI)		Low-Income (50-80% AMI)	
	#	%	#	%	#	%	#	%	#	%	#	%
<b>6</b>	325	14.6%	15	4.6%	195	60.0%	155	47.7%	155	47.7%	0	0.0%
<b>14.01</b>	300	11.6%	80	26.7%	105	35.0%	140	46.7%	120	40.0%	0	0.0%
<b>4.07</b>	210	10.0%	80	38.1%	90	42.9%	80	38.1%	0	0.0%	30	14.3%
<b>15.02</b>	230	9.9%	155	67.4%	89	38.7%	90	39.1%	25	10.9%	35	15.2%
<b>23.01</b>	112	9.5%	39	34.8%	29	25.9%	55	49.1%	10	8.9%	20	17.9%
<b>9.01</b>	70	8.6%	70	100%	0	0.0%	0	0.0%	0	0.0%	10	14.3%
<b>105.01</b>	94	8.3%	55	58.5%	72	76.6%	35	37.2%	0	0.0%	19	20.2%

Source: 2012-2016 ACS 5-Year Estimates

For the City as a whole, large family households are the least prevalent household type in Madison, and are more evenly distributed by income than are other household types, varying from only 3% to 4% of the total households in any given income group.

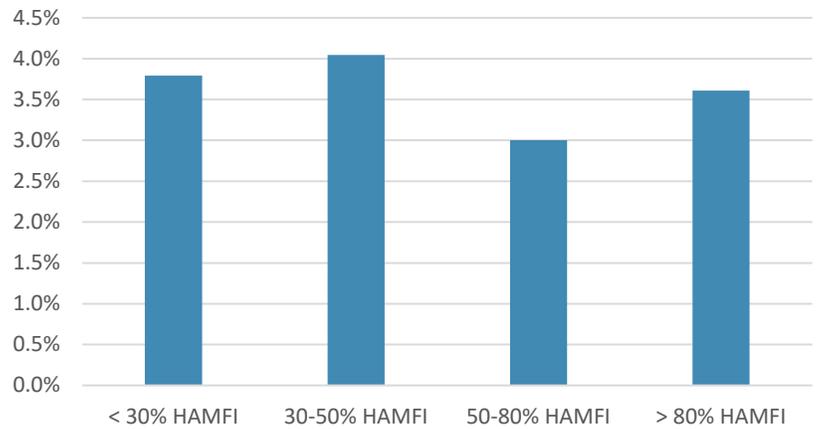
Figure 34: Large Family Households

### Large Families in Madison



■ Large Family ■ Other Households

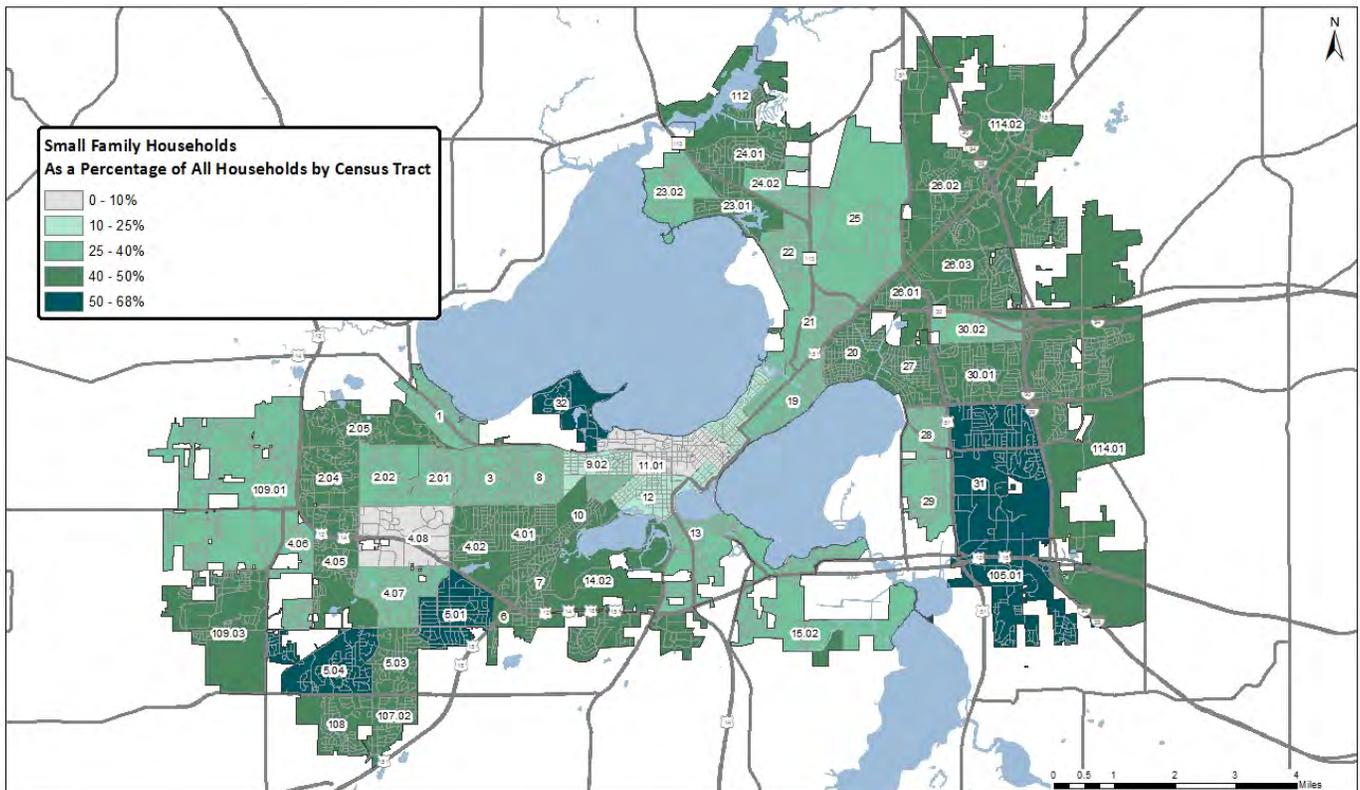
### Large Families as a % of Total Households by Income



Source: 2010-2014 HUD CHAS Table 7

## SMALL FAMILY HOUSEHOLDS

Figure 35: Small Family (2-4 Person) Households



Source: 2010-2014 HUD CHAS Table 7

- Highest concentrations of small family households (two to four related persons) are present in southeast Madison, primarily Census Tracts 31 and 105.01. These Tracts also display relatively increased numbers of large family households, showing overall high rates of family households
- Census Tracts 5.01 and 5.01, 5.04, and 32 also show high percentages of small family households.
- Small family households are the majority of all family households in Madison, comprising much of the population of many Census Tracts through both east and west Madison
- 63% of all small family households own their homes, representing 46% of all owner-occupied households

Table 16: Demographics of Common Small Family Household Census Tracts

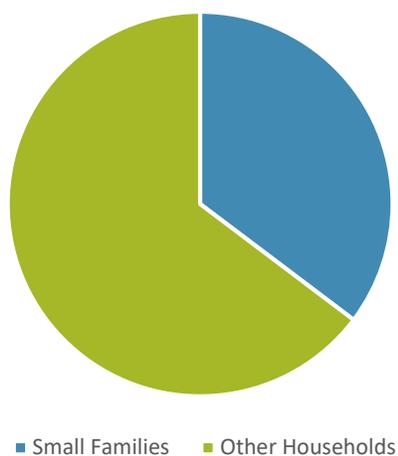
Tract	Small Family Households		Small Family Ownership Rate		Small Family Cost Burden		Extremely Low-Income (0-30% AMI)		Very Low-Income (30-50% AMI)		Low-Income (50-80% AMI)	
	#	%	#	%	#	%	#	%	#	%	#	%
32	798	67.1%	8	1.0%	249	31.2%	185	23.2%	205	25.7%	180	22.6%
105.01	747	66.1%	614	82.2%	207	27.7%	59	7.9%	29	3.9%	44	5.9%
5.04	1580	52.8%	980	62.0%	285	18.0%	85	5.4%	205	13.0%	190	12.0%
31	1235	51.0%	1115	90.3%	233	18.9%	90	7.3%	25	2.0%	105	8.5%
5.01	985	50.6%	730	74.1%	345	35.0%	155	15.7%	90	9.1%	75	7.6%
109.03	608	49.0%	540	88.8%	123	20.2%	30	4.9%	20	3.3%	19	3.1%
114.02	1800	48.9%	1175	65.3%	550	30.6%	80	4.4%	170	9.4%	290	16.1%

Source: 2012-2016 ACS 5-Year Estimates

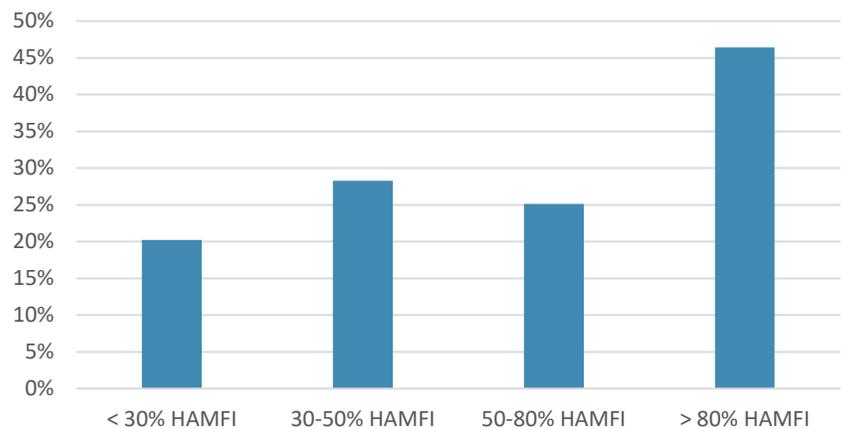
Small family households are the second-most prevalent household type in Madison, at 35% of total households. They have the largest representation in moderate- to high-income groups, of which small families comprise 46% of all households. There is much less representation of this family type in lower-income categories compared to other family types.

Figure 36: Small Family Households

### Small Families in Madison



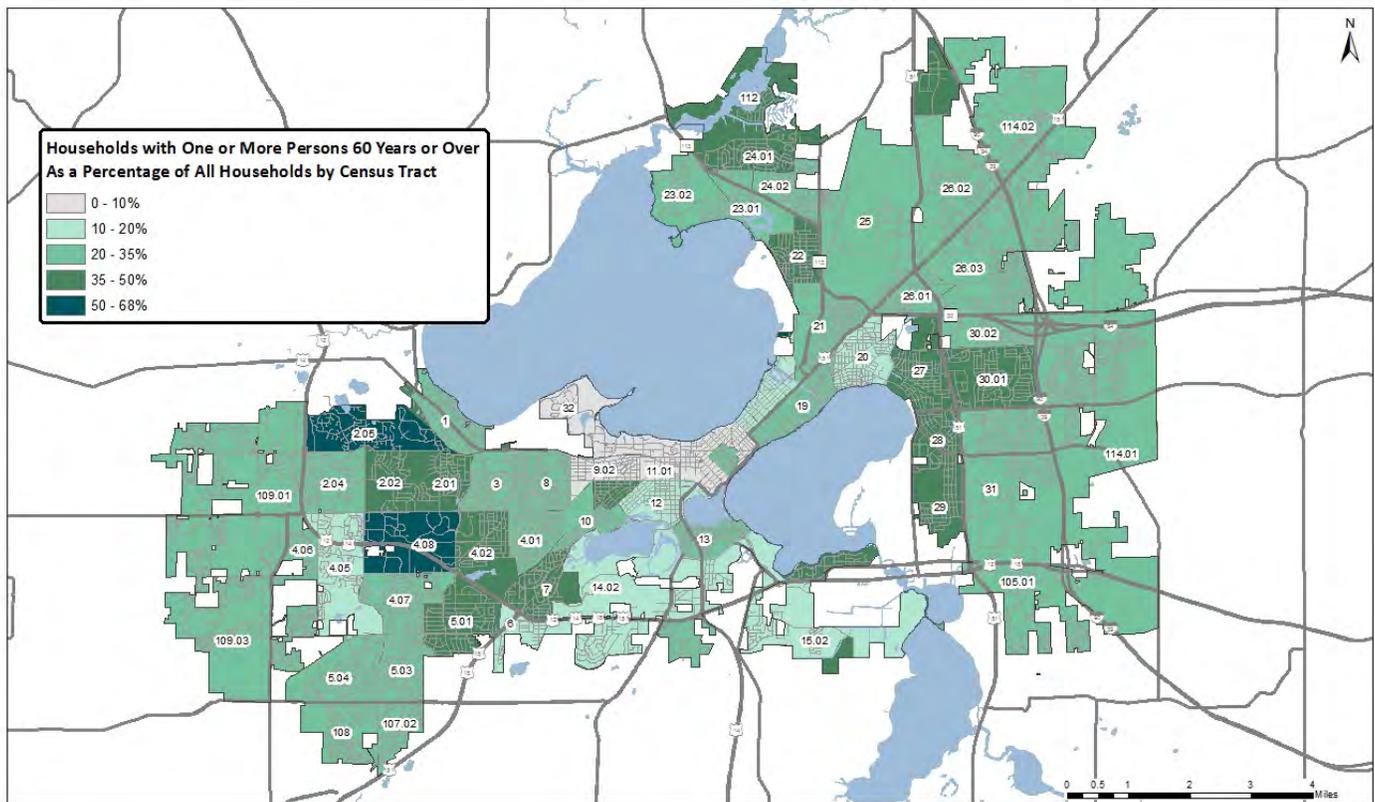
### Small Family as a % of Total Households in Income Group



Source: 2010-2014 HUD CHAS Table 7

## ELDERLY HOUSEHOLDS

Figure 37: Households with an Elderly Member



Source: 2010-2014 HUD CHAS Table 7

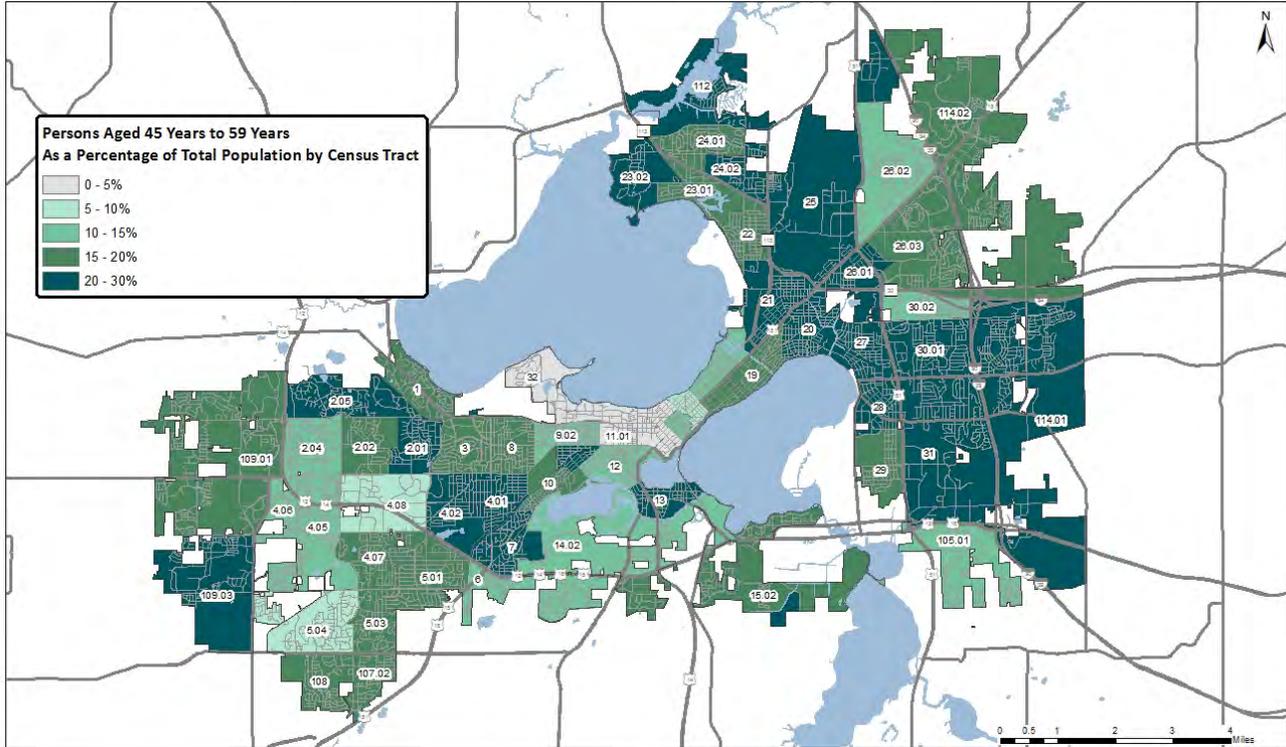
- Elderly households (where at least one person is aged 62 or over) will be a growing household designation based on age population estimates. Currently, elderly households make up the majority of households in Census Tracts 4.08 and 2.05 (Wexford Village to Highlands neighborhoods)
- Other areas with current relatively high numbers of elderly households include areas of east Madison from Eastmorland to Glendale, Rolling Meadows and Heritage Heights, Orchard Ridge, Midvale Heights, and Glen Oak Hills to Parkwood Hills

Table 17: Demographics of Common Elderly Households Census Tracts

Tract	Elderly Households		Elderly Ownership Rate		Elderly Cost Burden		Extremely Low-Income (0-30% AMI)		Very Low-Income (30-50% AMI)		Low-Income (50-80% AMI)	
	#	%	#	%	#	%	#	%	#	%	#	%
<b>4.08</b>	805	65.2%	155	19.3%	445	55.3%	175	21.7%	105	13.0%	240	29.8%
<b>9.01</b>	294	36.1%	271	92.2%	91	31.0%	8	2.7%	8	2.7%	19	6.5%
<b>2.02</b>	500	35.3%	360	72.0%	159	31.8%	50	10.0%	45	9.0%	70	14.0%
<b>24.01</b>	503	35.1%	434	86.3%	189	37.6%	40	8.0%	24	4.8%	195	38.8%
<b>4.02</b>	360	34.3%	360	100.0%	59	16.4%	35	9.7%	25	6.9%	75	20.8%
<b>2.05</b>	805	34.0%	570	70.8%	325	40.4%	155	19.3%	65	8.1%	155	19.3%
<b>2.01</b>	330	33.5%	320	97.0%	30	9.1%	10	3.0%	20	6.1%	15	4.5%

Source: 2012-2016 ACS 5-Year Estimates

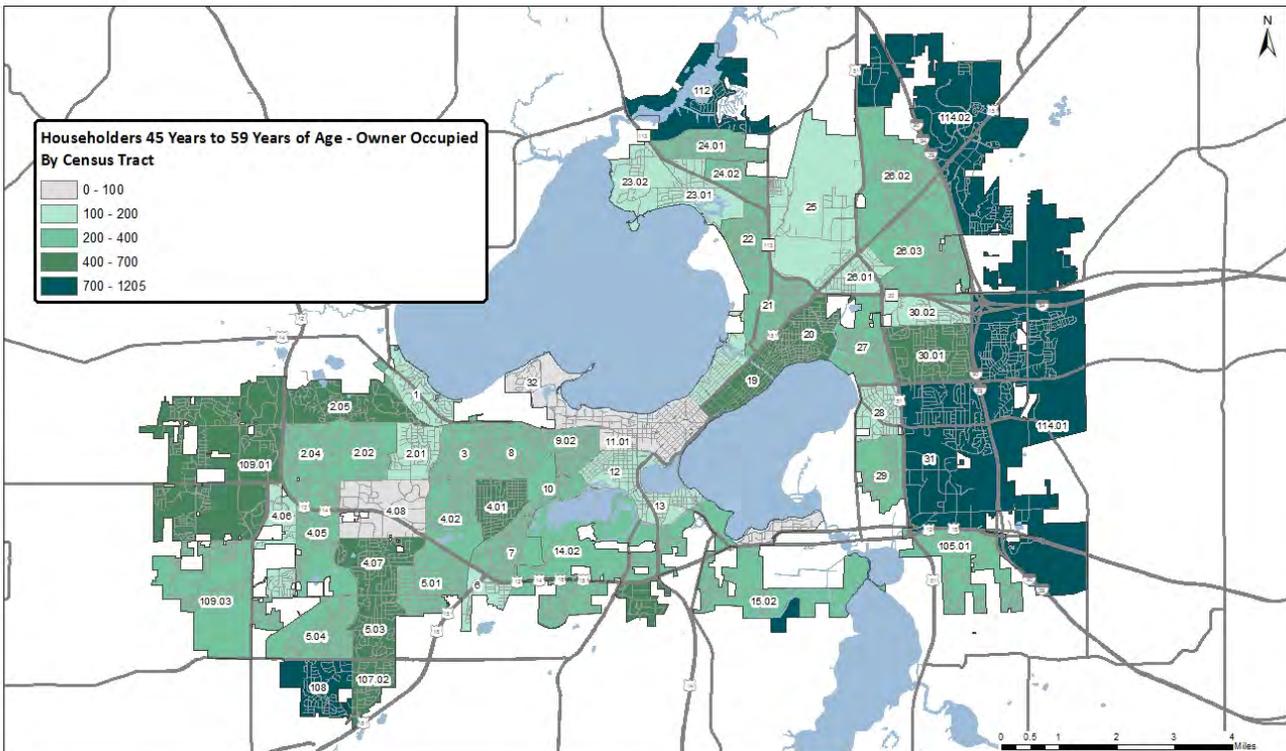
Figure 38: Aging Persons as a Percentage of Total Population of Census Tract



Source: 2012-2016 ACS 5-Year Estimates

In planning resource allocation for an aging population, determining which areas will require the highest amount of resources in the future can partially be determined by analyzing which areas have a population approaching “elderly” designation on a Census Tract level seen in Fig. 38. Additional age in place opportunity areas with many homeowners approaching this status is displayed below.

Figure 39: Distribution of Aging Homeowners

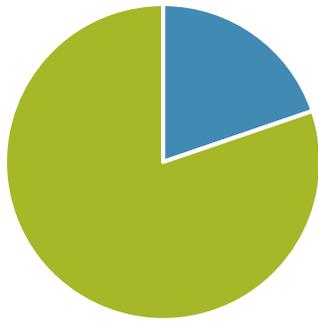


Source: 2016 ACS 5-Year Estimates

Elderly households, both family and non-family, represent a significant portion of Madison’s households, at 20% of the total. While this is less than both non-elderly, non-family and small family households, it represents a larger percentage than Madison’s large family households, and twice the representation of elderly individuals as a percentage of Madison’s population. Elderly households, as a percentage of income group, are more likely to be low-income than are small family or non-elderly, non-family households, showing increased distribution in very low and low-income categories.

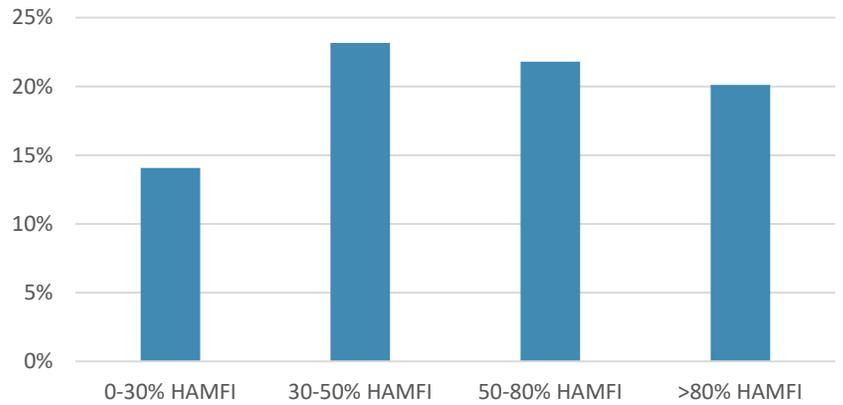
Figure 40: Elderly Households in Madison

### Elderly Households (Family or Non-Family) in Madison



■ Elderly (Family or Non) ■ Other Households

### Elderly Households as a % of All Households - by Income Group



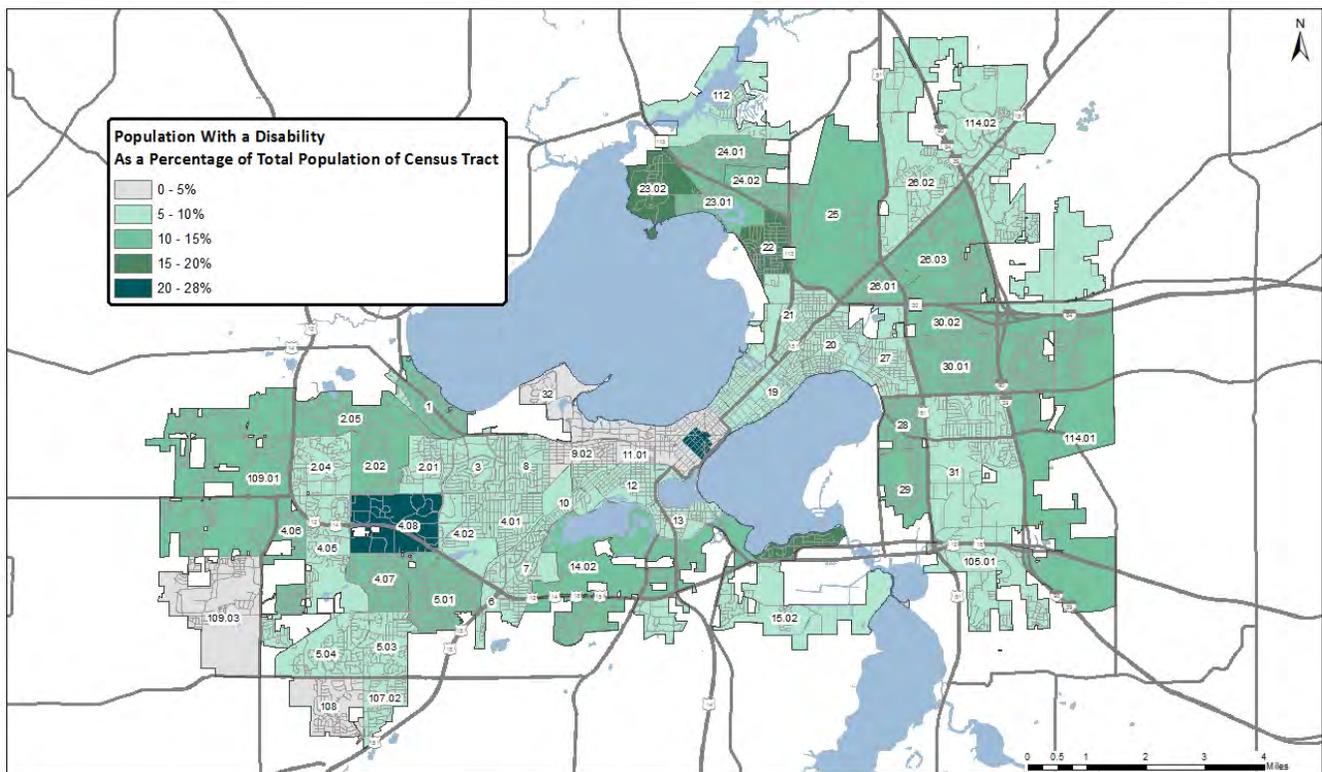
Source: 2010-2014 HUD CHAS Table 7

## DISABILITY TRENDS

Federal law defines persons with a disability as "any person who has a physical or mental impairment that substantially limits one or more major life activities; has a record of such impairment; or is regarded as having such impairment." Analysis shows that not all forms of disability are equally distributed throughout the City – certain areas have higher rates of specific types of disability.

Trends in City populations with a disability require unique need in regard to planning for resource distribution over time, as residents with disabilities often have unique housing needs dependent upon the type and level of disability. Resource and amenity distribution is central to fair housing for persons living with a disability, allowing opportunities for equitable access in neighborhoods across the City.

Figure 41: Disability Rate by Census Tract



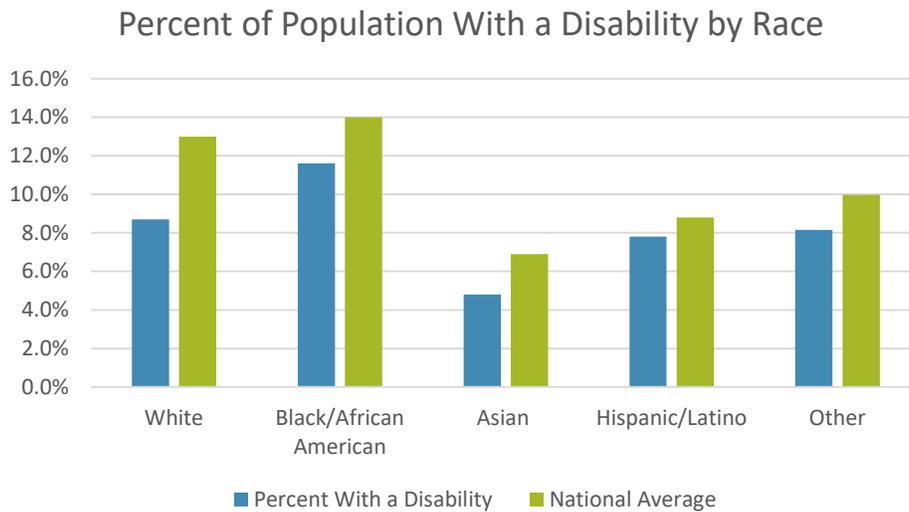
Source: 2012-2016 ACS 5-Year Estimates

- Overall levels of disability in Madison are low, with approximately 8.5% of the population considered to have a disability
  - This trend has remained consistent, with estimates ranging from 8.5% to 8.9% of the population since 2012
  - Levels of disability are consistently lower for Madison than compared to the national average, which was 12.5% as of 2016
- There are areas in Madison, however, which display much higher rates of persons living with a disability, generally in Tracts that have specialized units and services including:
  - Census Tract 4.08 in west Madison
  - Census Tract 17.04 in the Capitol neighborhood
- Other areas that have nearly double the City average for percentage of persons with a disability include:
  - Census Tract 23.02 - the North Lake Mendota neighborhood
  - Census Tract 15.01 - Bridge-Lakepoint and Waunona neighborhoods
  - Census Tract 22 - Brentwood Village, Sherman, and Maple Wood neighborhoods

The City of Madison also displays differences in rates of disability by both race and ethnicity. As rates of disability are shown to generally increase with age, it would be expected that groups with higher median ages would also display increased rates of disability. In Madison, the White population has the highest median age by a significant margin (6.7 years). However, the rates of

disability for White residents of Madison is approximately the same as rates for Hispanic/Latino and “Other” demographics. Asian residents of Madison display a much lower likelihood of having a disability than all other racial/ethnic groups, and Black/African Americans display rates higher than all other racial/ethnic groups by 2.9%.

Figure 42: Disability Rate by Race/Ethnicity

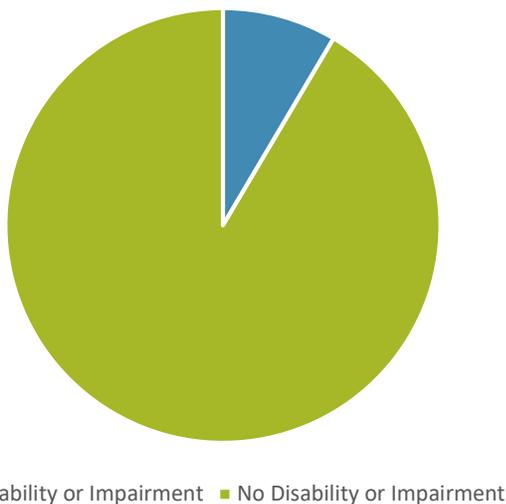


Source: 2016 American community Survey 5-Year Estimates

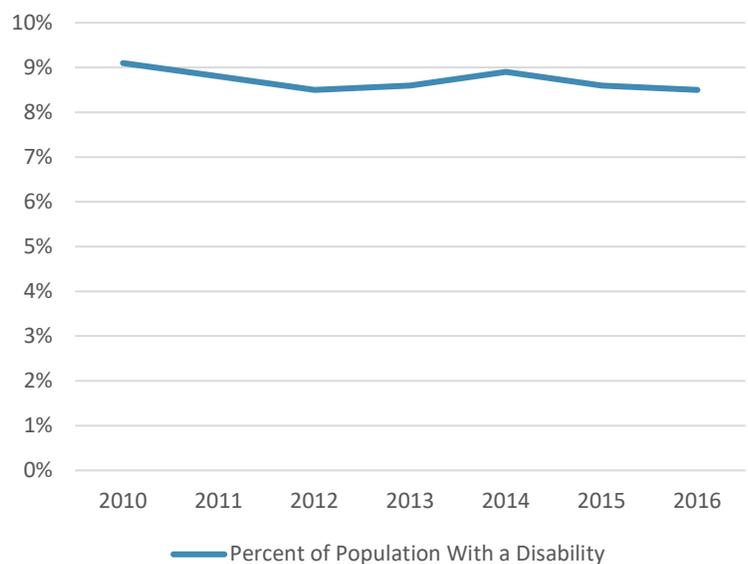
Although rates of disability in the City do vary by race/ethnicity, they correspond by race/ethnicity to the national average for persons with a disability overall, and are several points lower for each racial/ethnic group representing overall lower rates.

Figure 43: Disability Status in the City of Madison

Percent of City of Madison Residents Living With a Disability



Disability Status, 2010-2016

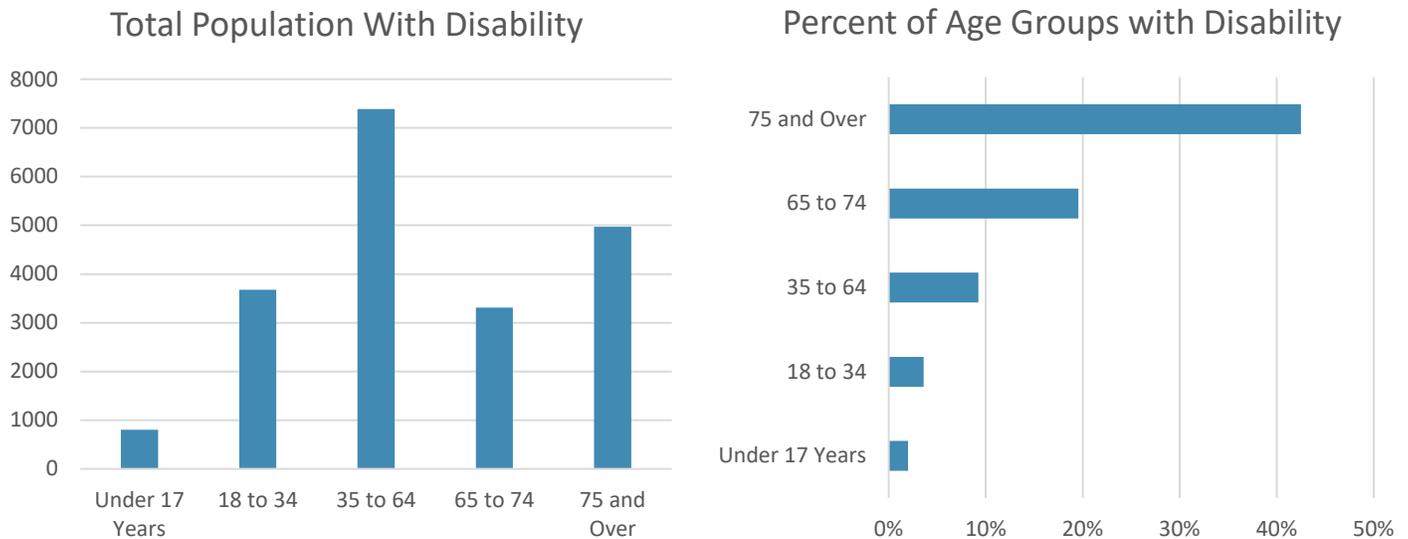


Source: 2016 American Community Survey 5-Year Estimates

As of 2016, 8.5% of the residents of the City of Madison had a disability, four percent lower than the national average of 12.5%. Rates of disability as tracked through the American Community Survey Five-Year Estimates have remained relatively consistent since at least 2010, displaying times of both slight increases and decreases.

By age, the largest group in the City with a reported disability are in the 35 to 64 year age group. It seems likely that as this population ages, this number will increase, potentially raising the overall percentage of City residents with disability. This is likely that as the largest population group in the City ages into an elderly demographic, individuals in that group are much more likely to be diagnosed with a disability. For individuals in Madison aged 75 and over, 43% report a disability (compared to 50% nationally), more than double the 20% rate of those aged 65 to 74 years, and more than four times the 9% rate for those aged 35 to 64 years.

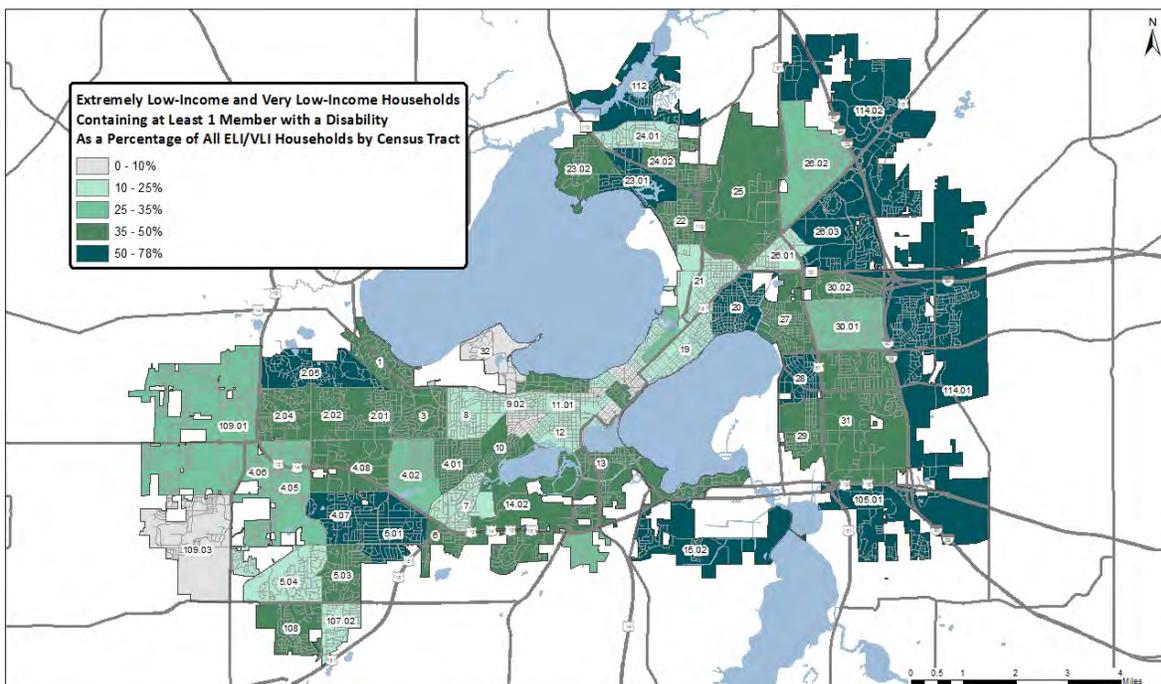
Figure 44: Population with a Disability by Age



Source: 2016 American Community Survey 5-Year Estimates

Persons with a disability may face additional barriers to housing access when also low-income, as accessible units located near necessary services may become more difficult to obtain. There are areas of Madison in which large numbers of extremely and very low-income households have at least one household member with a disability. Census Tracts in which over 50% of ELI/VLI households have a member with a disability include Census Tracts 2.01, 4.07, 5.01, 15.02, 20, 23.01, 26.03, and 29.

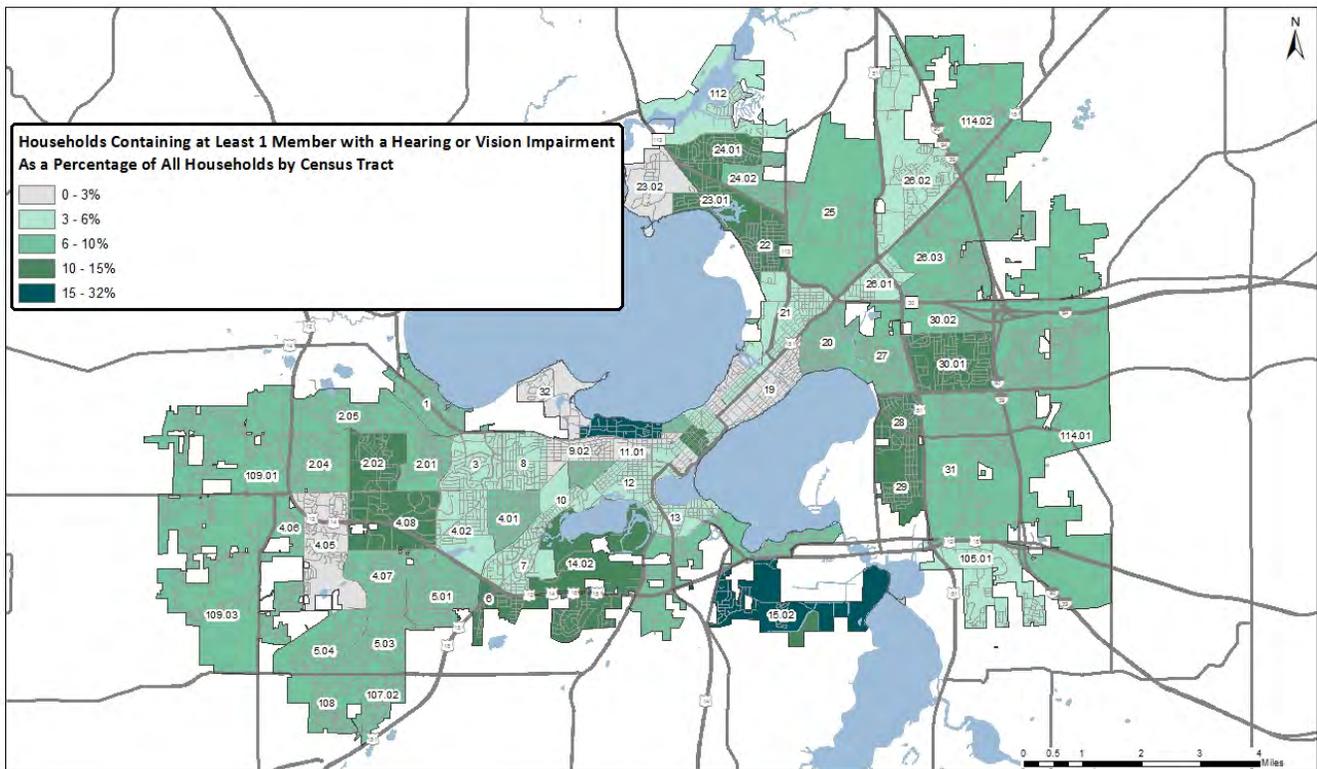
Figure 45: Extremely and Very-Low Income Households with a Disability



Source: 2010-2014 HUD CHAS

Household members with a hearing or vision impairment often describe being impacted by limited mobility, as vision and hearing impairments may often limit the ability of individuals to drive or easily utilize other forms of transportation.

Figure 46: Hearing or Vision Impairment by Census Tract



Source: 2010-2014 HUD CHAS Table 6

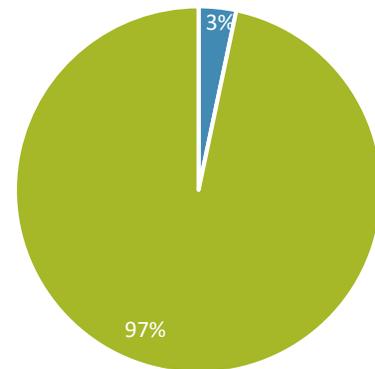
Within the City of Madison, areas displaying increased rates of hearing or vision impairments include:

- Census Tract 15.02, including the Indian Springs neighborhood
- Census Tract 11.02, a University of Wisconsin-associated Tract
- Census Tracts 2.02 and 4.08 on the west side of Madison
  - Both tracts display relatively increased numbers of elderly households
- Census Tract 14.02 on the south side of Madison
- Census Tracts 22, 23.01, and 24.01 on the north side of Madison
  - Tracts 22 and 24.01 display relatively increased numbers of elderly households
- Census Tracts 28, 29, and 30.01 on the east side of Madison
  - All three tracts display relatively increased numbers of elderly households

Rates of hearing or vision impairment are 3.3% for the City overall.

Figure 47: Percent with Hearing or Vision Impairment in the City of Madison

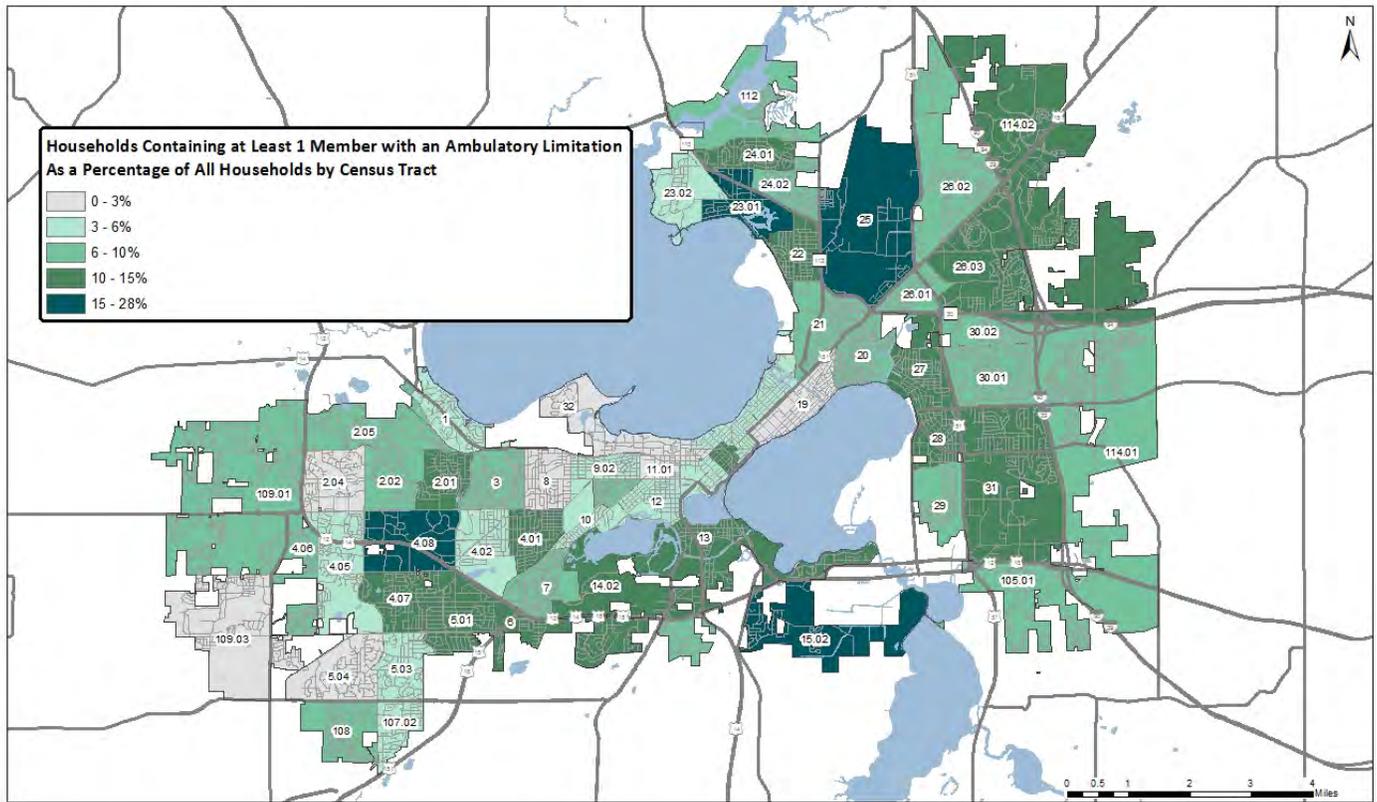
Percent of Population with a Hearing or Vision Impairment



- With a Hearing or Vision Impairment
- Without a Hearing/Vision Impairment

Source: 2016 ACS 5-Year Estimates

Figure 48: Ambulatory Limitation by Census Tract



Source: 2010-2014 HUD CHAS Table 6

Persons with an ambulatory limitation are persons whom have difficulty in mobility, specifically a limitation in the ability to walk. Housing accessibility accommodations are common requirements for those with mobility difficulties.

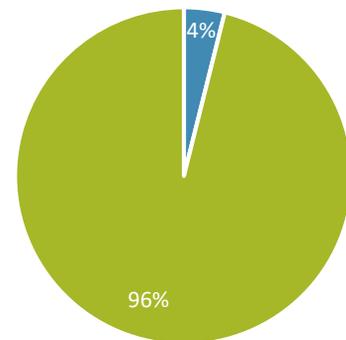
Within the City of Madison, areas displaying increased rates of ambulatory limitations include:

- Census Tracts 4.08, 15.02, 23.01, and 25
  - Each of these Tracts contain shares of the population with mobility limitations approximately four times greater than the average for the City as a whole
- Census Tracts in dark green, including 2.01, 4.01, 22, 24.01, 26.03, 27, 28, 31, and 114.02, as well as much of south Madison contain populations with an ambulatory limitation at rates at least double the City average as a whole

Rates of ambulatory limitation are 3.9% for the City overall.

Figure 49: Percent with an Ambulatory Limitation in City of Madison

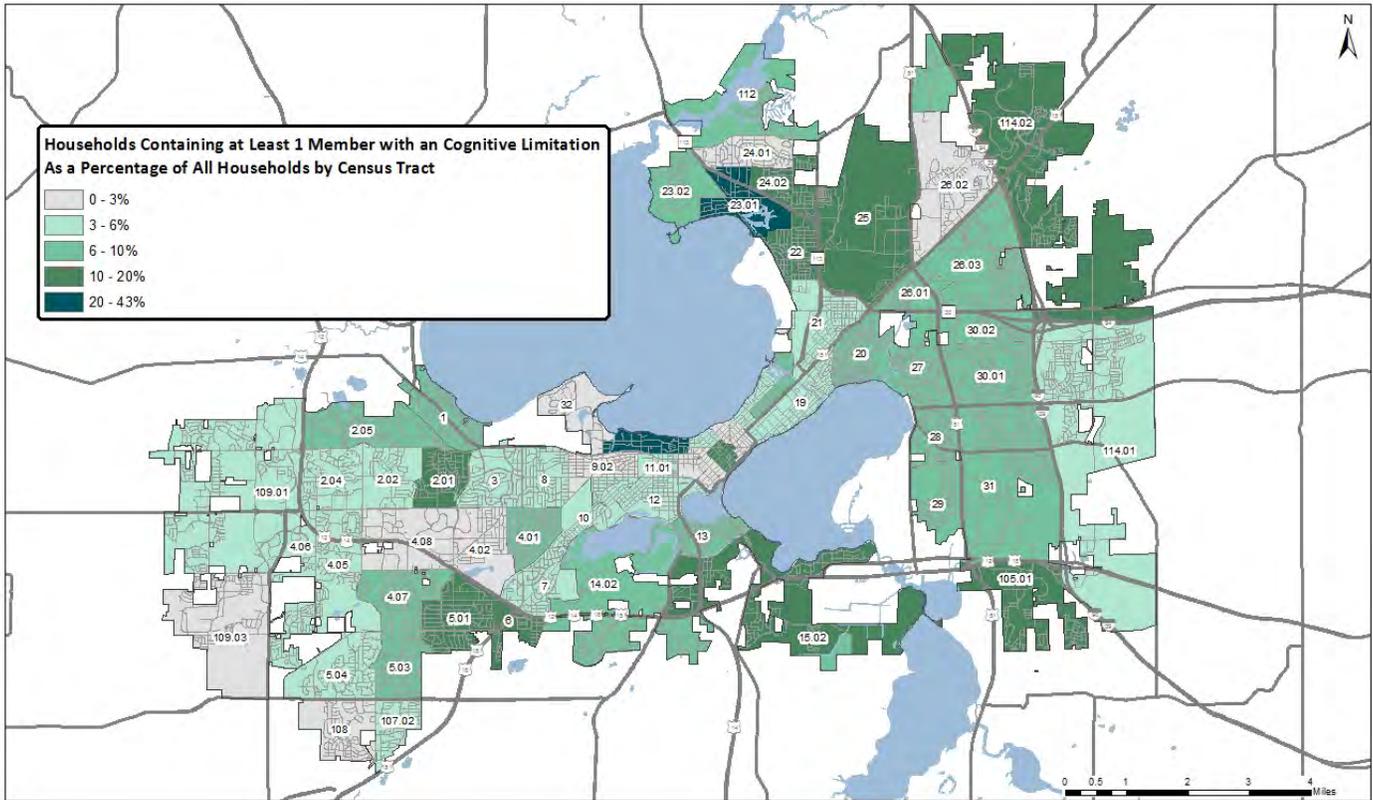
### Percent of Population with an Ambulatory Limitation



- With an Ambulatory Limitation
- Without an Ambulatory Limitation

Source: 2016 ACS 5-Year Estimates

Figure 50: Cognitive Limitation by Census Tract



Source: 2010-2014 HUD CHAS Table 6

Persons with a cognitive limitation have difficulty in concentrating, remembering, or making decisions because of a physical, mental, or emotional condition. The Madison City average for percent of the population with a cognitive limitation is 3.6% of total residents. While this is relatively low overall, there are areas of Madison that display much larger concentrations of persons with this limitation, including:

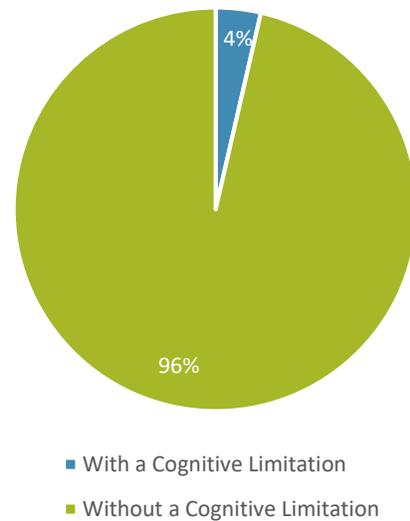
Census Tracts 11.02 and 23.01, in which over 20% of households containing a person with a cognitive limitation include:

- Census Tract 11.02 within the University of Wisconsin
- Census Tract 23.01 in north Madison

Other tracts displaying increased rates of households with persons with a cognitive limitation include:

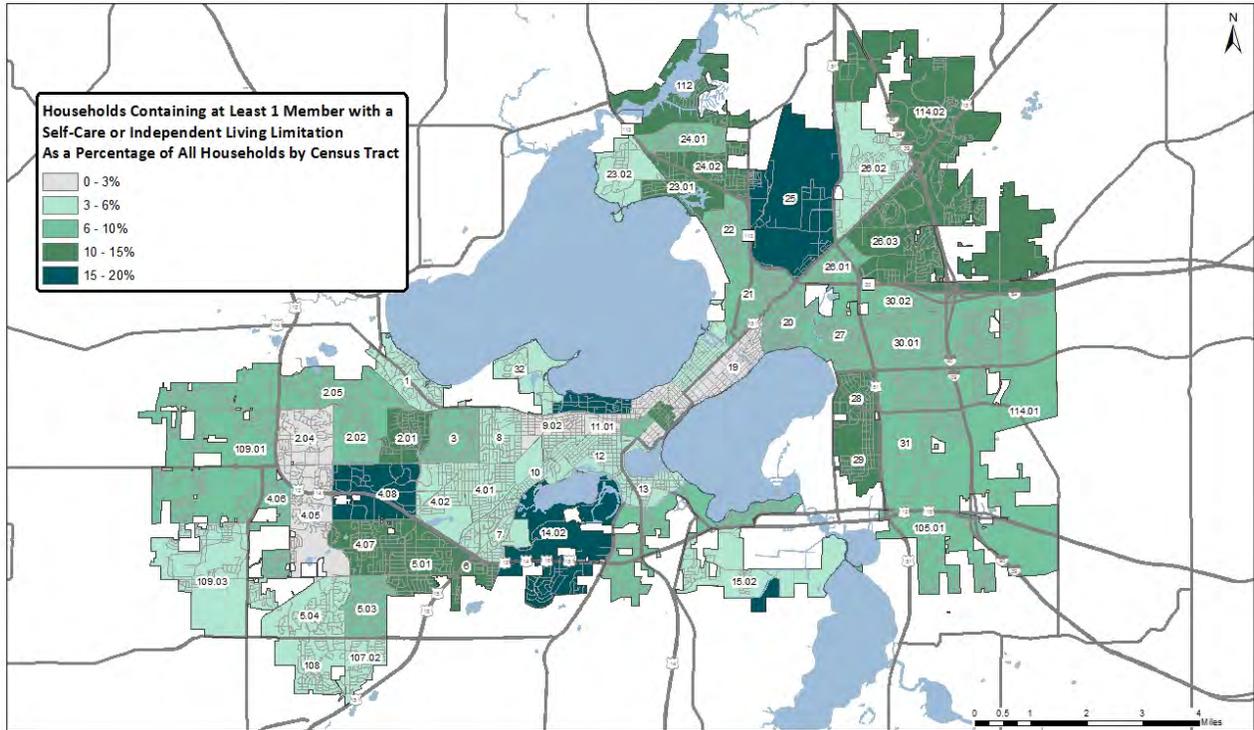
- North Madison – Census Tracts 22, 24.02, 25, and 114.02
- South Madison – Census Tracts 5.01, 6, 14.03, and 15.02
- West Madison – Census Tract 2.01
- Central Madison – Capitol Neighborhood

Figure 51: Percent with a Cognitive Limitation in the City of Madison  
Percent of Population With a Cognitive Limitation



Source: 2016 ACS 5-Year Estimates

Figure 52: Self-Care/Independent Living Limitation by Census Tract



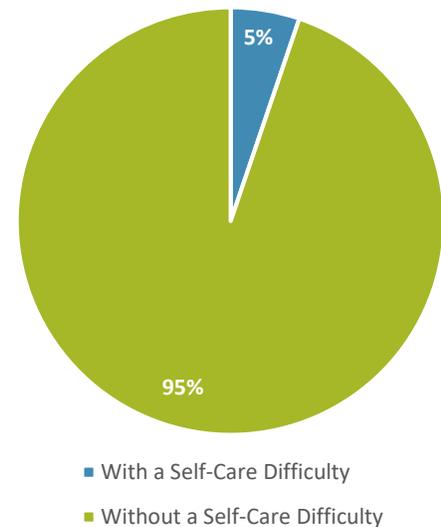
Source: 2010-2014 HUD CHAS Table 6

Defined by the Census Bureau as anyone who has difficulty dressing, bathing, or getting around inside of the home due to a physical, emotional, or mental condition lasting six months or longer, persons with a self-care difficulty often require specialized services for care. Independent living is defined as the ability to complete errands alone – such as visiting a doctor’s office or shopping. The Citywide percentage of persons with a self-care/independent living difficulty is 5.2% of the population of Madison. There are areas of the City that generally have higher rates of people living with these difficulties, including:

- Census Tract 4.08
- Census Tract 11.02
- Census Tract 14.02
- Census Tract 25

Figure 53: Percent with a Self-Care Limitation in Madison

Percent of Population with a Self-Care Limitation



While Census Tracts 4.08, 11.02, and 25 have lower residential populations due to their status as Tracts associated with the research park, the UW Campus, and airport, respectively, Tract 14.02 includes much of the University of Wisconsin Arboretum, as well as the Arbor Hills and Leopold neighborhoods. All of these Tracts hold percentages of the population with this disability at least three times greater than the City average.

Other areas with significantly larger than average populations with a self-care difficulty include:

- West Madison Census Tract 2.01
- Southwest Madison Census Tracts 4.07, 5.01, and 6
- East Madison Census Tracts 26.03, 28, and 29
- North Madison Census Tracts 23.01, 24.02, 112, and 114.02
- Central Madison Capitol Neighborhood

- With a Self-Care Difficulty
- Without a Self-Care Difficulty

Source: 2016 ACS 5-Year Estimates

## INCOME TRENDS

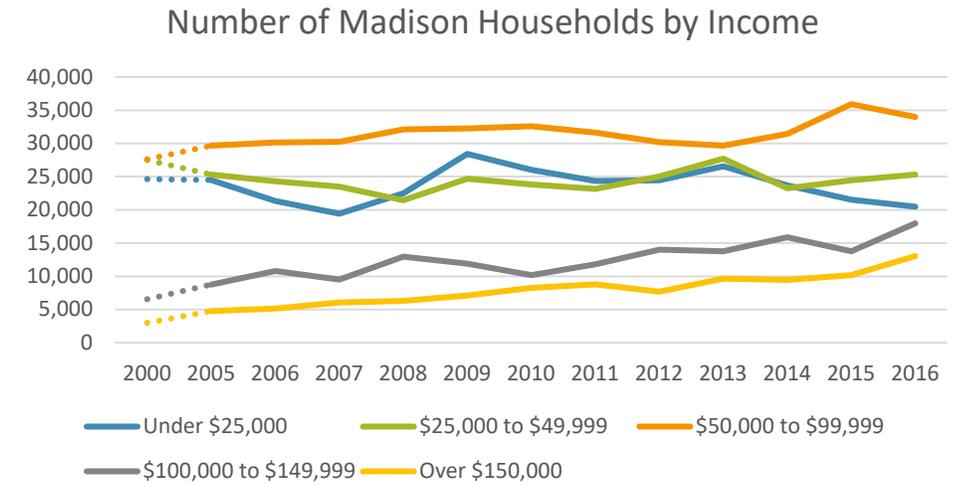
### INCOME GROWTH

By income, the City of Madison has displayed a growing number of households above \$50,000 annually, relative consistency in number of households earning between \$25,000 and \$50,000, and decrease of in number of households earning under \$25,000 back to pre-recession levels.

A large increase in households earning under \$25,000 per year occurred during the period from 2007 to 2009. However, these households have declined in number since 2009 to a number that is approaching the pre-Recession levels of 2007.

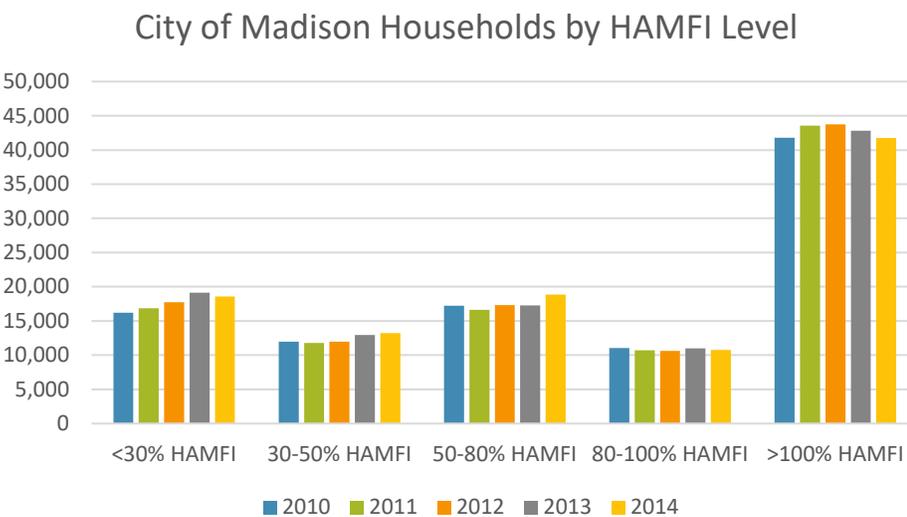
A net loss of households earning under \$25,000 annually since 2014 has corresponded with an increase in the number of households earning between \$25,000 and \$49,999 over the same timeframe. Growth among the highest two household income groups (earning over \$100,000 annually) has remained consistent since 2000 (Chart 21), and although displaying greater fluctuations from year to year, households earning \$50,000 to \$99,000 has represented the largest share of households in the City since 2000. In total for the City as of 2016, households earning under \$50,000 comprised 41% of all households, households earning \$50,000 to \$99,999 represented 31%, and households earning greater than \$100,000 represented 28% of all households.

Figure 54: Households by Income



Source: Decennial Census, ACS 3- and 5-Year Estimates

Figure 55: Household Income Level by HUD Area Median



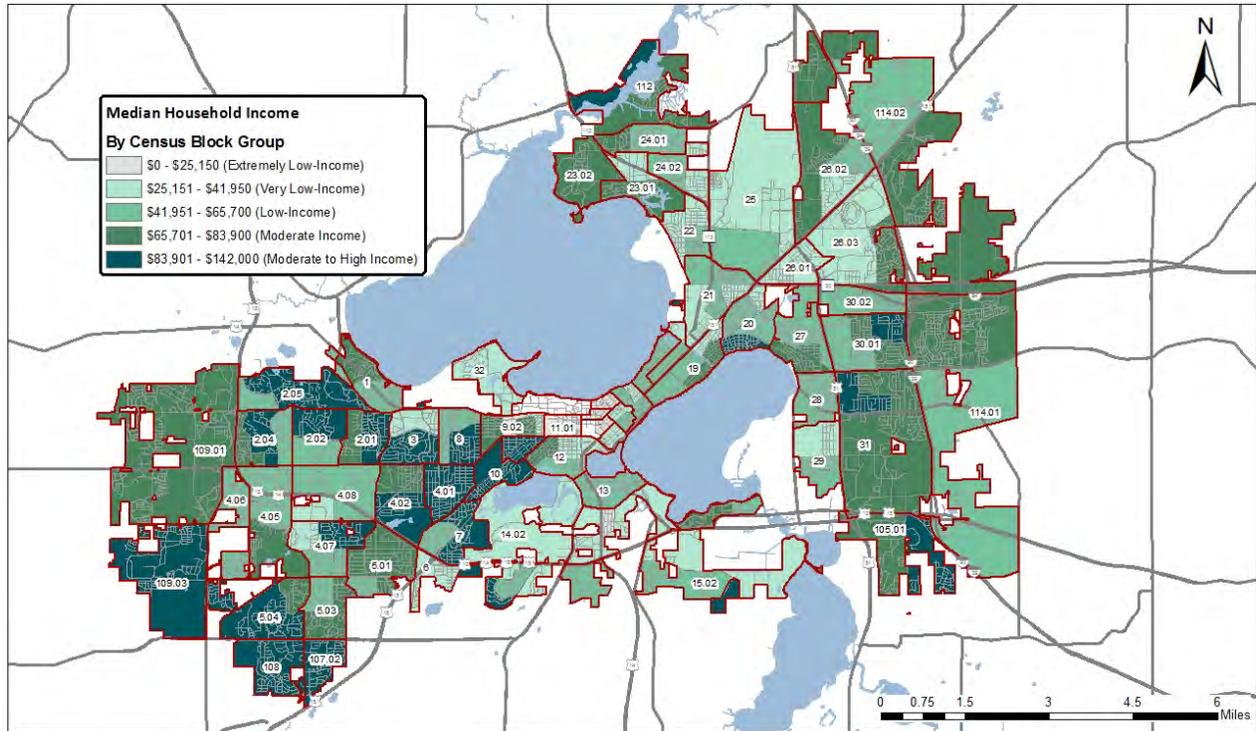
Source: HUD CHAS

More recent demographics trends shown by HUD Area Median Family Income are especially useful, as they are adjusted income by household size. These trends illustrate year-to-year growth in households under 30% HAMFI from 2010 to 2013, consistent growth in households earning between 30-50% HAMFI, and growth in the number of households earning 50-80% HAMFI. These categories are considered by HUD to be the low-income household categories, signifying a larger growth for low-income households than for high-income households, the number of which have remained constant or fell back to their original levels over the five-year period.

As HAMFI is measured by Metropolitan Statistical Area, it is possible that some portion of the growth in number of low-income households is due to large wage growth outside of the City of Madison. From 2010 to 2018 the HUD Area Median Family Income increased from \$80,000 to \$91,700. While this would normally represent strong wage growth for households in the region, coupled with the increasing number of low-income households in the City, this may represent a decrease in affordability and a growth in inequality of economic opportunity for many households in the City.

## INCOME BY GEOGRAPHY

Figure 56: Median Household Income Distribution



Source: 2016 American Community Survey 5-Year Estimates

The Census Block Groups in the City of Madison with the highest median income, those in which 50% or more of the households in the Block Group would be considered moderate- to high-income earners, are mostly located on the west side of the City. In total, 28 of these Block Groups are in west Madison, with five Block Groups in east Madison meeting this threshold. In total by Census Tract, 13 of the top 15 Tracts with the highest median incomes are in west Madison, displaying a large spatial income disparity.

Demographic data for select Census Tracts with the highest median incomes located entirely within the City show a tendency for above City average percentages of White population, above average ownership rates, below average cost burden, and below average poverty rates. As most measures of demographics in housing are related directly to income, this is expected of high-income areas.

Table 18: Demographics of Census Tracts with Highest Median Incomes

Tract	White	Persons of Color	Ownership Rate	Cost Burden	Poverty	Median Household Income
	%	%	%	%	%	\$
<b>9.01</b>	87.8%	12.2%	79.6%	30.7%	5.2%	\$118,625
<b>10</b>	91.5%	8.5%	71.2%	22.9%	2.2%	\$96,472
<b>5.04</b>	81.6%	18.4%	62.2%	25.0%	5.1%	\$95,482
<b>7</b>	87.5%	12.5%	81.2%	25.1%	2.8%	\$90,815
<b>2.05</b>	87.1%	12.9%	69.7%	27.1%	4.6%	\$87,214
<b>2.02</b>	83.2%	16.8%	63.2%	24.4%	7.8%	\$86,875
<b>4.01</b>	88.8%	11.2%	79.7%	26.6%	3.5%	\$86,484
<b>City Average</b>	74.8%	25.2%	48.6%	39.3%	16.9%	\$61,284

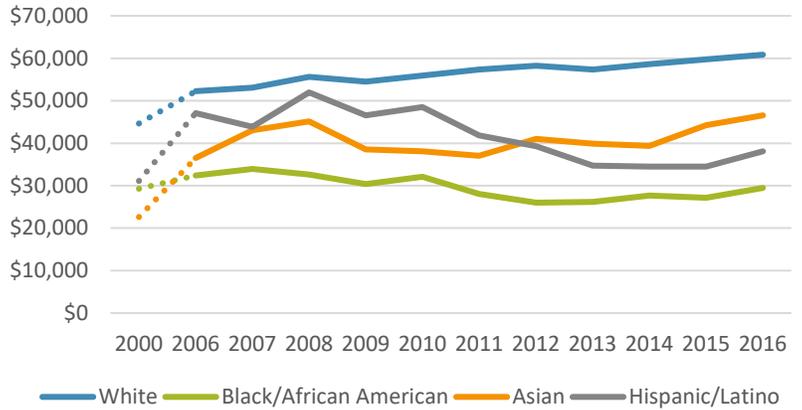
Source: 2012-2016 ACS 5-Year Estimates

## INCOME BY RACE

For the White population of Madison, the median household income (as measured by householder) has steadily increased since 2000, with an average increase of \$1,013 per year. Though still showing an increase over time, other racial and ethnic groups have shown to be much more susceptible to fluctuations in median household earnings on a year-to-year basis, and appear to be much more impacted by the Recession.

- Black/African Americans in Madison have seen an average increase in median household income of only \$15 per year since 2000
- Asian households, while showing a large increase from the period 2000 to 2008, were more heavily impacted during the Recession than other demographics, having only recently seen a return to pre-Recession income levels. Since 2000, the average increase to the Asian median household income has been \$1,497 per year
- Hispanic/Latino households also saw median household incomes heavily affected post-2008, declining significantly from 2008 to 2015 (-\$17,440). Hispanic/Latino median household incomes recently increased from 2015 to 2016, averaging an increase in median household income of \$436 per year since 2000

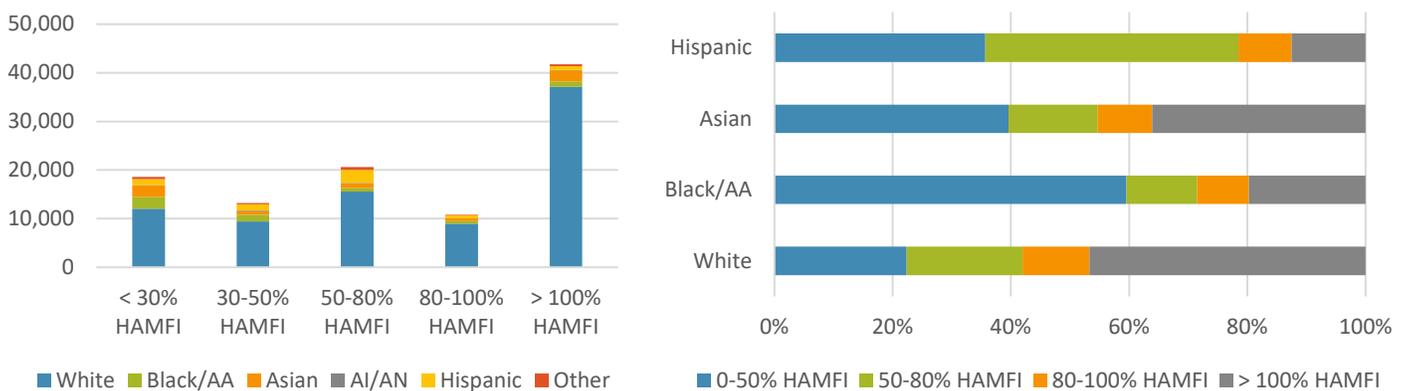
Figure 57: Median Income by Race/Ethnicity



Source: ACS 3- and 5-Year Estimates, Decennial Census

The median income for the City as a whole has remained relatively consistent and slightly increasing, largely due to the large White population of Madison which displays the largest consistency in income. By number at each income level, White households represent the significant majority of each income tier. White households do, however, display a likelihood to be higher-income than other racial or ethnic groups when adjusting for percentage of each racial/ethnic group by income tier. This becomes significant as affordability and mobility in housing is directly affected by the amount of income generated by a household. As Madison continues to experience periods of low vacancy rates, demographics with higher incomes have the ability to outcompete lower-income demographics for the same units of housing. While there are significant high-income Households of Color, the share of demographic in each income group displays a reliable disparity when compared to income distributions of White households.

Figure 58: Households and Income Level by Race/Ethnicity (Excluding Students)



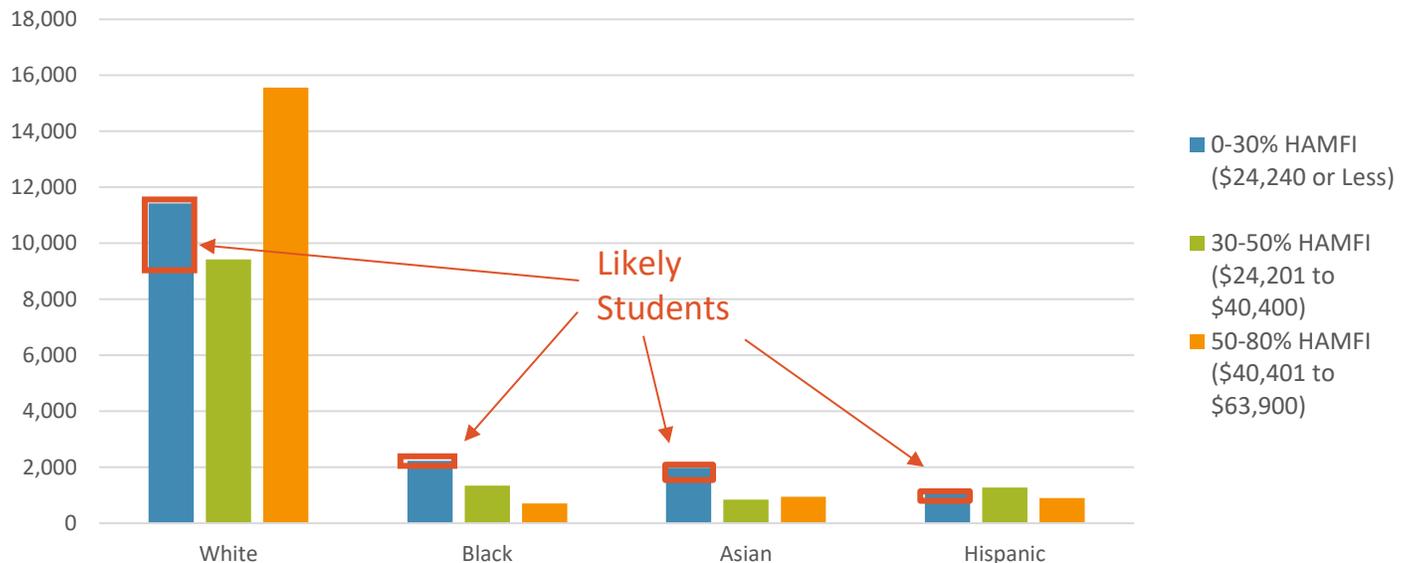
For moderate- to high-income categories, greater than 100% of the HUD Area Family Median, 47% of White households are represented, compared to 36% of Asian households, 20% of Black households, and 13% of Hispanic households. For extremely low- to very low-income categories, 0-50% HAMFI, 60% of Black households are represented, compared to 40% of Asian households, 36% of Hispanic households, and 22% of White households.

Source: 2010-2014 CHAS, Author's Calculations

## LOW-INCOME HOUSEHOLD TRENDS

Of particular concern in housing affordability is the availability of housing to low-income households, who often have less opportunity for choice within a housing market. As the HUD Area Median Family Income is calculated by Metropolitan Statistical Area, the City does not have 50% of households above the median and 50% below. Excluding likely student households, 55,139 households earn under the HUD Area Median (56%), and 43,015 households earn over the HUD Area Median (44%). This is reflective of generally higher average incomes for households that reside outside of the City, even when adjusted for students. Per HUD's 2015 Report to Congress, "households with worst case needs are defined as very low-income renters who do not receive government housing assistance and who pay more than 50 percent of their income for rent..," which informs and influences focus of income-/tenure-based need for purposes of this document.

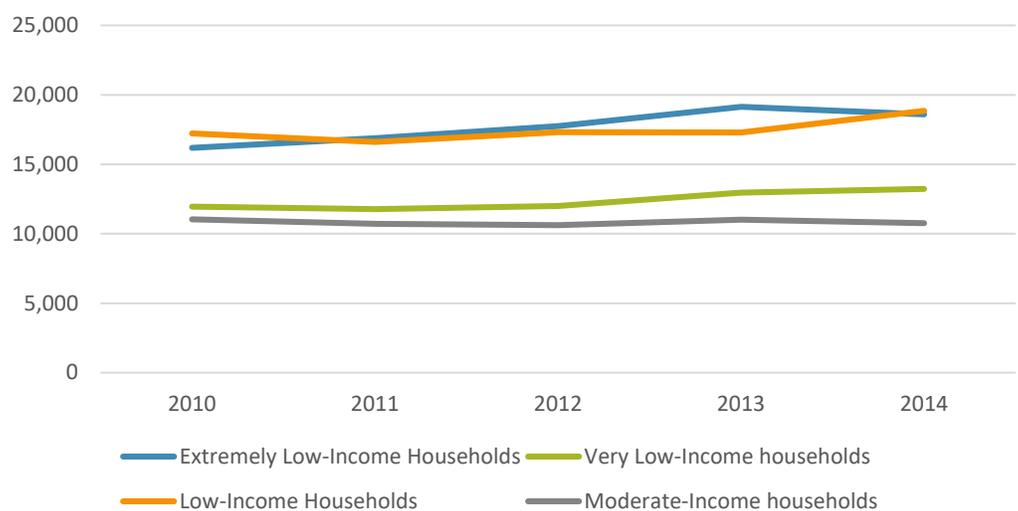
Figure 59: Low Income Households by Race/Ethnicity



Source: 2010-2014 HUD CHAS. Annual income displayed for family size of 4.

Figure 60: Low-Income Household Growth

### Low-Income Household Growth



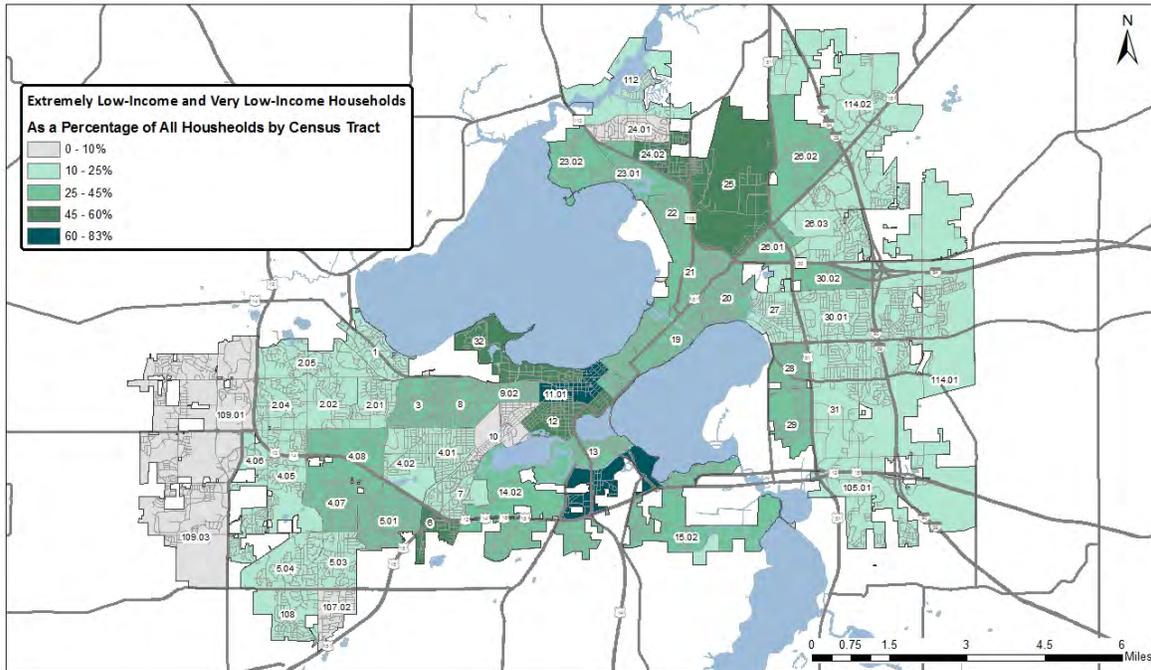
Source: 2012-2016 ACS 5-Year Estimates

While the above Chart references all households earning under 80% HAMFI, much of the data analyzed for this report suggests that affordability and choice are more readily attainable for households earning 50-80% HAMFI than those under 50% HAMFI. For this reason, for low-income households within the City, of particular concern for fair housing choice are households that earn less than 50% of the HUD Area Family Median. At the time we have data available (2014), a family of four earning 50% of HAMFI earned a total of \$40,400 annually. Within Madison, and excluding likely students, there are 25,516 households that qualify as extremely or very low-income, representing 26% of all households in the City. This indicates limited affordability and choice of housing for over a quarter of all households in Madison.

## EXTREMELY AND VERY LOW-INCOME HOUSEHOLDS BY GEOGRAPHY

As 26% of the City is composed of extremely and very low-income households, it would be expected that if there was fair housing choice, there would exist an equal distribution based on income. Outside of campus-associated areas, there is a clear distribution of ELI/VLI households in tracts of north and south Madison, notably Census Tracts 6, 14.01, 24.02, and 25. Other areas with increased concentrations include areas of southwest Madison, the eastern isthmus, Regent-Sunset Village neighborhoods, and Lake Edge-Glendale neighborhoods. These Census Tracts are also commonly the areas that have the highest number of units with gross rents that would be affordable to ELI/VLI households, indicating that income is a key driver in housing choice by this Census-based geography.

Figure 61: Extremely and Very Low-Income Households by Geography



Source: 2010-2014 HUD CHAS Table 2

Aside from areas associated with the University of Wisconsin campus, which houses large numbers of low-income households by virtue of student status, there are Census Tracts that display larger than expected concentrations of ELI/VLI households:

- Census Tract 14.01 contains more than 60% of households with incomes below 50% of the HUD Area Family Median
- Census Tract 6 contains nearly 55% of all households with incomes below the HUD Area Family Median
- Both of these Census Tracts (6, 14.01), are also the place of residence for many Households of Color

Table 19: Census Tracts with the Highest Percent of ELI/VLI Households

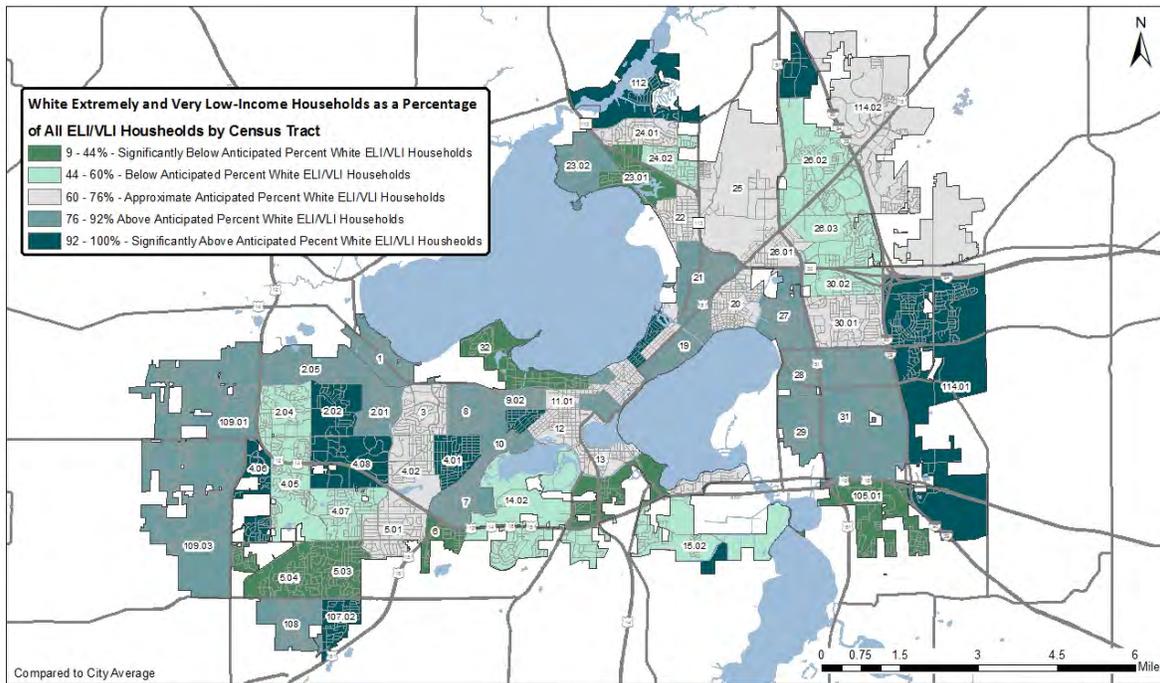
Tracts (UW Tracts Removed)	ELI/VLI Households		Ownership Rate	Cost Burden		White Households		Households of Color		Median Household Income
	#	%	%	#	%	#	%	#	%	\$
<b>14.01</b>	1564	60.3%	18.9%	1255	48.4%	1160	44.9%	1421	55.1%	\$32,173
<b>6</b>	1204	54.2%	27.3%	1210	54.5%	899	40.2%	1335	59.8%	\$35,278
<b>12</b>	1180	47.3%	23.6%	1280	51.3%	2030	82.5%	430	17.5%	\$43,186
<b>25</b>	377	46.3%	52.1%	330	40.5%	655	82.0%	144	18.0%	\$37,073
<b>24.02</b>	700	45.6%	55.7%	805	54.2%	1080	72.7%	405	27.3%	\$40,521
<b>17.05</b>	1150	44.6%	8.5%	1360	52.7%	2135	83.6%	420	16.4%	\$46,250
<b>15.02</b>	1020	43.9%	44.1%	1070	46.0%	1400	60.5%	914	39.5%	\$41,378

Source: 2012-2016 ACS 5-Year Estimates

## EXTREMELY AND VERY LOW-INCOME HOUSEHOLDS BY RACE AND GEOGRAPHY

Just as there is spatial disparity in the distribution of ELI/VLI households overall, there is also a disparity in distribution by race and ethnicity. Holding income equal, the distribution of these households by race/ethnicity indicates other reasons for neighborhood choice.

Figure 62: White Households Earning less than or equal to 50% HAMFI



Source: 2010-2014 HUD CHAS, Author's Calculations

Data in the map above is displayed as an over- or under-concentration of ELI/VLI households by race, determined as a deviation from the City average given an assumed equal distribution of all households throughout the City.

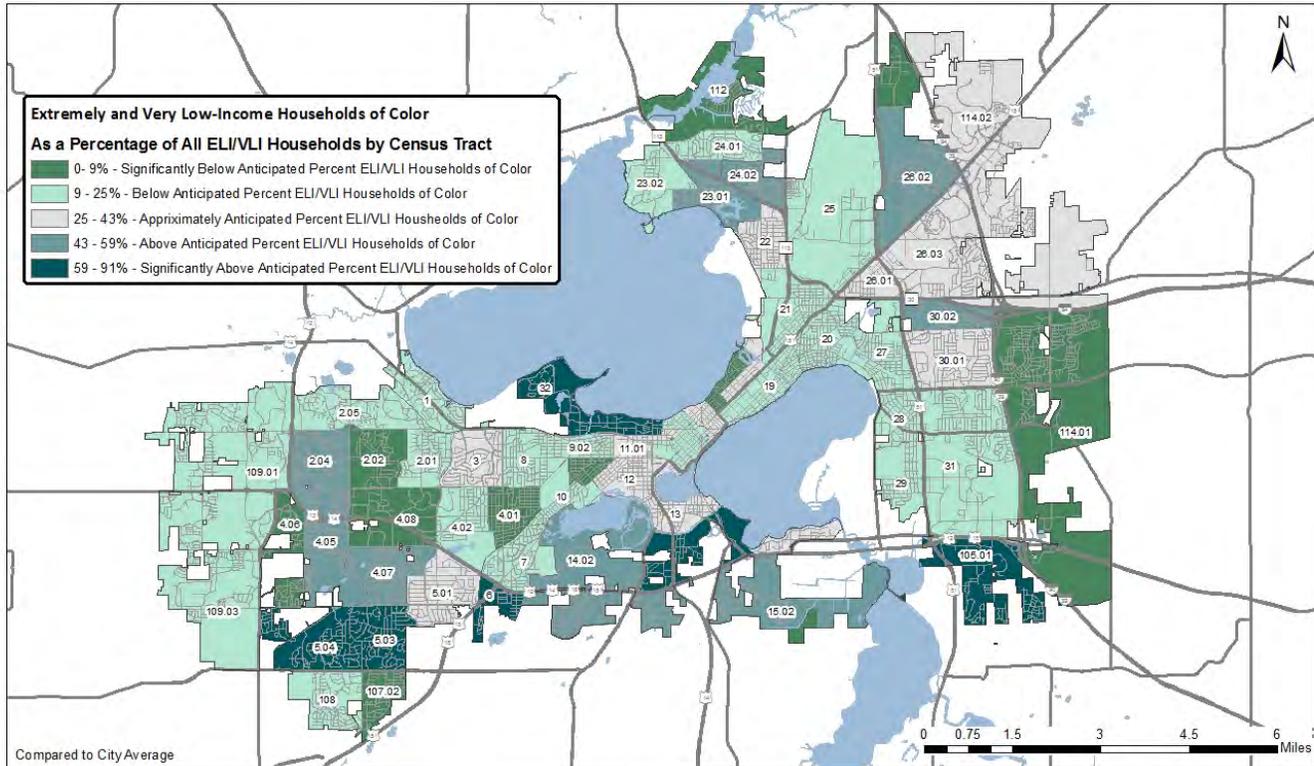
- Areas of the City with a higher White population overall also have disproportionately high percentages of White low-income renters, with five Census Tracts above 90% White households in both categories
- In many of these areas, the number of extremely or very low-income Households of Color represent a smaller share of ELI/VLI households than the Households of Color are a share of overall population for the Tract
  - While ELI/VLI White households are over-represented in Census Tracts with large White percentages overall, Households of Color are more likely to live in those Tracts if they earn a moderate- to high-income
- Adjusting for students, 68% of Households earning 0-50% HAMFI are White households, and 32% are Households of Color

Table 20: Census Tracts with the Highest Percent ELI/VLI Households

Tract	ELI/VLI White Households		ELI/VLI Households of Color		White Households Overall		Households of Color Overall		Ownership Rate	Median Income
	#	%	#	%	#	%	#	%		
9.01	42	100%	0	0.0%	757	93.8%	50	6.2%	82.2%	\$118,625
4.06	250	96.2%	10	3.8%	1245	85.6%	209	14.4%	42.1%	\$65,030
4.01	199	95.2%	10	4.8%	1319	91.2%	128	8.8%	82.7%	\$86,484
2.02	174	94.6%	10	5.4%	1159	84.8%	208	15.2%	58.3%	\$86,875
4.08	450	93.8%	30	6.3%	1200	96.9%	38	3.1%	12.6%	\$37,623
18.02	384	92.8%	30	7.2%	1359	95.5%	64	4.5%	37.1%	\$53,040
10	37	90.2%	4	9.8%	782	94.9%	42	5.1%	75.3%	\$96,472

Source: 2012-2016 ACS 5-Year Estimates

Figure 63: Households of Color Earning less than or equal to 50% HAMFI



Source: 2010-2014 HUD CHAS, Author's Calculations

Similarly, ELI/VLI Households of Color are much more likely to live in areas with more Households of Color overall.

- In all cases, ELI/VLI White households are less likely than the overall population of White households to reside in tracts with high concentrations of Households of Color.
- In Census Tracts 6 and 14.01, ELI/VLI Households of Color make up 76% and 75% of all Households of Color, respectively
  - ELI/VLI White Households comprise 20% and 43% of all White households, respectively

This is likely reflective of both housing choice and available housing stock. If housing choice is largely driven by affordability and income, it would be more likely for demographics that have higher percentages of the population at lower-incomes to live in more affordable areas. This does not, however, fully explain the differences in the housing distribution of ELI/VLI households by neighborhood.

Table 21: Census Tracts with the Highest Percent ELI/VLI Households of Color

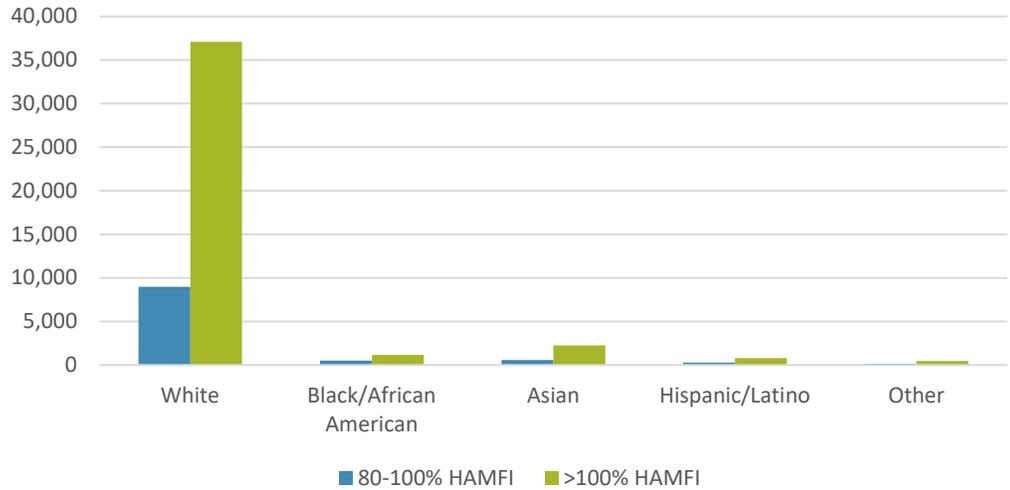
Tract	ELI/VLI Households of Color		ELI/VLI White Households		Households of Color Overall		White Households Overall		Tract Ownership Rate	Tract Median Income
	(% of all ELI/VLI HH)		(% of all ELI/VLI HH)		(% of CT Total)		(% of CT Total)			
	#	%	#	%	#	%	#	%	%	\$
6	1020	84.7%	184	15.3%	1335	59.8%	899	40.2%	27.3%	\$35,278
14.01	1069	68.4%	495	31.6%	1421	55.1%	1160	44.9%	18.9%	\$32,173
5.04	329	61.6%	205	38.4%	718	23.9%	2280	76.1%	58.3%	\$95,482
5.03	370	60.7%	240	39.3%	745	25.6%	2165	74.4%	50.5%	\$65,948
23.01	285	57.6%	210	42.4%	369	31.6%	800	68.4%	48.1%	\$38,007
4.07	339	55.7%	270	44.3%	639	30.5%	1454	69.5%	58.0%	\$61,068
24.02	375	53.6%	325	46.4%	405	27.3%	1080	72.7%	55.7%	\$40,521

Source: 2012-2016 ACS 5-Year Estimates

## MODERATE TO HIGH-INCOME HOUSEHOLD TRENDS

When vacancy rates fall and a housing market tightens, moderate- to high-income households often have the ability to outcompete lower-income households for the same units of housing. For this reason, it is imperative to assess the growth and distribution of moderate- and high-income households, as these economic groups have both direct and indirect effects on housing opportunity and choice for lower-income residents of the City.

Figure 64: Moderate- to High-Income Households by Race/Ethnicity

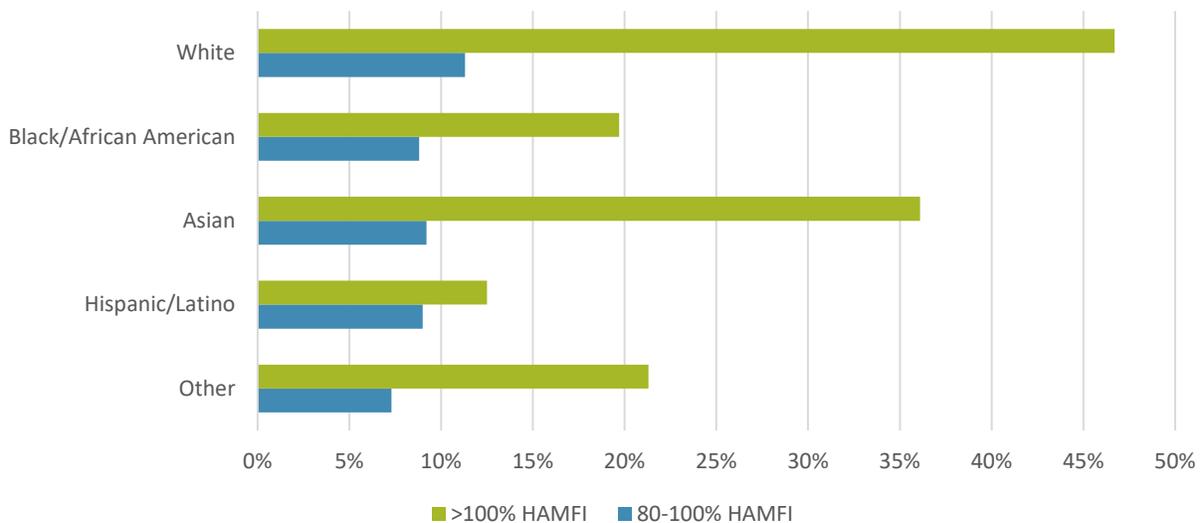


Source: 2010-2014 HUD CHAS

Moderate- to high-income households in Madison have greater geographic flexibility within the City's housing market, both for rental and homeownership. Seventy-five percent of Madison's homeowners are in households earning above 100% of the HUD Area Family Median, compared to only 19% of renters. Using 2018 HUD Income Limits for reference, a household of four earning 80% of the HUD Median Income could afford a gross rent or mortgage of up to \$1,814 while remaining within their current affordability limit. Within the City, the large majority of the moderate- to high-income population is comprised of White households, followed by Asian households and then Black/African American and Hispanic/Latino households.

- 22% of Hispanic/Latino households, 29% of Black/African American households, and 45% of Asian households are moderate- to high-income households, compared to 58% of White Households
- White households make up 88% of households earning above 80% of HAMFI for the City as a whole, representing 45% of all households in the City

Figure 65: Moderate- to High-Income Households as a Percent of Race/Ethnicity

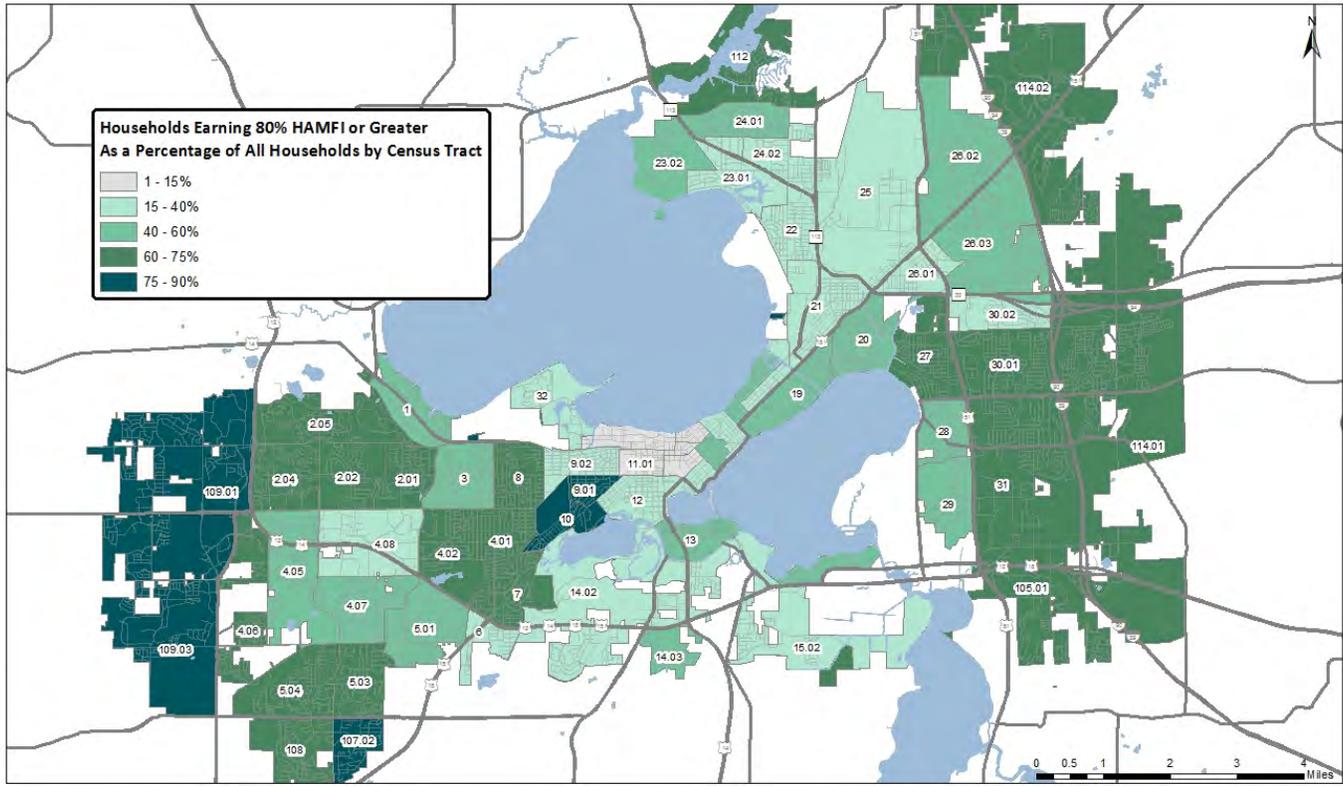


Source: 2010-2014 HUD CHAS

## MODERATE TO HIGH-INCOME HOUSEHOLDS BY GEOGRAPHY

In contrast to areas with higher than average concentrations of low-income households, there also exist areas of more concentrated higher relative incomes within Madison. The Citywide average for households earning over 80% of the HUD Area Family Median is 51% of total households, yet there are areas that contain nearly double this amount than if households were equally distributed.

Figure 66: Moderate- to High-Income Household Distribution



Source: 2010-2014 HUD CHAS Table 2

For Tracts that are mostly within the City of Madison, specific Census Tracts that have concentrations of higher-income households are along the Monroe Street corridor in Vilas, Dudgeon-Monroe, Crawford-Marlborough-Nakoma, and Summit Woods in Census Tracts 7, 9.01, and 10. Census Tract 2.01, Glen Oak Hills, displays higher than expected from City-average concentrations of moderate- to high-income households as well. Other City Tracts with large shares of moderate- to high-income households include Westmorland and Midvale Heights, Highlands to Wexford Village, and southeast Madison from Rolling Meadows to East Buckeye.

Table 22: Census Tracts containing the Highest Percentage of Moderate- to High-Income Households

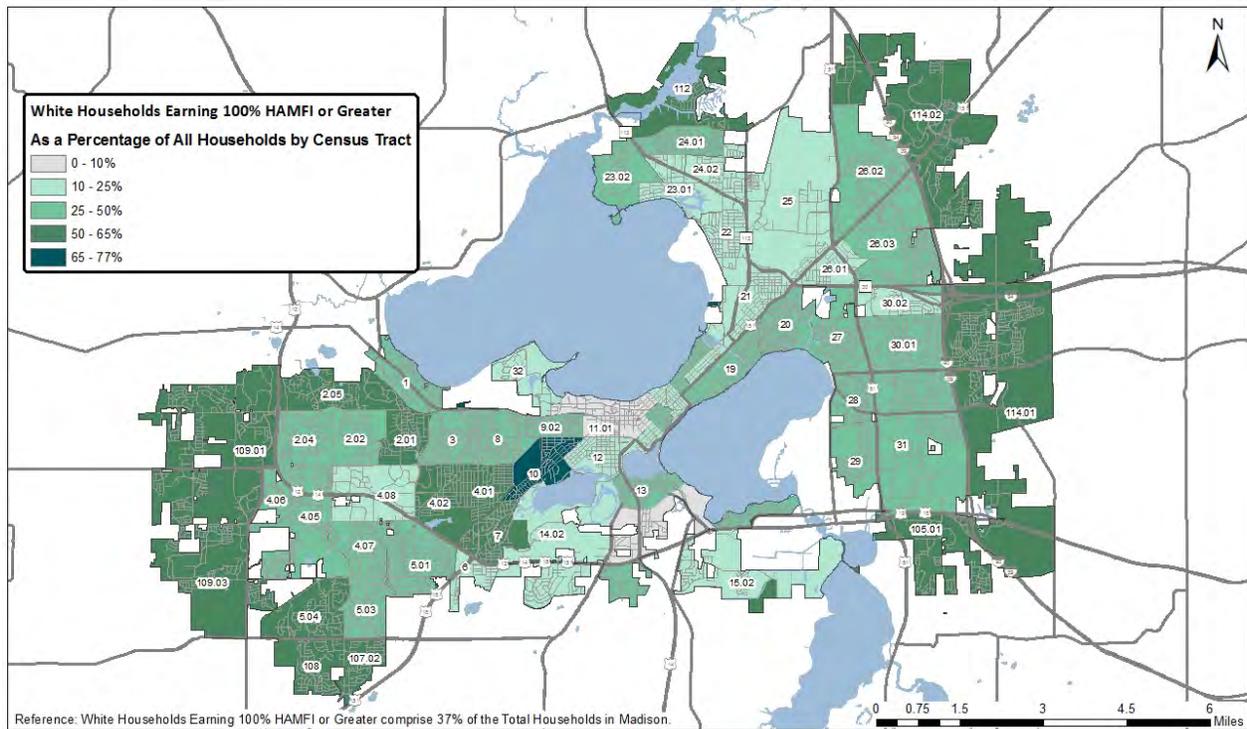
Tract	MHI Households		MHI White Households		MHI Households of Color		White Households Overall		Ownership Rate	Median Income
	#	%	#	%	#	%	#	%		
9.01	671	83.1%	625	93.1%	46	6.9%	757	93.8%	82.2%	\$118,625
10	674	81.8%	640	95.0%	34	5.0%	782	94.9%	75.3%	\$96,472
2.01	719	74.2%	680	94.6%	39	5.4%	880	90.8%	79.7%	\$84,760
2.02	998	73.0%	830	83.2%	168	16.8%	1159	84.8%	58.3%	\$86,875
4.06	1059	72.8%	880	83.1%	179	16.9%	1245	85.6%	42.1%	\$65,030
7	984	72.7%	934	94.9%	50	5.1%	1269	93.8%	79.7%	\$90,815
4.02	720	69.2%	695	96.5%	25	3.5%	979	94.0%	86.2%	\$85,714

Source: 2012-2016 ACS 5-Year Estimates

MODERATE TO HIGH-INCOME HOUSEHOLDS BY RACE AND GEOGRAPHY

Of all households in the City, 37% are White households earning greater than 100% of the HUD Area Median Family Income, while only 5% of all Madison households are Household of Color earning greater than that amount.

Figure 67: Moderate- to High-Income White Households by Geography



Source: 2010-2014 HUD CHAS Table 2

- Within Madison, the two Census Tracts with the highest concentration of moderate- to high-income White households are Census Tracts 9.01 and 10, with 69% and 71% of the entire Tracts being White households earning above 100% HAMFI, respectively
- For Households of Color that live in these Census Tracts, 76% and 81% are moderate- to high-income learners, respectively
- All Tracts that contain the highest percentages of White moderate- to high-income households are in Tracts that have higher than average White populations overall
- Due to the relatively high number of moderate- to high-income White households in Madison, data is mapped as a percent of the entire population of the Census Tract instead of as a percent of moderate- to high-income households

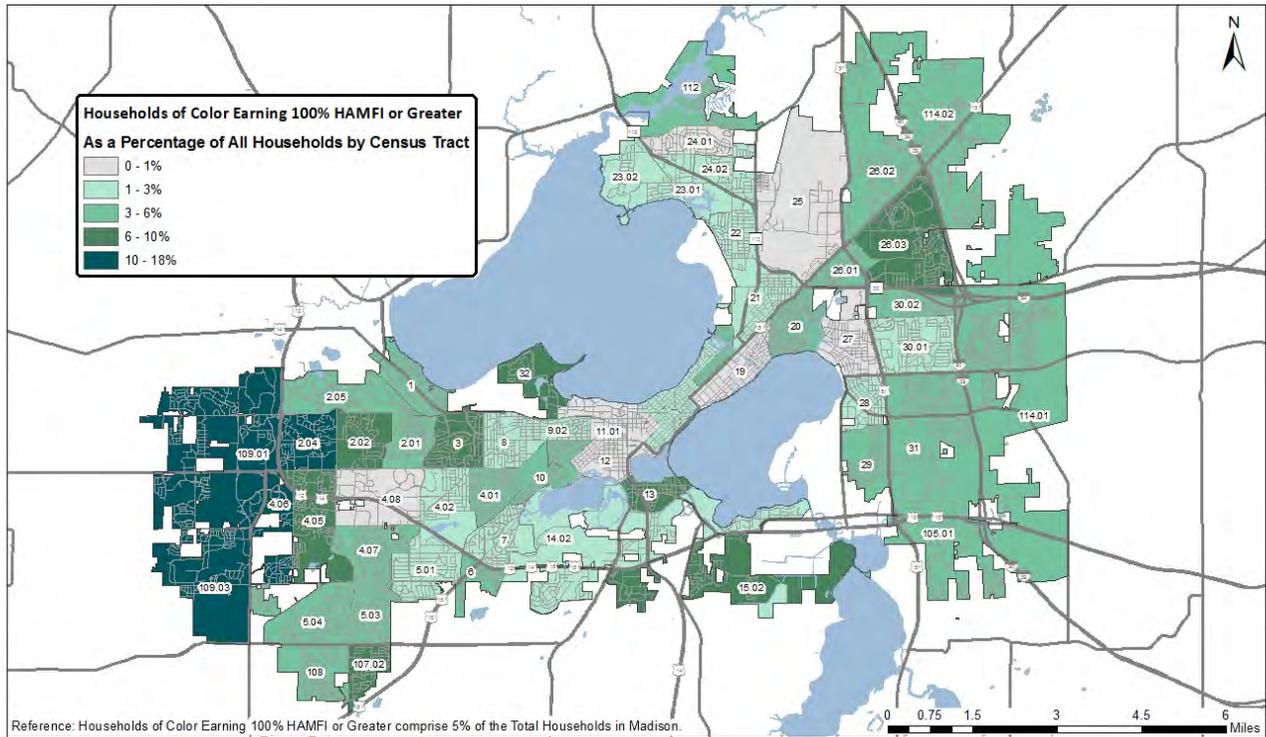
Figure 68: Census Tracts Containing the Highest Percentage of Moderate- to High-Income White Households

Tract	MHI White Households (% of Tract total)		MHI Households of Color (% of Tract total)		White Households Tract Total		Households of Color Tract Total		% of White Households over 100% HAMFI	% of Households of Color over 100% HAMFI
	#	%	#	%	#	%	#	%		
<b>10</b>	585	70.5%	34	4.1%	782	94.9%	42	5.1%	74.8%	81.0%
<b>9.01</b>	560	68.7%	38	4.7%	757	93.8%	50	6.2%	74.0%	76.0%
<b>2.01</b>	625	63.5%	35	3.6%	880	90.8%	89	9.2%	71.0%	39.3%
<b>7</b>	844	62.3%	40	3.0%	1269	93.8%	84	6.2%	66.5%	47.6%
<b>4.02</b>	595	56.7%	25	2.4%	979	94.0%	62	6.0%	60.8%	40.3%
<b>2.05</b>	1325	56.0%	130	5.5%	2094	88.4%	275	11.6%	63.3%	47.3%
<b>4.01</b>	780	54.0%	54	3.7%	1319	91.2%	128	8.8%	59.1%	42.2%

Source: 2012-2016 ACS 5-Year Estimates

Moderate- to high-income Households of Color comprise 5% of the City’s total population, compared to White moderate to high-income households who make up 37% of the City’s total population. Households of Color in this income display different patterns of residential choice compared to White households, indicating that income may not be the primary driver of housing choice.

Figure 69: Moderate- to High-Income Household of Color by Geography



Source: 2010-2014 HUD CHAS Table 2

- None of the Tracts that hold the highest percentage of moderate- to high-income White households overlaps with Tracts that have the highest shares of moderate- to high-income Households of Color.
- Households of Color in this income designation show highest concentrations in west Madison in Census Tracts 2.04, 2.02, 4.05, as well as western suburban tracts 109.01 and 109.03.
- Moderate- to high-income Households of Color have above average concentration in south Madison, particularly in Census Tracts 13 and 15.02 at rates above the City average.
- Census Tract 26.03 in east/north Madison displays an increased residence preference among moderate- to high-income Households of Color, the only Tract with more than 5% on the east side of the City.

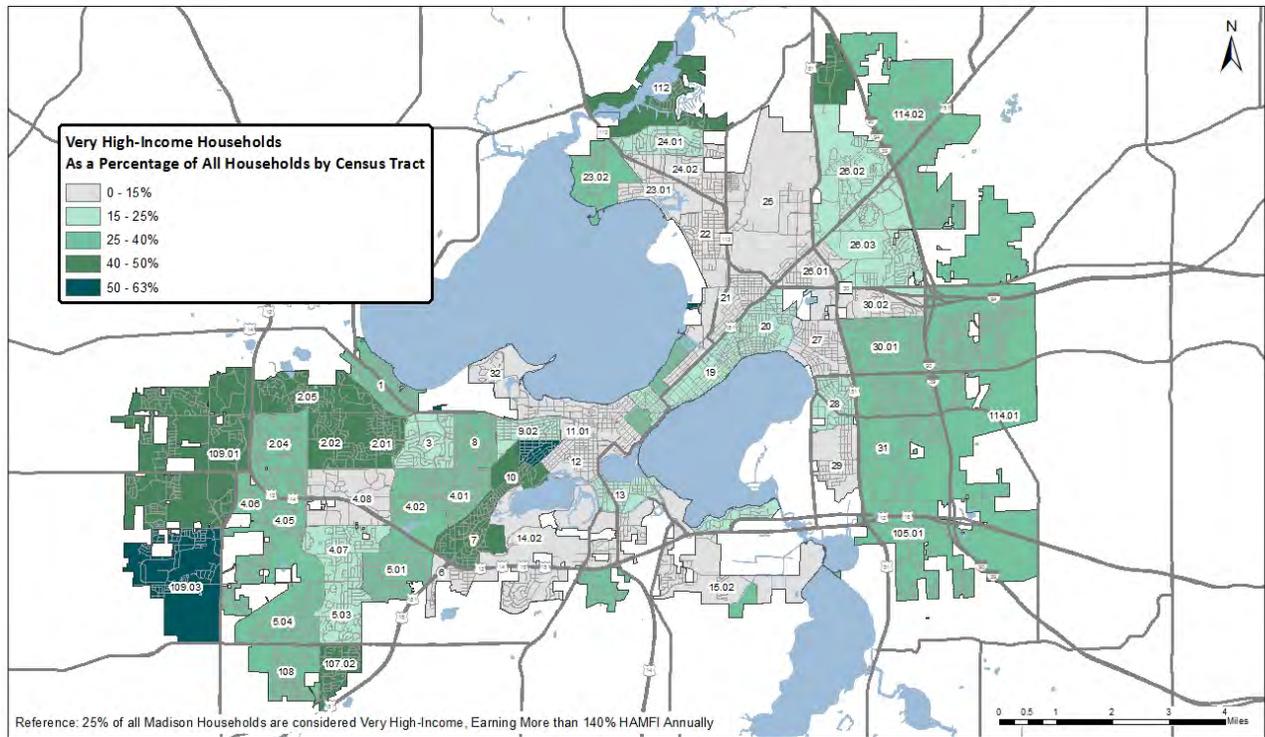
Table 23: Census Tracts with the Highest Percentage of Moderate- to High-Income Households of Color

Tract	MHI Households of Color (% of Tract total)		MHI White Households (% of Tract total)		Households of Color Tract Total		White Households Tract Total		% of Households of Color over 100% HAMFI	% of White Households over 100% HAMFI
	#	%	#	%	#	%	#	%		
2.04	300	12.1%	1075	43.4%	650	27.1%	1745	72.9%	46.2%	61.6%
4.06	175	11.7%	690	46.2%	209	14.4%	1245	85.6%	83.7%	55.4%
13	120	9.9%	350	28.8%	286	23.5%	929	76.5%	42.0%	37.7%
4.05	270	8.9%	1165	38.3%	810	26.7%	2220	73.3%	33.3%	52.5%
2.02	124	8.8%	685	48.4%	208	15.2%	1159	84.8%	59.6%	59.1%
3	239	8.4%	720	25.4%	974	34.4%	1855	65.6%	24.5%	38.8%
26.03	175	8.0%	760	34.9%	505	23.2%	1670	76.8%	34.7%	45.5%

Source: 2012-2016 ACS 5-Year Estimates

## VERY HIGH-INCOME HOUSEHOLD TRENDS

Figure 70: Very High-Income Households by Geography



Source: 2010-2014 HUD CHAS Table 2

Very high-income households in Madison, for the purpose of this document, are defined as households that earn more than or equal to 140% of the HUD Area Median Family Income. These households average 25% of all Madison households, and spatially display a clear preference of residence in the west side of Madison.

- Tracts with the largest numbers of very high-income households have few units available at a level affordable to extremely and very low-income households, especially owner-occupied housing units.
- Tracts 9.01, 10, and 4.02 have few affordable rental units available to extremely or very low-income households by volume, but Tracts 10, 2.05, 2.02, and 4.02 show the greatest variance by percentage from the City average.
- Tract 9.01 contains over two times the City's average concentration of very high-income households.

Table 24: Very High-Income Households by Geography

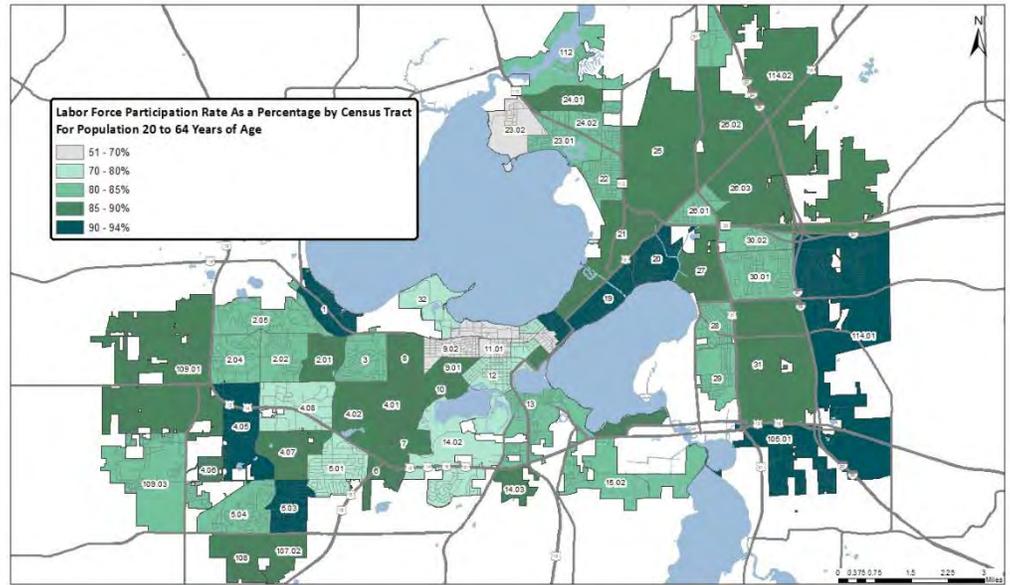
Tract	Very High-Income Households (% of Tract total)		Low-Income Households <80% HAMFI % of Tract total		Rental Units Affordable at 50% AMI		Ownership Units Affordable at 50% AMI		Median Household Income	% Poverty
	#	%	#	%	#	%	#	%	\$	%
<b>9.01</b>	460	56.4%	142	17.4%	69	47.6%	4	2.0%	\$118,625	5.2%
<b>10</b>	390	47.0%	156	18.8%	35	17.1%	10	5.3%	\$96,472	2.2%
<b>2.05</b>	1110	46.9%	744	31.5%	215	33.3%	15	2.8%	\$87,214	4.6%
<b>7</b>	625	46.1%	369	27.2%	125	45.5%	30	8.5%	\$90,815	2.8%
<b>2.02</b>	645	45.6%	374	26.4%	184	31.2%	40	13.8%	\$86,875	7.8%
<b>2.01</b>	425	43.1%	250	25.4%	100	50.0%	20	6.9%	\$84,760	3.3%
<b>4.02</b>	390	37.1%	322	30.7%	39	26.9%	25	10.0%	\$85,714	5.2%
<b>City Average</b>		<b>24%</b>		<b>49%</b>		<b>44.0%</b>		<b>16%</b>	<b>\$56,464</b>	<b>18.6%</b>

Source: 2012-2016 ACS 5-Year Estimates

## EMPLOYMENT

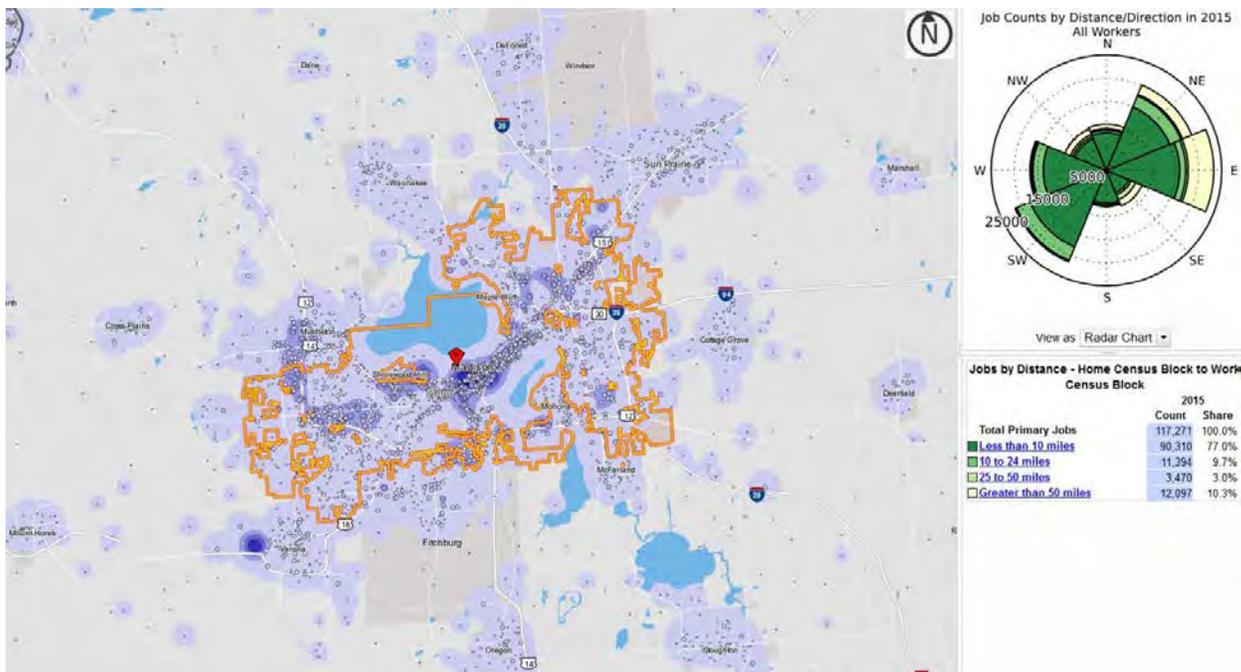
Central to housing opportunity and choice is the ability for a household to generate income. One of the metrics used to assess the ability to generate income is general participation in the labor force – specifically for working-aged adults. Generally defined by the Census Bureau as adults between 20 and 64 years of age, individuals are counted whether employed or actively seeking work.

Figure 71: Labor Force Participation Rate



The United States Census Bureau provides commuting distance and employment concentration as calculated by Census Block Group

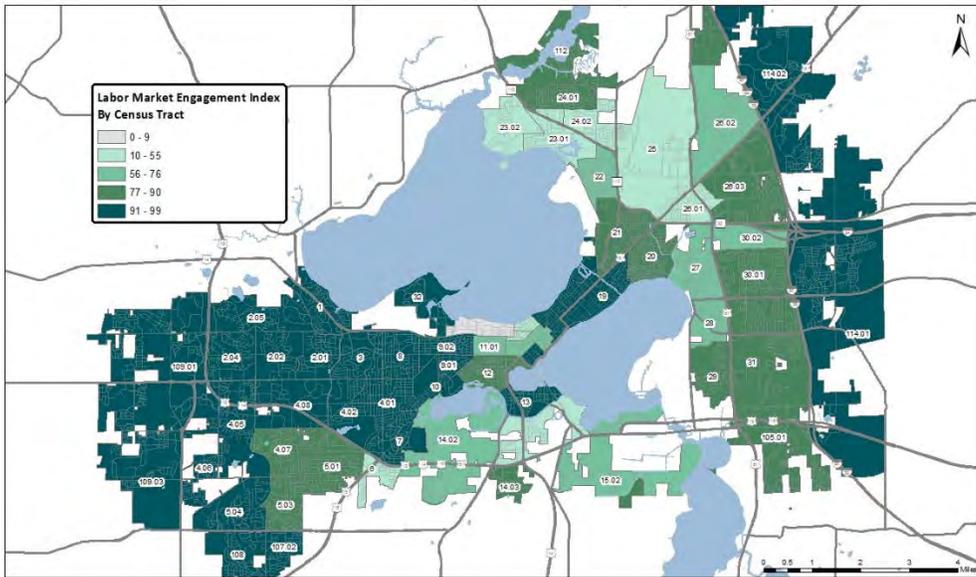
for persons who live in Madison – displayed in Figure X. The central isthmus displays an exceptionally high job concentration, mostly centered around the University of Wisconsin – Madison campus, including near Shorewood Hills and University Avenue. Other large centers of employment include the Epic campus in Verona, western Mineral Point Road and the Beltline into Middleton, south Madison near the Fitchburg border, and areas of north and east Madison near the airport and East Washington Avenue.



Source: US Census Bureau Center for Economic Studies

These locations are generally consistent with known employment centers and large employers for the area, with limited employment options in residential neighborhoods throughout the City. Seventy-seven percent of all workers commute fewer than ten miles to their place of employment, and ten percent (10%) of workers commute over 50 miles to their place of employment, with the majority of the remainder commuting ten to 24 miles. Considering the limited amount of workers that commute between 25 and 50 miles, it can be assumed there are fewer job opportunities in the County outside of the inner-ring suburbs, and a corresponding small share of workers needed to fill employment opportunities in smaller municipalities.

**Figure 72: Labor Market Engagement Index**

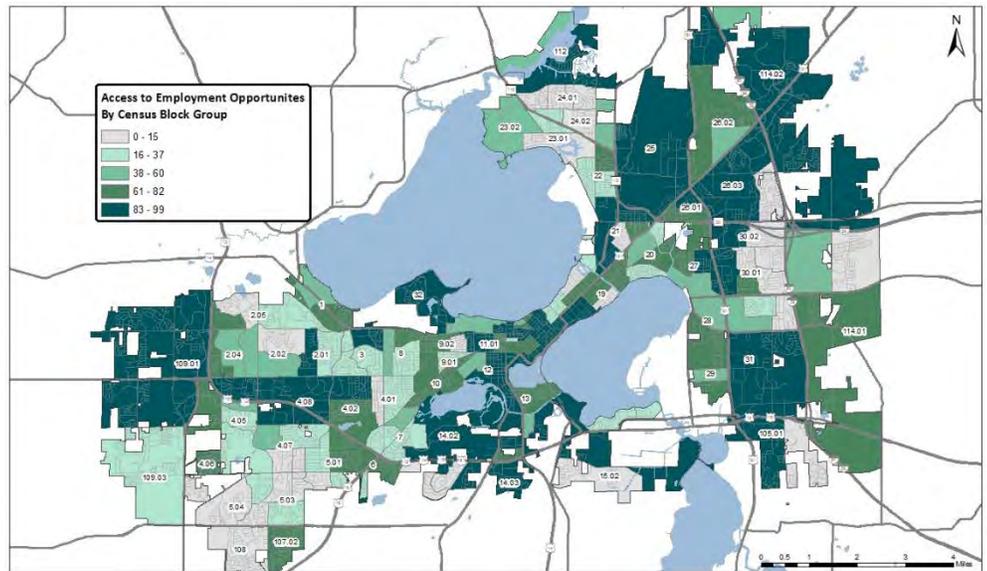


Source: US Department of Housing & Urban Development Labor Market Engagement, 2017

Another method of gauging involvement of individuals in the labor market is the Labor Market Engagement Index – a summary measurement of employment, labor force participation, and educational attainment. A composite score is calculated for each unit of measure and then percentile-ranked nationally, providing insight into comparisons of labor readiness and involvement compared to all other areas of the nation. Due to the way this index is calculated, it also provides insight into isolation of economic development activities, access to employment, and access to education.

For instance, in Madison, the areas that rank in the 90<sup>th</sup> percentile nationally are west Madison and the Tenney-Lapham and Marquette neighborhoods, with the exclusion of southwest Census Tracts 4.07, 5.03, and 6.01. This indicates high levels of educational accessibility, accessibility of employment opportunities, and active participation in the workforce. Areas with low-percentile rankings often represent areas in which education opportunities, skills training, and employment programs for individuals and families would be most beneficial.

**Figure 73: Jobs Proximity Index**



Source: 2017 US Department of Housing & Urban Development Jobs Proximity Index

Census tracts ranking below the 55<sup>th</sup> percentile nationally include Census Tract 6, 14.01, 23.01, 23.02, 24.02, 25, and 26.01, with some as low as the 10<sup>th</sup> percentile – displaying opportunities for the City to improve and/or bolster programming in these areas. Census Tracts near campus generally receive low-percentile rankings in this calculation, as they often have low labor force participation rates, employment, and many students have not yet received their college degrees.

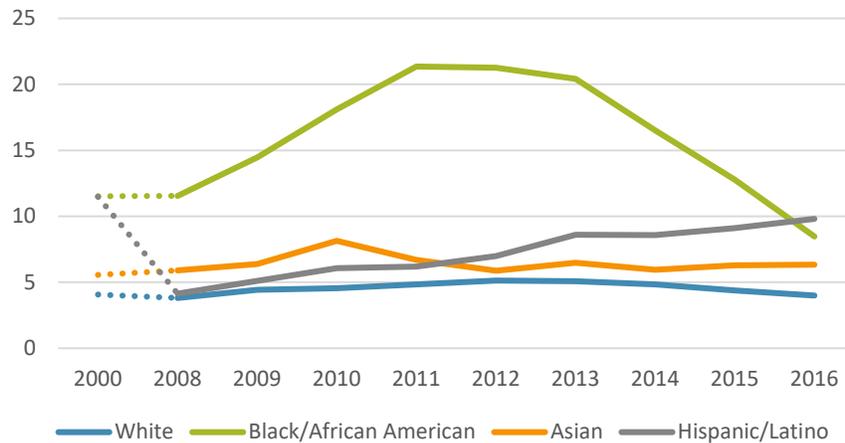
When comparing the Labor Market Engagement Index with the Jobs Proximity Index, some areas appear to show where jobs are readily accessible, but the low Labor Market Engagement Index score indicates a potential mismatch in skills that serves as a barrier to local employment. For instance, the northernmost Block Group of Census Tract 6 and easternmost Block Group of Census Tract 14.01 display extremely high Jobs Proximity Scores, but are in the second lowest quintile of the Labor Market Engagement Index. As the Jobs Proximity Score indicates access to all employment within a CBSA, it does not necessarily indicate access to jobs within or adjacent to a given neighborhood, although employment closer to the neighborhood is weighted more heavily.

## UNEMPLOYMENT

Unemployment rates as charted by race show that certain racial groups are disproportionately impacted by recession and labor market volatility. In the City of Madison (Chart 26), White unemployment increased 1.32 percentage points from the years 2008 to 2012. Over the same period, Black/African American unemployment rates increased by 9.72 percentage points.

As of 2016, the Black/African American unemployment rate has decreased to a point where it is no longer the highest of all racial and ethnic groups. Hispanic/Latino unemployment has been steadily increasing since 2006, as of 2016 representing the highest rate of unemployment among all racial demographics. White and Asian unemployment has remained relatively stable since 2000, displaying times of both relatively small increase and decrease year-to-year.

Figure 74: Unemployment Rate by Race/Ethnicity



Source: Decennial Census, ACS 3-Year Estimates (2008-9), ACS 5-Year

Considering the substantial change in unemployment among the Black/African American population in both the City and the County, Table 9 offers a comparison of City and County statistics to state and national averages.

Both the County (excluding Madison) and the City have consistently higher rates of unemployment for the Black/African American population than state and national averages. The City, on average, has a rate of unemployment 3.6 points higher than the national average, while the County (excluding Madison) averages 6.2 points above the national average since 2000.

Table 25: Black/African American Unemployment Rate

	2000	2008	2009	2010	2011	2012	2013	2014	2015	2016
Madison	11.5	11.6	14.5	18.1	21.4	21.3	20.4	16.5	12.8	8.5
Dane County (Excluding Madison)	13.1	25.4	21.3	19.6	20.4	15.2	20.7	17.7	16.9	12.7
Wisconsin	15.7	15.7	17.4	18.0	18.9	19.8	20.8	19.5	18.0	15.8
National	8.2	9.1	12.7	16.5	15.8	13.6	13.7	12.1	10.3	8.8
Madison Points Above National Average	3.32	2.45	1.76	1.6	5.55	7.67	6.71	4.41	2.46	-0.33
Dane County (Excluding Madison) Points Above National Average	4.93	16.34	8.6	3.14	4.62	1.6	7.02	5.55	6.63	3.89

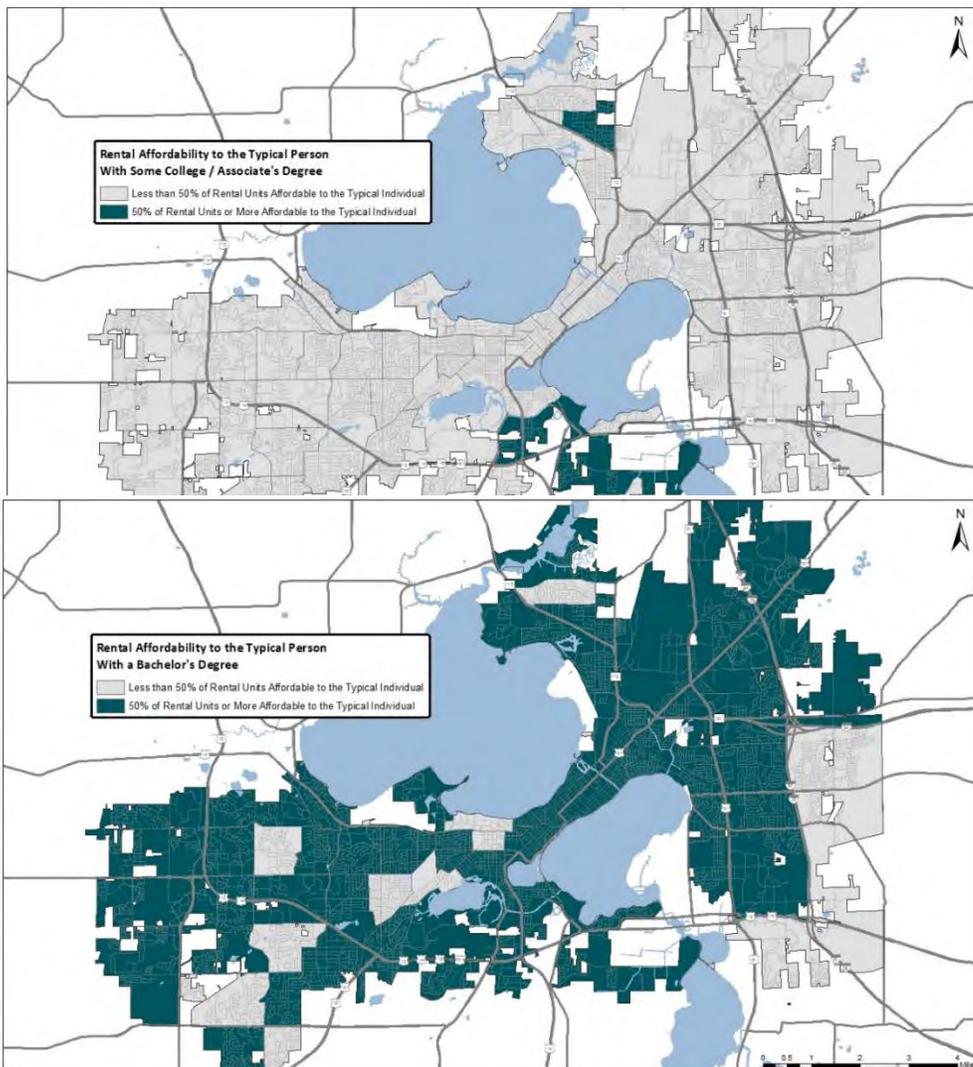
Source: Decennial Census, ACS 3-Year Estimates (2008-9), ACS 5-Year

## EDUCATIONAL ATTAINMENT

The ability for households to generate income is largely dependent on levels of educational attainment, which in turn creates more opportunity for choice within the housing market. Disparities in education lead to disparities in earnings, which is an indirect impediment to fair housing choice within the City.

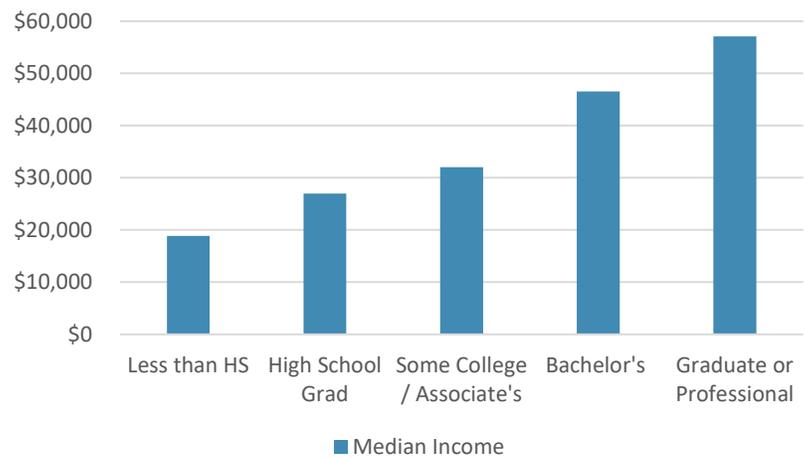
For example, a comparison of the geographic location of affordable rental housing between those with Some College or an Associate’s Degree and those with a Bachelor’s degree highlights the earning disparity and its effect on housing within the City of Madison. The typical individual with Some College or an Associate’s degree could afford to rent the typical apartment in only 3 Census Tracts in Madison – Census Tracts 14.01, 15.02, and 24.02.

**Figure 76: Rental Affordability by Educational Attainment**



**Figure 75: Income by Educational Attainment**

### Median Income by Educational Attainment



Source: 2012-2016 ACS 5-Year Estimates

Comparatively, the typical person with a Bachelor’s Degree has a much wider geographic range of affordable options for rental housing, as the median income for a college graduate is over \$14,000 higher than an individual without a Bachelor’s degree.

For those individuals with a High School diploma or Less than High School, there are no areas of the City which are generally affordable. The 2016 monthly affordability limits (30% of income) for the median individuals by educational attainment are:

Less than HS: \$472

HS Diploma: \$675

Some College / Associate’s: \$802

Bachelor’s: \$1,165

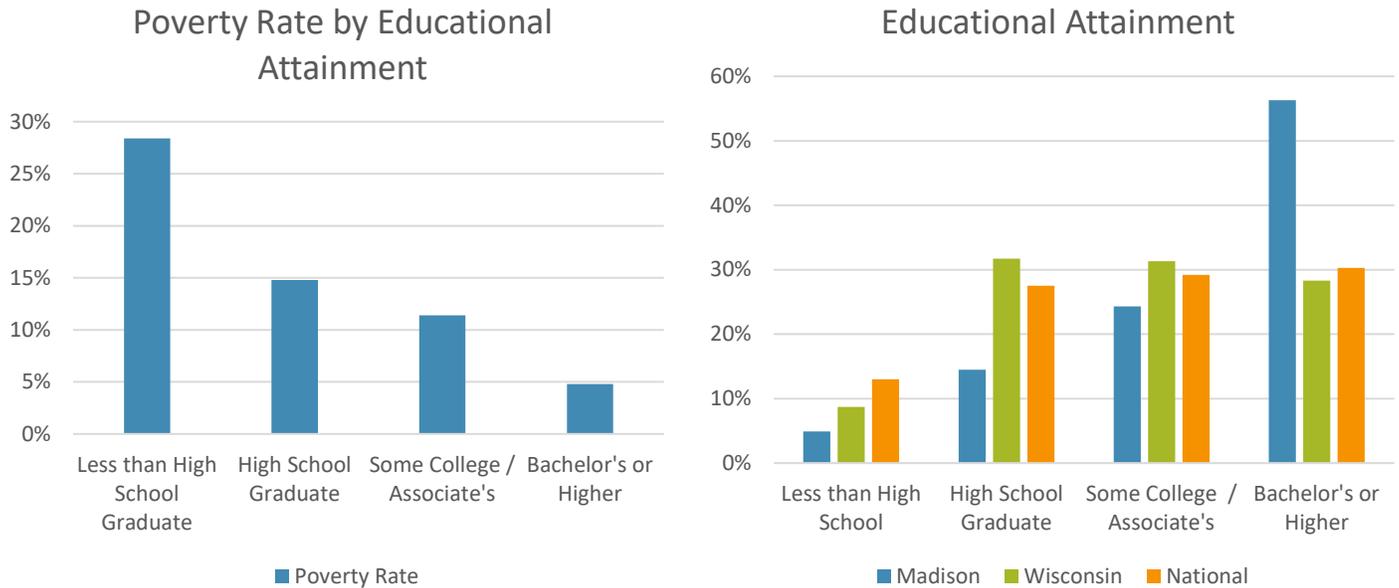
Graduate or Professional: \$1,428

Source: 2012-2016 ACS 5-Year Estimates, Author’s Calculations

## EDUCATIONAL ATTAINMENT AND RACE

Poverty rates are lower for households and individuals with higher degrees of education attainment. Due in part to the presence of the University of Wisconsin and the State capital, the City of Madison has a high level of educational attainment in comparison to national and State levels. Studies have demonstrated that high level of educational attainment is positively correlated to higher rates of housing stability, increased rates of homeownership, and lower rates of cost burden.

Figure 77: Poverty Rate and Educational Attainment

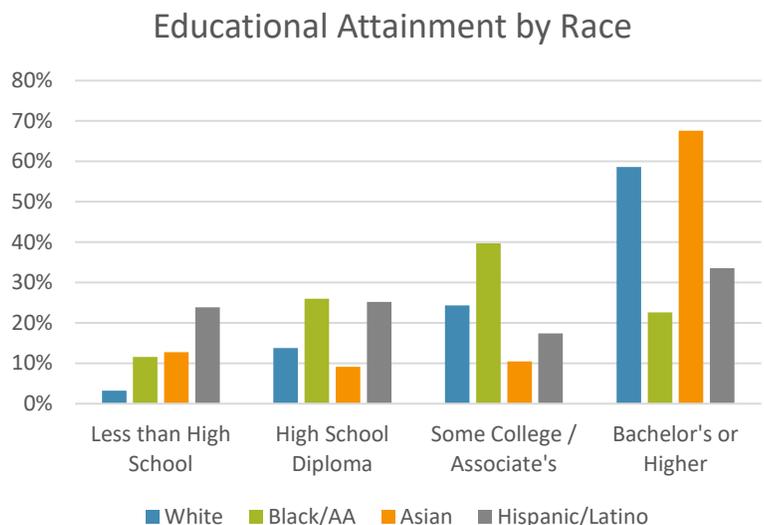


Source: American Community Survey 5-Year Estimates for the Population 25 Years of Age and Over

By race, Madison displays large disparities in educational attainment, which can directly lead to disparities in housing cost burden, homeownership rates, and other housing problems as a result of disparities in income (See the figure “Median Income by Educational Attainment” above, which demonstrates the income disparities by educational attainment).

- Black/African American and Asian persons are more than three times as likely to have less than a High School diploma compared to White persons
  - Hispanic/Latino persons are seven times as likely
- White persons and Asian persons are nearly two times more likely to have a college degree than Hispanic/Latino persons, and nearly three times as likely than Black/African American persons

Figure 78: Educational Attainment by Race/Ethnicity



In total for those with at least some college represents:

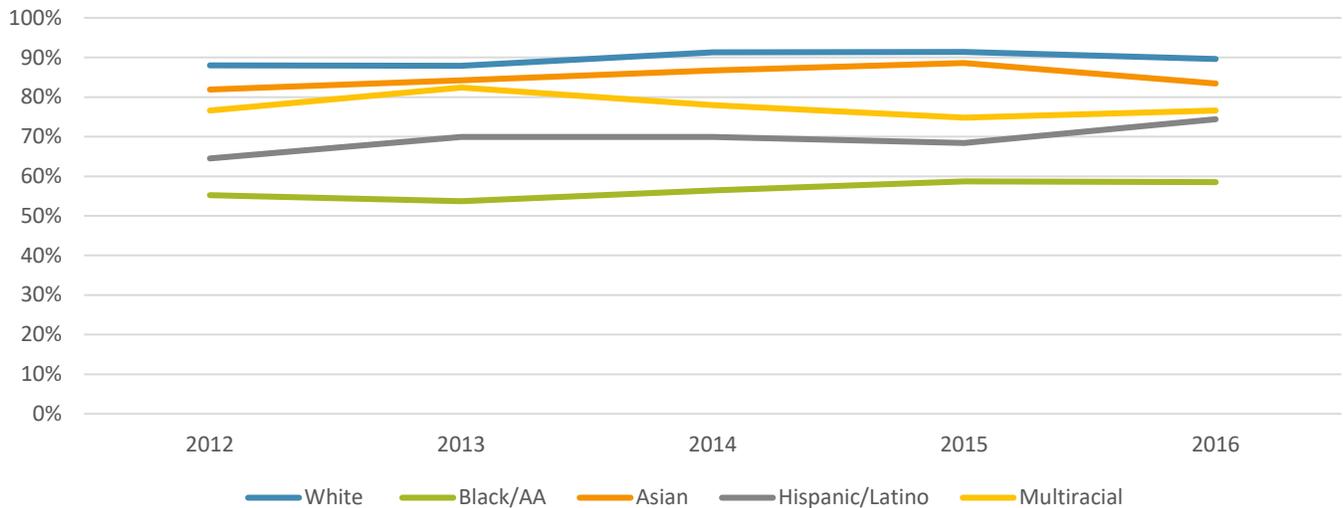
- 83% of the White population
- 62% of the Black population
- 78% of the Asian population
- 51% of the Hispanic/Latino population

Source: 2016 ACS 5-Year Estimates of Persons Aged 25 Years or Over

Comparing high school graduation rates within the City, Black/African American students graduate at a much lower rate than White students do, by a margin of 30 percentage points. Graduation rates among Hispanic/Latino and multiracial individuals are 13 percentage points lower, and Asian student graduation rates are six percentage points lower than that of White students.

Figure 79: High School Graduation Rate by Race/Ethnicity

### 4-Year High School Graduation Rate

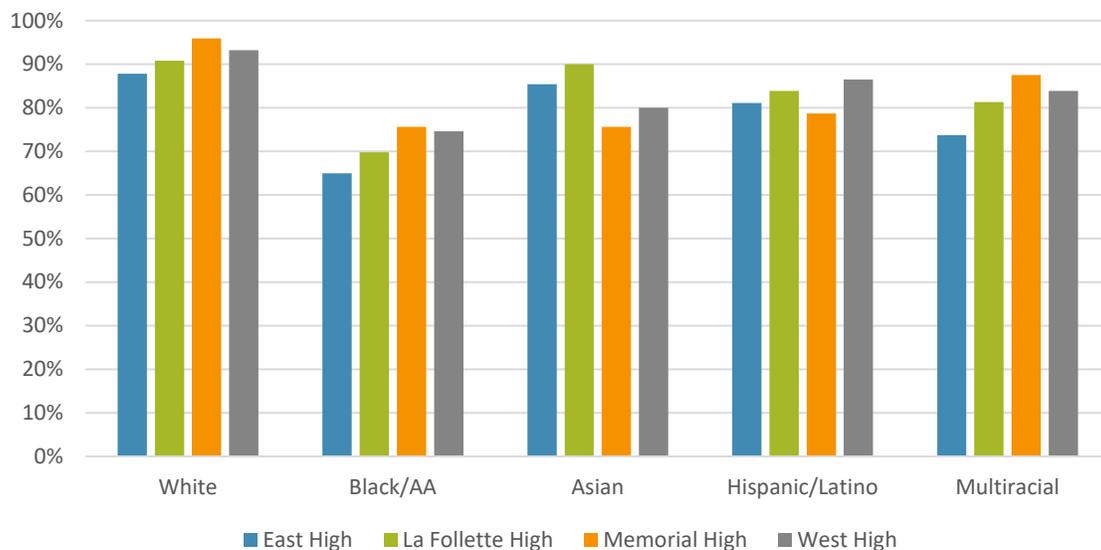


Source: Madison Metropolitan School District, District-Wide Graduation Rates

There is also disparity in high school graduation rates by race/ethnicity by location of the school. For example, the graduation rate for Black/African American students is eight (8) percentage points higher at high schools located in West Madison (James Madison Memorial and Madison West High Schools) compared to East Madison (Robert M. La Follette and Madison East High Schools). For Asian students, graduation rates are generally higher at East Madison schools as opposed to West Madison schools.

Figure 80: Completion Rates by Race/Ethnicity and High School

### Completion Rates by School



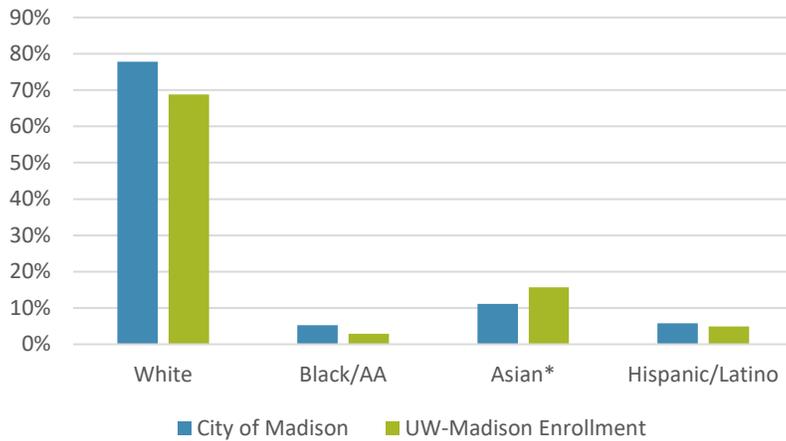
Source: Madison Metropolitan School District, 2016 Rates

\*Completion rate is the high school graduation rate with the addition of students who have instead received a High School Equivalency Diploma

Graduation rates have generally increased for students of color over the five year period from 2012 to 2016, including significant double-digit increases in graduation rates for Black/African American students at La Follette, West, and Memorial High Schools over this timeframe. These numbers are used by MMSD to gauge college and career readiness of students in the district and display any disparities in that readiness, although the “gap” between racial/ethnic groups has decreased over time.

Figure 81: University Enrollment for 4-Year Degrees

### City Demographics and UW - Madison Enrollment



Source: 2016 ACS 5-Year Estimates of the Population 18-24 Years of Age, Fall 2017 Enrollment Report – UW Office of the Registrar

Considering the overall level of educational attainment for residents of the City of Madison is higher compared to the national average, it is likely that many students from the University of Wisconsin – Madison choose to remain in the City post-graduation, or that well-educated individuals locate to Madison for positions related to the University. A 2014 sample of University of Wisconsin – Madison students in the School of Engineering found that 40% stayed in Wisconsin post-graduation. However, the percentage of student enrollment by race/ethnicity is not reflective of the City’s demographics, so if a consistent percentage of UW – Madison students were to remain in Madison after graduation from the University, which could potentially alter percentages of educational attainment by race/ethnicity by virtue of the University’s enrollment numbers.

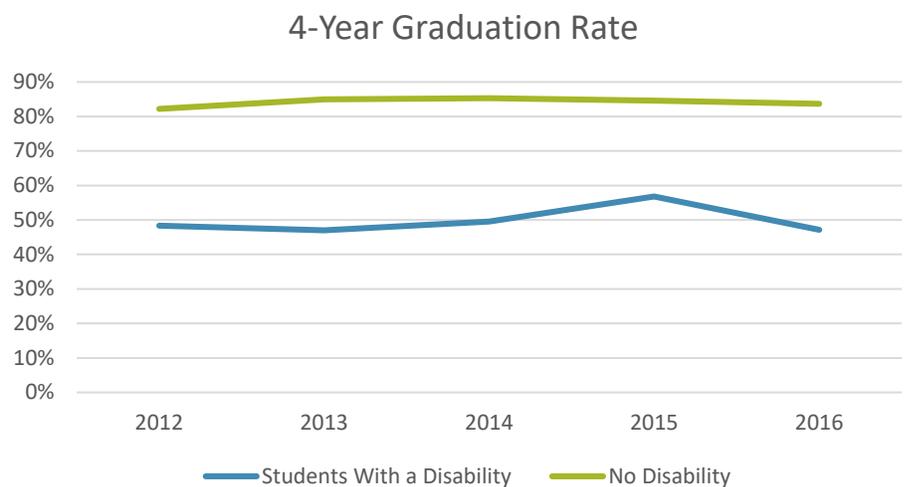
Within UW – Madison enrollment, there is a significant underrepresentation of Black/African American students as compared to the City average. There is a corresponding overrepresentation of Asian students when compared to the City average, although numbers for the University do include international students who are not United States citizens.\*

## EDUCATIONAL ATTAINMENT AND DISABILITY

There is a limited amount of data available for students with a disability than when compared to data for race; however, there is data for graduation rates for this demographic.

For students with a disability, there is a documented disparity in high school graduation rates, which average 34 percentage points below students without a disability. On average, fewer than 50 percent of students with a disability graduate from the public high school system with a diploma in four years.

Figure 82: High School Graduation Rate by Disability Status



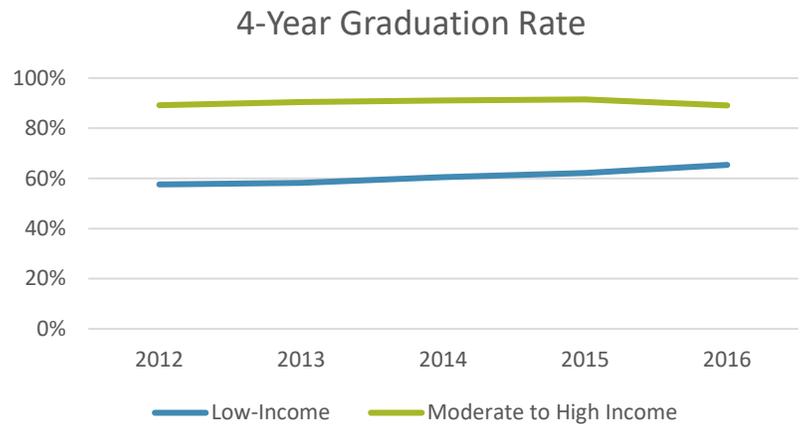
Source: Madison Metropolitan School District

## EDUCATIONAL ATTAINMENT AND INCOME

Income of the student household can also be used as a reference for four-year high school graduation rates, with low-income students having on average a graduation rate that is 29 percentage points lower than students who are members of moderate to high income households.

Housing stability is critically dependent upon household income, and therefore students with a higher likelihood of housing stability see greater attainment in education, leading to greater opportunities for higher education and ultimately income.

Figure 83: High School graduation Rate by Child's Household Income



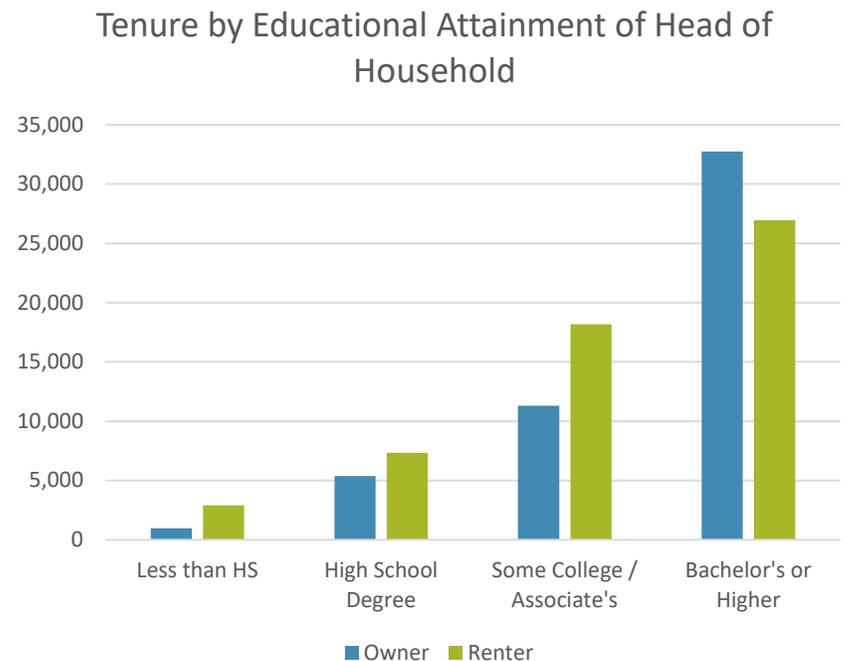
Source: Madison Metropolitan School District

## TENURE BY EDUCATIONAL ATTAINMENT

As 75% of Madison owner-households are moderate to high-income, and higher degrees of educational attainment correspond with higher median incomes, it would be expected that the majority of homeowners would be households with higher degrees of educational attainment. While 65% of Madison owner-households do have a Bachelor's degree or higher, it is worth noting that those with a Bachelor's degree or higher also make up nearly 50% of all renter households in Madison.

While this generally speaks to the high levels of education in the City, tenure of household by educational attainment does not see the clear level of disparity as income does. This would generally indicate a willingness or choice for highly educated households to secure units through the rental market as opposed to ownership markets.

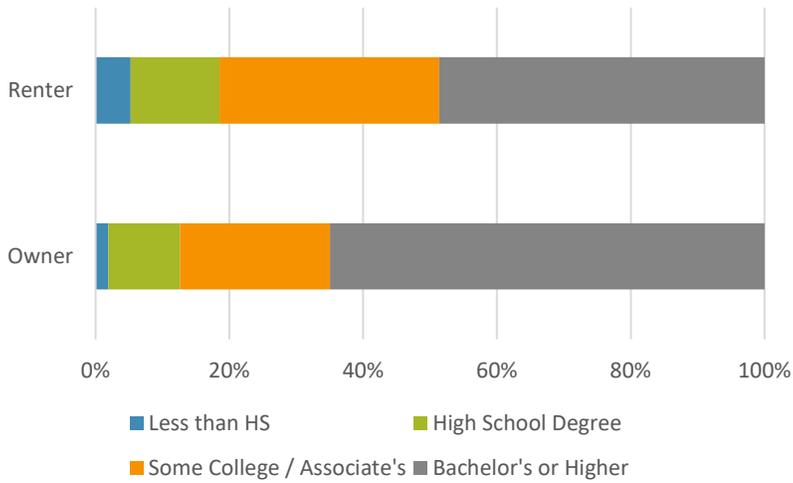
Figure 84: Tenure by Educational Attainment



Source: 2012-2016 ACS 5-Year Estimates

Figure 85: Educational Attainment by Tenure

### Percent of Tenure by Educational Attainment



Source: 2012-2016 ACS 5-Year Estimates

There are nearly 1,000 households in Madison with less than a high school diploma that are owner households, though still outnumbered by renter households without a high school diploma, which number nearly 3,000 households.

The disparity between tenure types is smaller for those with a high school diploma, before growing again in households with Some College or an Associate's degree. This is likely representative of the approximately 5,000 student renter households in the City, and if adjusting for those student households, rates of rental and homeownership would display similar rates, although still slightly favoring rental. The only demographic which is more likely to be an owner household than a renter are those households with a Bachelor's degree or Higher, of which nearly 6,000 more households are owners rather than renters.

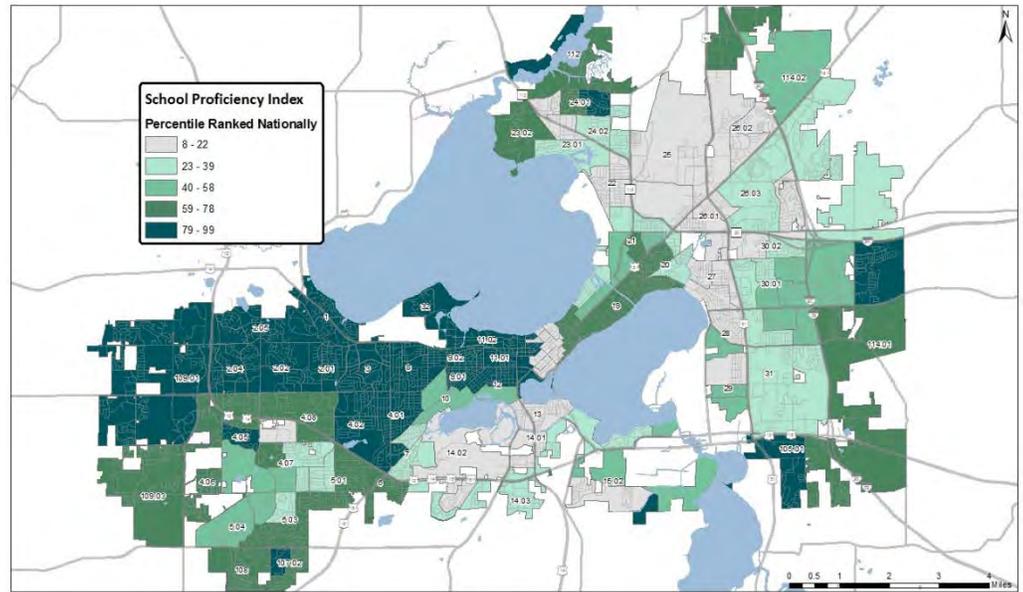
## SCHOOL PERFORMANCE BY GEOGRAPHY

One standardized measure of school performance based on geographic location is the School Proficiency Index, which is a measure of the performance of 4<sup>th</sup> grade students on state exams. This index determines which neighborhoods have high-performing elementary schools nearby, calculated based on school boundary and block group centroid, percentile ranked nationally.

By this measure, there are large disparities in neighborhood access to high-performing elementary schools within the City of Madison.

Much of the western half of the City percentile ranks relatively well in elementary school performance nationally, while much of the eastern half of the City ranks in lower percentiles. This map essentially serves to identify areas in which families with children are not receiving the same quality of education outcomes. School outcomes are often tied to neighborhood demographics – whether that be housing stability, poverty, low-income households, renter households, or cost-burdened households. For that reason, it could be expected that racial disparities in those areas might lead to disparities in education. There are known racial disparities in high school completion rates City-wide, and the School Proficiency Index also indicates that within known school area boundaries, there are disparities that exist based on geography as well. Much of South, North, and East Madison neighborhoods rank below the 40<sup>th</sup> percentile nationally, with many neighborhoods in areas of South and North Madison below the 23<sup>rd</sup> percentile.

Figure 86: School Proficiency Index

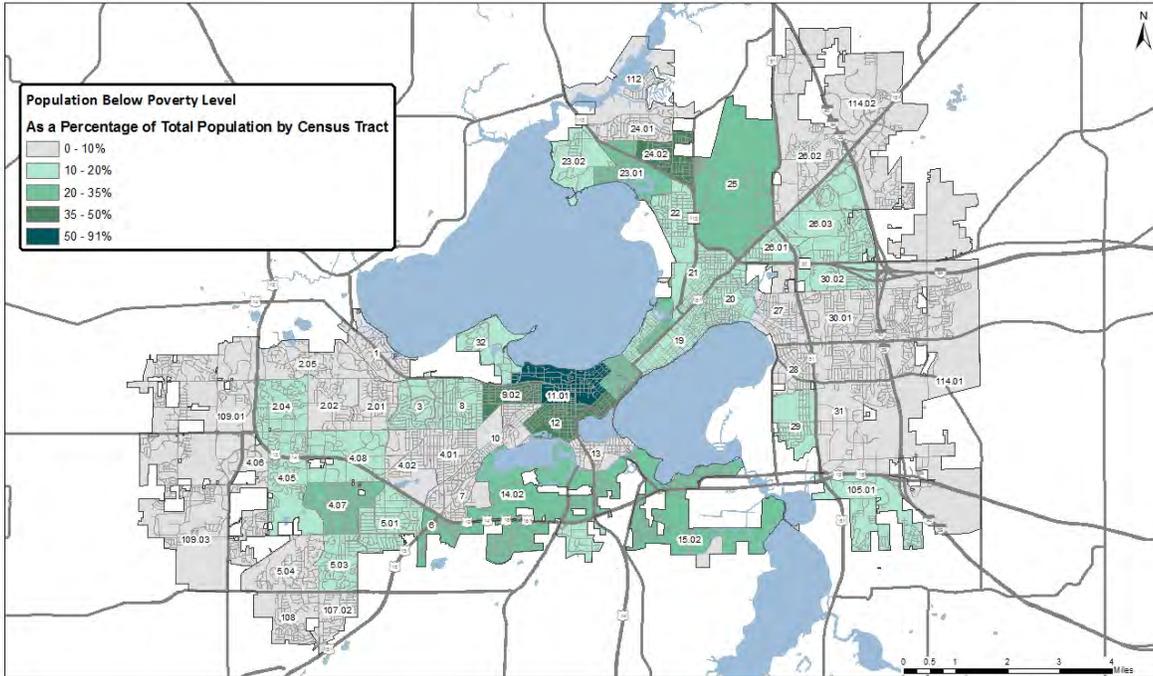


Source: 2017 HUD School Proficiency Index

# POVERTY

Poverty is one of the few housing-related statistics that the Census Bureau adjusts for family size. This is an important distinction, as the poverty threshold is dependent on the size of the household weighted against the household income for all members of the household aged 16 and over.

Figure 87: Poverty Rate by Geography

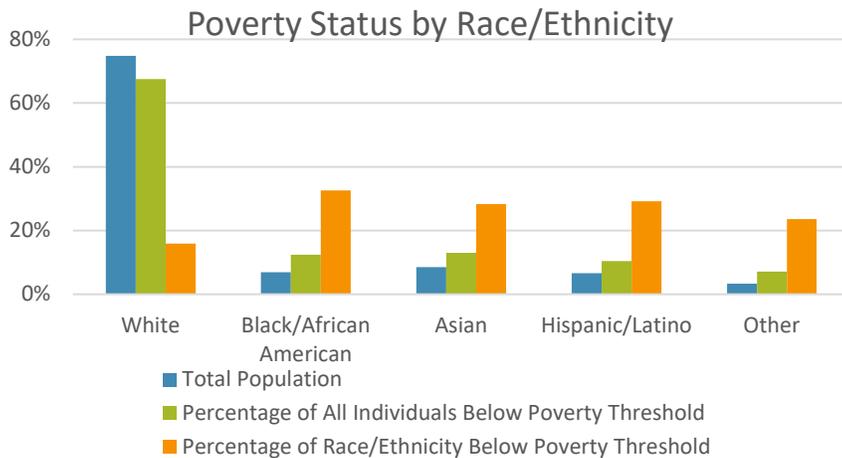


Source: 2016 ACS 5-Year

Estimates

Within the City of Madison, 43,565 persons are part of households living below the poverty threshold. Overall, this rate for the City indicates 18.6% of the entire population of Madison was below the poverty level as of the 2016 American Community Survey. The map above indicates the areas with the highest concentrations of poverty are areas of Madison determined to have a high concentration of student households – likely households that while meeting the Census definition, have other forms of income not accounted for that classify them within this category. If half of all students at the University of Wisconsin – Madison are assumed to meet this definition, the effective poverty rate of the City would be closer to 10%, 5.1 points below the national average.

Figure 88: Poverty Status by Race/Ethnicity



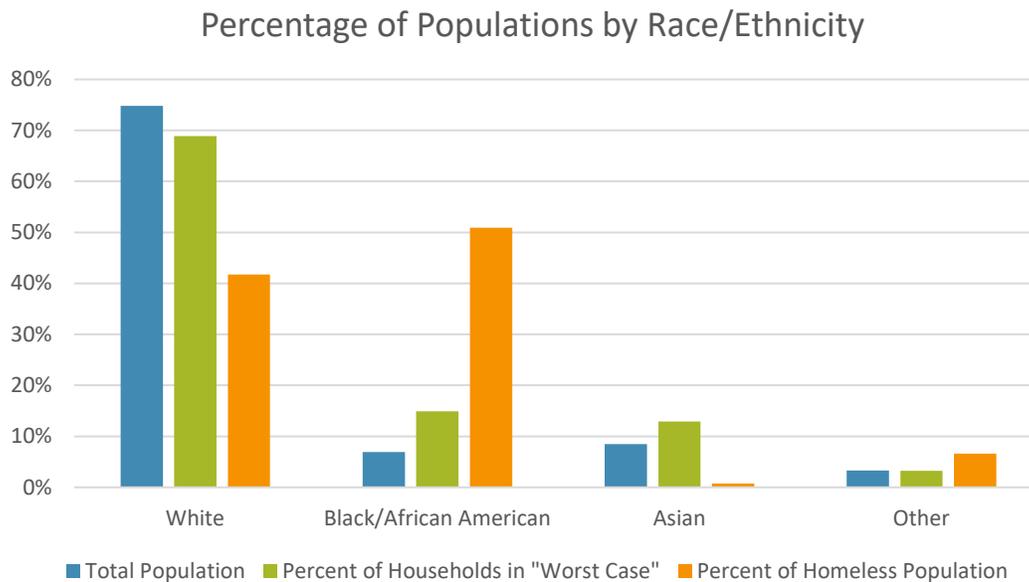
There are racial and ethnic disparities among rates of poverty within the City, a likely reflection of broader income disparities that exist for differing demographics. For instance, the poverty rate for the Black/African American population is more than double that of the White population, with Asian and Hispanic/Latino populations also experiencing similar rates of poverty as Blacks/African Americans.

For all Persons of Color within the City, there is an overrepresentation in the percentage below the poverty threshold by race/ethnicity, as well as in the percent of total representation within each racial/ethnic group when compared to the White population.

Source: 2012-2016 ACS 5-Year Estimates

HOMELESSNESS BY RACE/ETHNICITY

Figure 89: Homeless Populations by Race/Ethnicity



Source: 2016 American Community Survey 5-Year Estimates, 2010-2014 HUD CHAS, 1/2018 PIT Count

\*Households in "Worst Case" refers to 0-30% HAMFI Severely Cost Burdened Renter Households

The annual Point-in-Time survey of homeless in Madison provides detail on the overall needs and demographics of the homeless population. This survey, administered during the last week of January, is our main source of data available for the homeless population, as traditional data sourcing utilizes a place of residence model to collect all information.

Table 26: January PIT Survey Counts 2015-2018

	1/2015	1/2016	1/2017	1/2018
White	310	273	239	266
Black/AA	424	311	291	303
Asian	4	2	10	5
Other	33	43	54	40
Hispanic	39	48	45	24
<b>Persons of Color % of Total*</b>	<b>59.8%</b>	<b>56.6%</b>	<b>59.1%</b>	<b>56.7%</b>
<b>Total Homeless in Count*</b>	<b>771</b>	<b>663</b>	<b>585</b>	<b>614</b>

Source: HUD CoC Homeless Populations Report

\*Percent for those whom race is known, excludes Hispanic/Latino as Hispanic/Latino may be of any race

Counts have generally decreased year-over-year for demographics more largely represented, notably with significant decrease from 2015 levels for White and Black/African American populations. However, the January 2018 PIT Count did display a relatively large increase in the count over prior years, particularly among the White and Black/African American demographics. For all counts, the percent of non-White homeless has remained relatively consistent between fifty-seven percent and sixty percent of the homeless population.

When comparing single homelessness to family homelessness, there is a large shift in the percentage of homeless single population and homeless family population for White households. While White individuals are the largest racial/ethnic demographic among homeless singles, there is a large comparative reduction in individuals in families who are homeless and identify as White.

Figure 90: Homelessness for Single Individuals

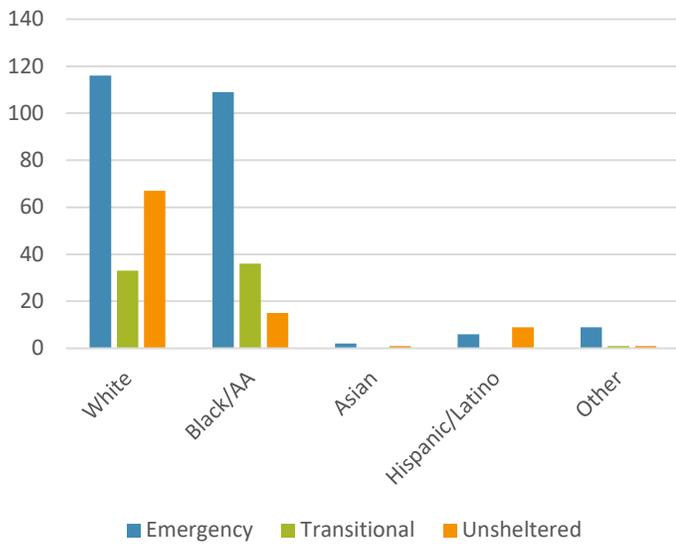
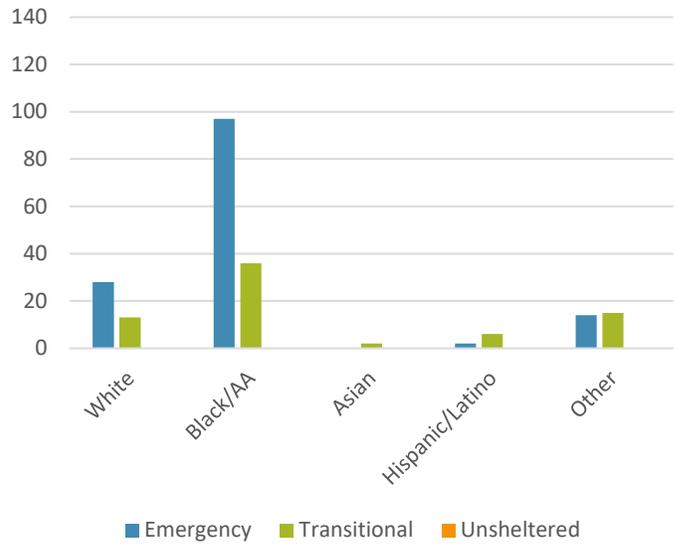


Figure 91: Homelessness for Individuals in Families



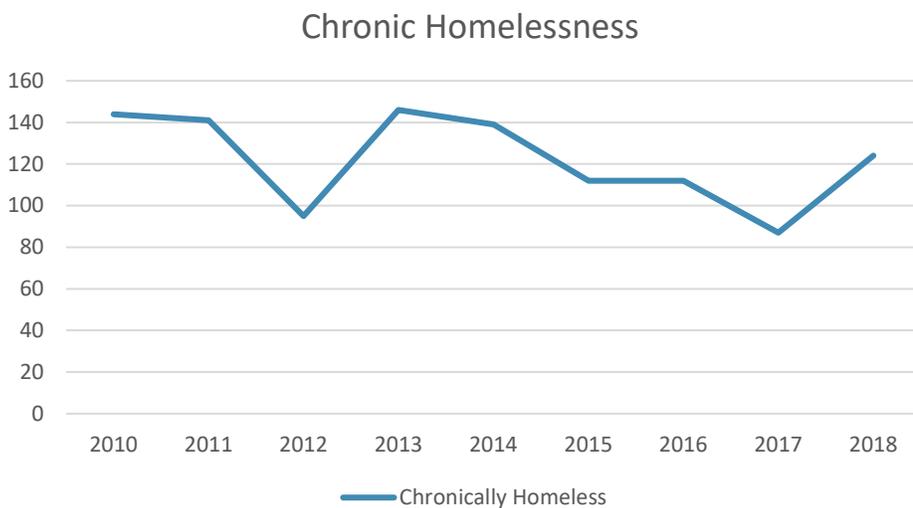
Source: January 2018 PIT Survey

The reason for reduction in White homeless families compared to singles is unknown, as other demographics remain relatively consistent within the count. This trend has shown to be consistent through data reviewed since 2015, and is worthy of further assessment and analysis to determine cause to be addressed more thoroughly in the next Consolidated Plan.

## CHRONIC HOMELESSNESS

Since adoption of the prior AI in 2013, the City has opened two permanent supportive housing developments to provide housing stability for chronically homeless populations, with a third expected to break ground in 2019. Per HUD’s definition, a household is considered to experience chronic homelessness if an individual or family (where the head of household), 1) has a disabling condition ,2) are currently living in a place not meant for human habitation, a safe haven or in an emergency shelter AND 3) has been homeless continuously for at least 12 months or on at least 4 separate occasions in the last 3 years where the combined occasions total at least 12 months.

Figure 92: Chronic Homelessness



The number of chronically homeless individuals in Madison has fluctuated between 87 and 146 individuals since 2010. Due to the nature of homelessness, it is possible that more than this number meet this definition at any given time. While the period from 2013 through 2017 displayed a consistent decrease in the number of chronically homeless individuals, the January 2018 PIT counted 124 individuals who met this definition, an increase of 43% over the prior year (2017).

Source: Point-In-Time Count 2010-2018

## CARCERAL SHELTER OF HOMELESS INDIVIDUALS

HUD does not include individuals in institutions within their criteria of reporting of homeless persons within the PIT; however, research has shown that homeless individuals may frequently filter through the penal system, further increasing the likelihood of housing trauma in the future. Although not considered a formal count within the PIT, the City of Madison receives data on individuals housed in jail on the night of the PIT who are likely homeless as determined by address of residence on file:

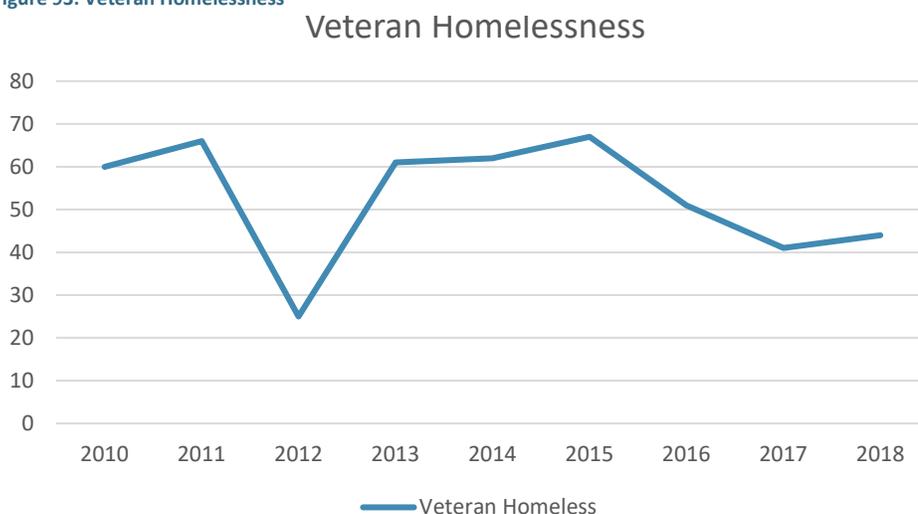
- 124 individuals were incarcerated on the night of the January 2018 PIT who were likely experiencing homelessness prior to arrest
  - If added to the PIT count, this would represent 17% of the recorded homeless population.
    - In comparison, 18% of the Homeless population (136 individuals) were in transitional housing
  - On the night of the January PIT, more likely homeless individuals were sheltered through incarceration than were unsheltered.
- 132 individuals were incarcerated the night of the January 2017 PIT
  - These 132 individuals would have represented 18% of the recorded homeless population.
- 131 individuals were incarcerated the night of the 2016 January PIT who were likely experiencing homelessness prior to arrest
  - These 131 individuals would have represented 17% of the recorded homeless population.

The relative consistency of these numbers indicates that many of the homeless in the City of Madison may be housed at any given time through the correctional system. Further research should be conducted to inform the nature of the crimes that necessitate incarceration for likely homeless individuals within the City, and ways that the City can alleviate criminalization of persons experiencing homelessness and expand opportunities for other forms of housing and shelter to these individuals.

## VETERAN HOMELESSNESS

HUD-VASH (Veterans Affairs Supportive Housing) is a form of voucher program that targets chronically homeless veterans in the most vulnerable positions, although all veterans who are homeless with a need for case management qualify for the program. In the City of Madison, 7% of the homeless population are veterans, while the rate for veterans in the general population is 5% overall. The City of Madison CDA is allocated 185 vouchers annually that are specific to veterans through the VASH program.

Figure 93: Veteran Homelessness



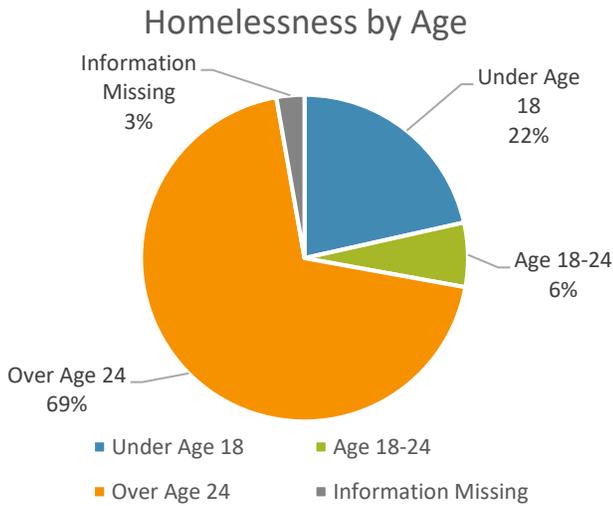
Veteran homelessness has been declining in prevalence since the peak in 2015, although 2018 PIT Counts indicated an increase of 7.3% over 2017 numbers. It is likely that this number will continue to decrease as more units of supportive housing assisting homeless veteran populations come online, likely through the City's commitment to prevent and end homelessness as furthered through Affordable Housing Fund assistance to developers in opening housing with on-site, integrated supportive services.

Source: 2010-2018 January PIT Counts

## HOMELESSNESS IN CHILDREN

Within the City of Madison, a significant portion of the homeless population (21%) are children under the age of 18, representing sixty-five (65) unique households containing children, as well as five children-only households. Impacts of homelessness on children are known to cause significant developmental delays in toddlers, altering behavioral and emotional patterns. When children reach school age, many display physical, psychological, and/or emotional trauma associated with housing instability that leads to negative emotional and academic outcomes.

Figure 94: Youth Homelessness



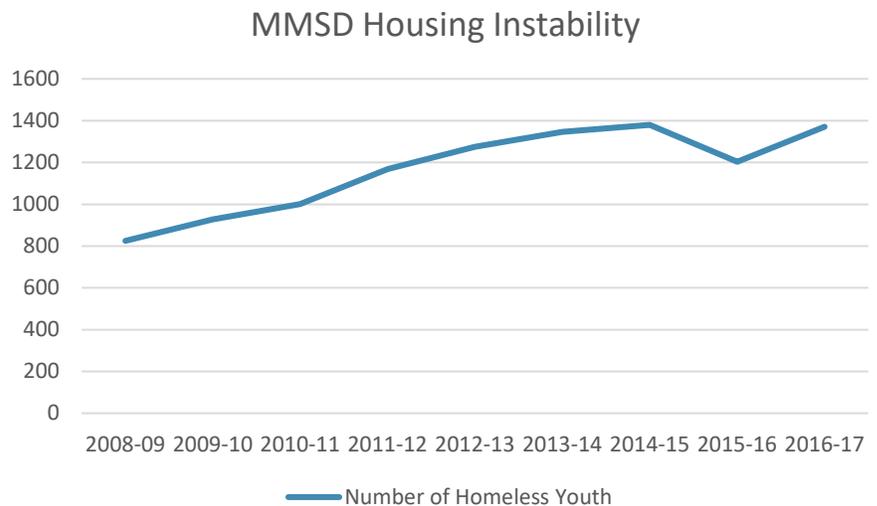
- In addition to academic outcomes, homeless youth and children are often at increased risk of contact with environmental contaminants that cause lead poisoning, asthma, and other physical ailments.
- Children who have experienced homelessness are more than twice as likely to have a learning disability, repeat a grade, or to be suspended from school.
- Half of homeless children experience extreme depression or anxiety, which may lead to struggles with substance abuse later in life.
- 25% of homeless children nationally have at some point been separated from their families, and 22% have directly witnessed violent crimes.
- Homeless children are twice as likely to experience hunger, negatively impacting physical, social, and cognitive development.<sup>4</sup>

## HOUSING INSTABILITY FOR YOUTH

Within the Madison Metropolitan School District, housing instability is tracked by the Wisconsin Department of Public Instruction. The definition of homelessness within Wisconsin Public Schools are broader than other definitions of homelessness, tracking children “who lack a fixed, regular, and adequate nighttime residence,” including students staying in hotels or temporarily doubling-up with other families or sub-families.

While HUD and the Department of Public Instruction both consider those who lack “fixed, regular, and adequate nighttime residence” to be homeless, HUD programs do not recognize doubling up of families in a single unit as qualifying for homeless services. Due to this discrepancy in definition, many children and their families are not prioritized for aid in securing stable housing. This has a direct effect on school performance, educational attainment, predictors of future homelessness for children, and contact with the criminal justice system, which can make it more difficult for children to obtain housing as they transition into adulthood.

Figure 95: Housing Instability for Youth in the Madison Metropolitan School District



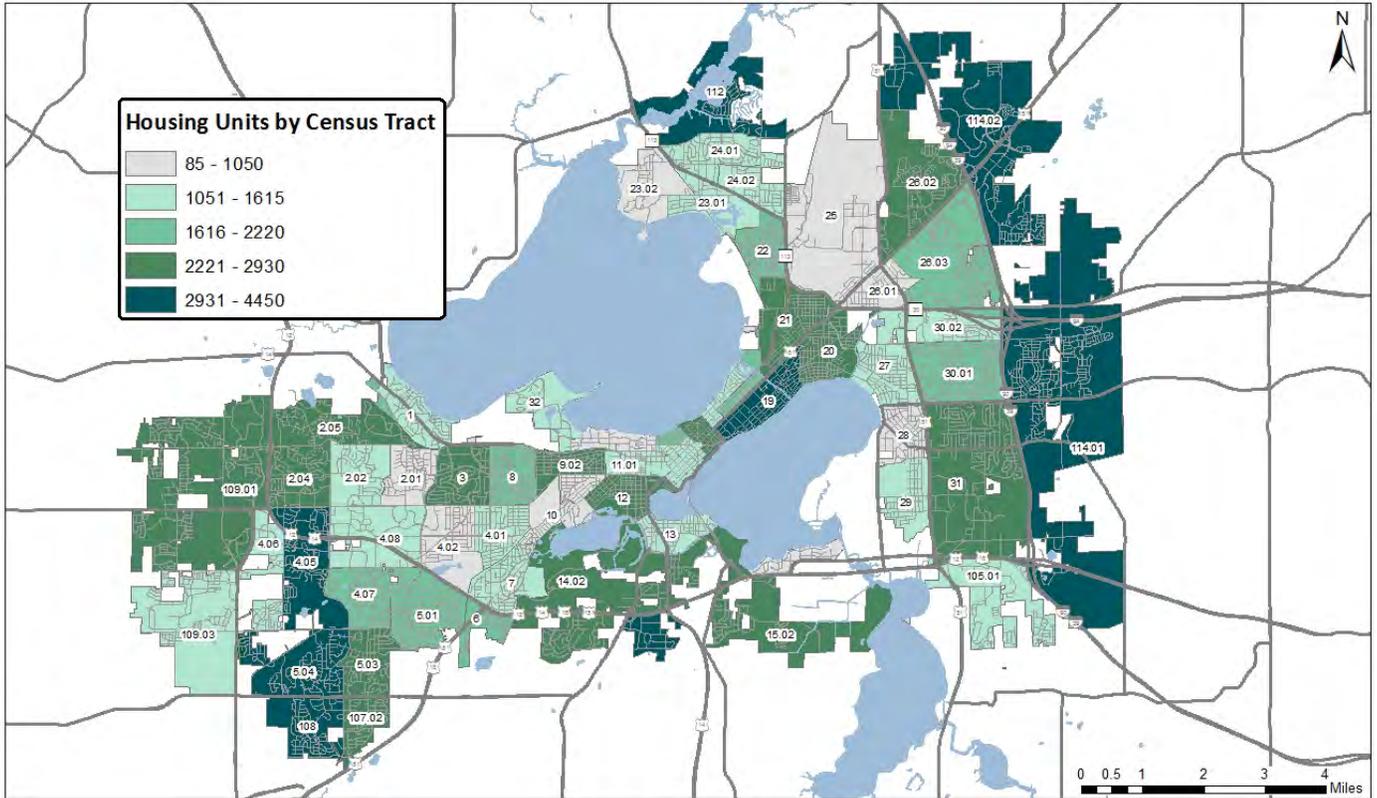
Source: WI Department of Public Instruction

## HOUSING STOCK & TENURE

<sup>4</sup> *Effects of Poverty, Hunger and Homelessness on Children*, American Psychological Association

There are many factors that contribute to housing unit density, and have been largely guided by historical land use patterns within the City. Some of these factors include average lot size demanded, zoning codes, and prevalent housing needs at the time of building construction. With the exception of larger periphery Census Tracts which have not yet been subdivided as to be standardized, areas of Madison that have large numbers of housing units include Census Tracts 4.05, 5.04, and 19, which all contain over 2,930 units. This is not a true density count of dwelling units per acre, but rather the number of dwelling units per Census subdivision.

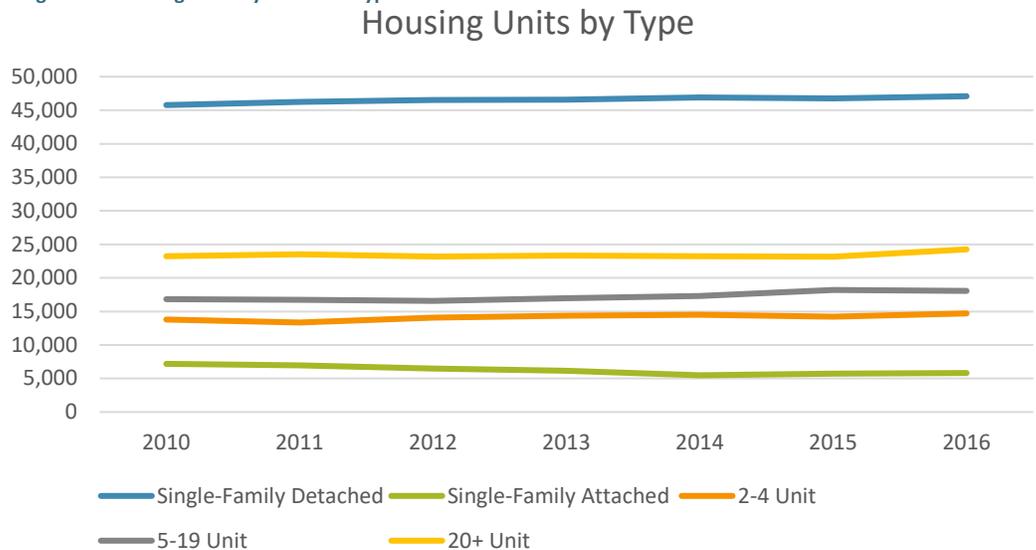
Figure 96: Housing Unit Density by Census Tract



Source: 2010-2014 HUD CHAS Table 1

While most units within the City are renter-occupied (52%), the most prevalent form of housing within Madison remains single-family homes. More than 53% of the City is of a lower-density development style that contains one to four units. Single-family residences alone account for 48% of all housing choices within the City, more than double the next most common unit type of 20+ unit multifamily structures (22%).

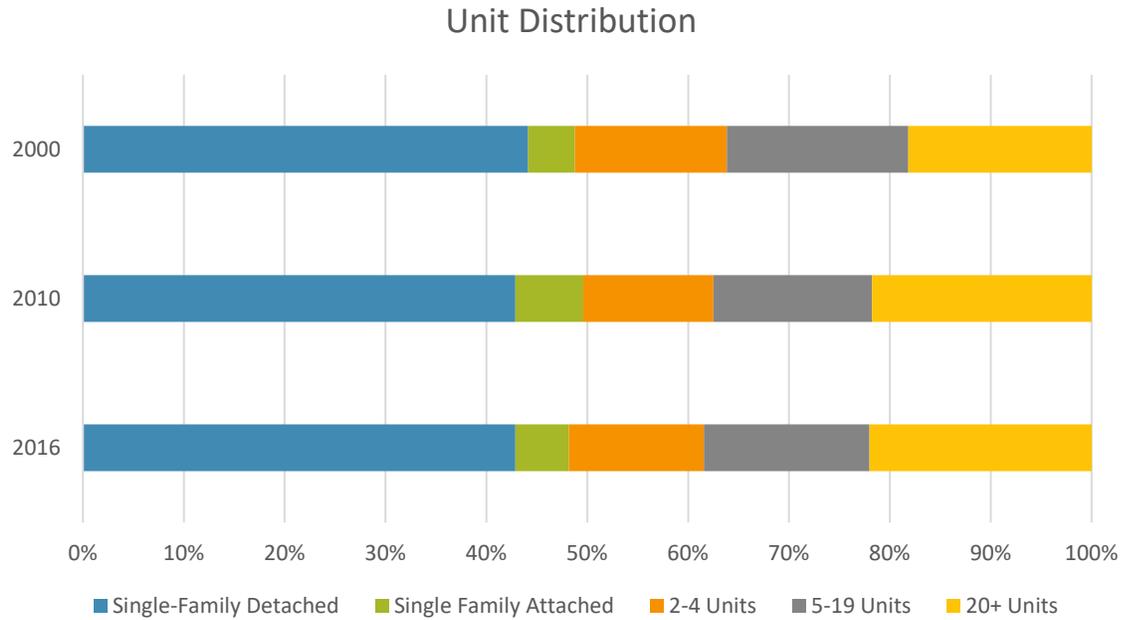
Figure 97: Housing Units by Structure Type



Source: American Community Survey 5-Year Estimates

Prevalence of Single-Family Attached units, generally townhomes, has decreased slightly since 2010, although all other unit types have either increased in number or remained constant. It should be noted that these unit numbers are rolling averages from a five-year period, and are chosen for consistency and a low margin of error, and may not reflect the most current estimate or market conditions.

Figure 98: Housing Units by Type of Structure

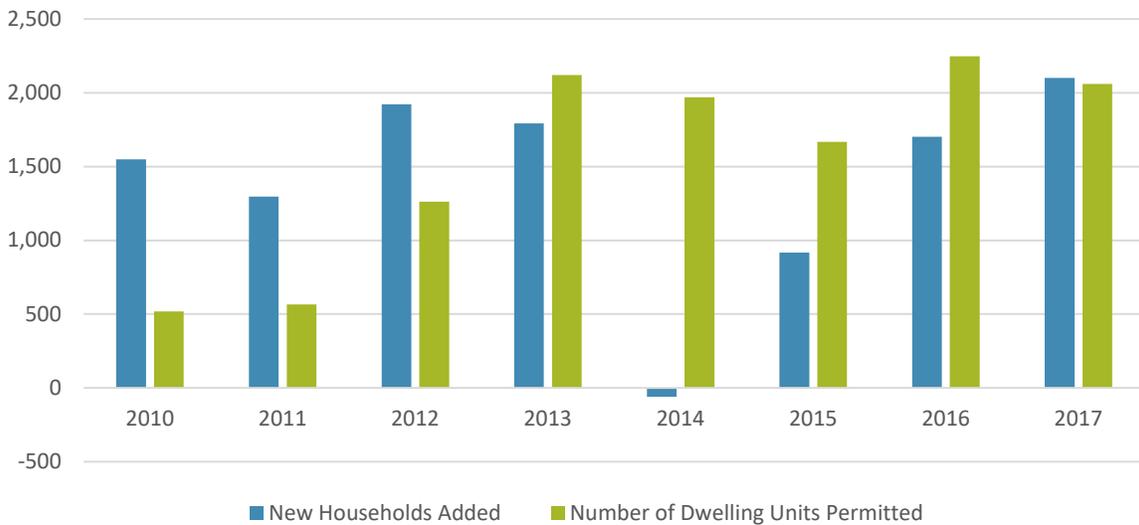


Source: 2000 Decennial Census, ACS 5-Year Estimates

New housing starts compared to households added demonstrates the progress the City has made toward achieving a healthy vacancy rate, progressing toward the goal of increasing the number of available units to create a more favorable housing market at all income levels. The period from 2010 to 2012 saw much larger increases in the number of households added to the City, without the requisite new unit construction to accommodate these households. The number of new units added per year, however, has increased drastically since 2011, and has since 2013 outpaced the number of households added on an annual basis.

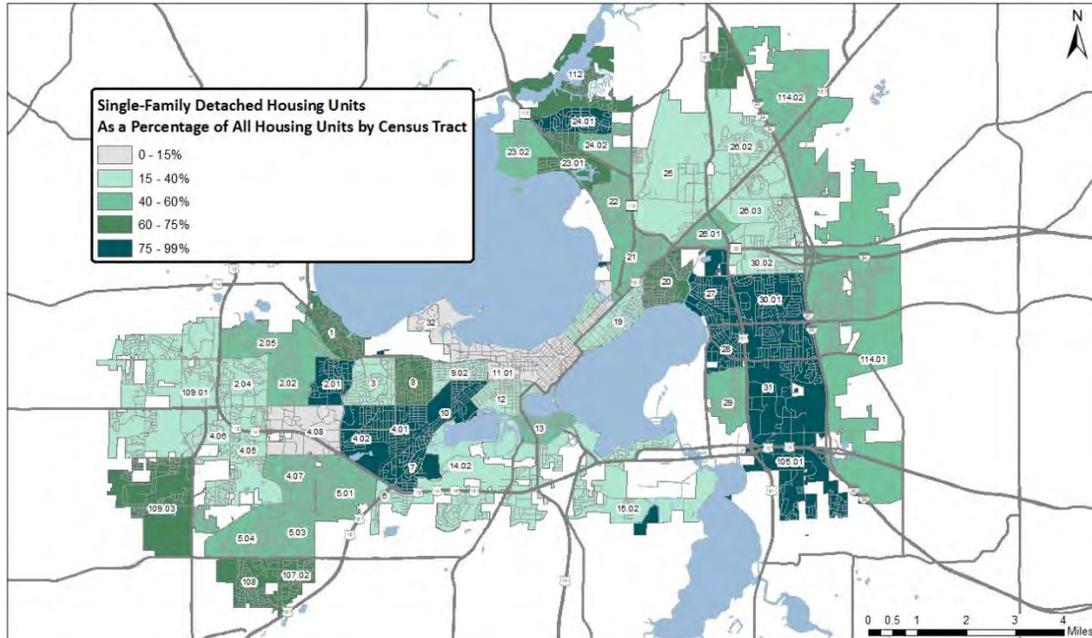
Figure 99: Households and Units Added

### 2010-2017 New Households Added vs. New Construction Permits



Source: ACS 5-Year Estimates, City of Madison Building Inspection

Figure 100: Single-Family Detached Housing Units by Geography

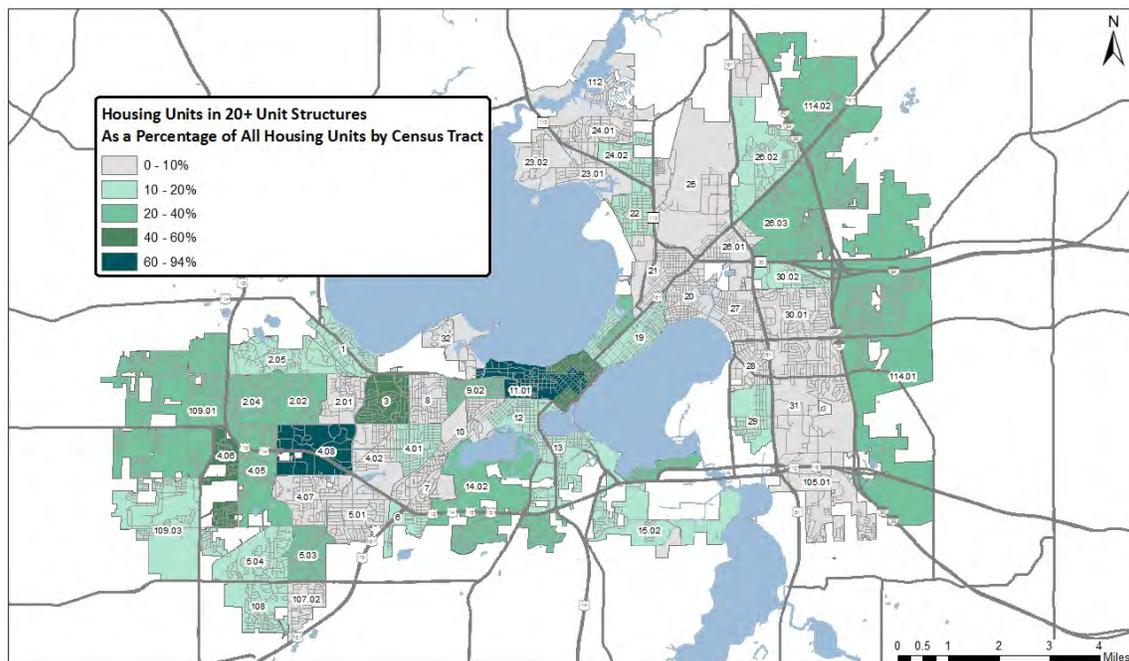


Source: 2016 ACS 5-Year Estimates

While Single-Family Detached units comprise approximately 43% of the City’s housing stock, there are areas of Madison in which much higher percentages of the units are single-family detached. Those areas include the Monroe Street Corridor in Census Tracts 7, 9.01, and 10; Westmorland and Midvale Heights in Census Tracts 4.01 and 4.02; Glen Oaks in Census Tract 2.01; and Eastmorland, Lake Edge, and Rolling Meadows to Buckeye in Census Tracts 27, 28, 30.01, and 31. Areas that have extremely low numbers of single-family detached homes include the central isthmus and campus areas as well as Census Tract 4.08.

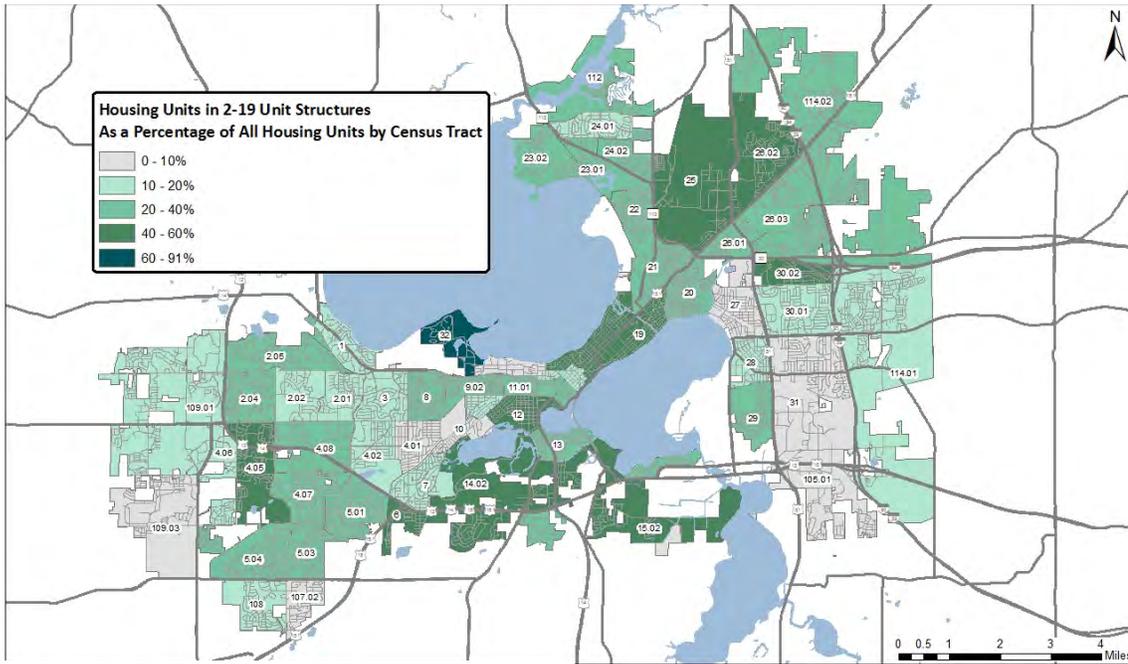
Many of the City’s structures with larger numbers of units are located near the Capitol, along the central isthmus, and near campus. Census Tract 4.08 contains relatively few housing units – with the exception of senior care, and while having limited large structures, they represent a large proportion of all housing in the Tract.

Figure 101: 20+ Unit Structures by Geography



Source: 2016 ACS 5-Year Estimates

Figure 102: "Missing Middle" (2-19 Unit) Structures by Geography



Source: 2016 ACS 5-Year Estimates

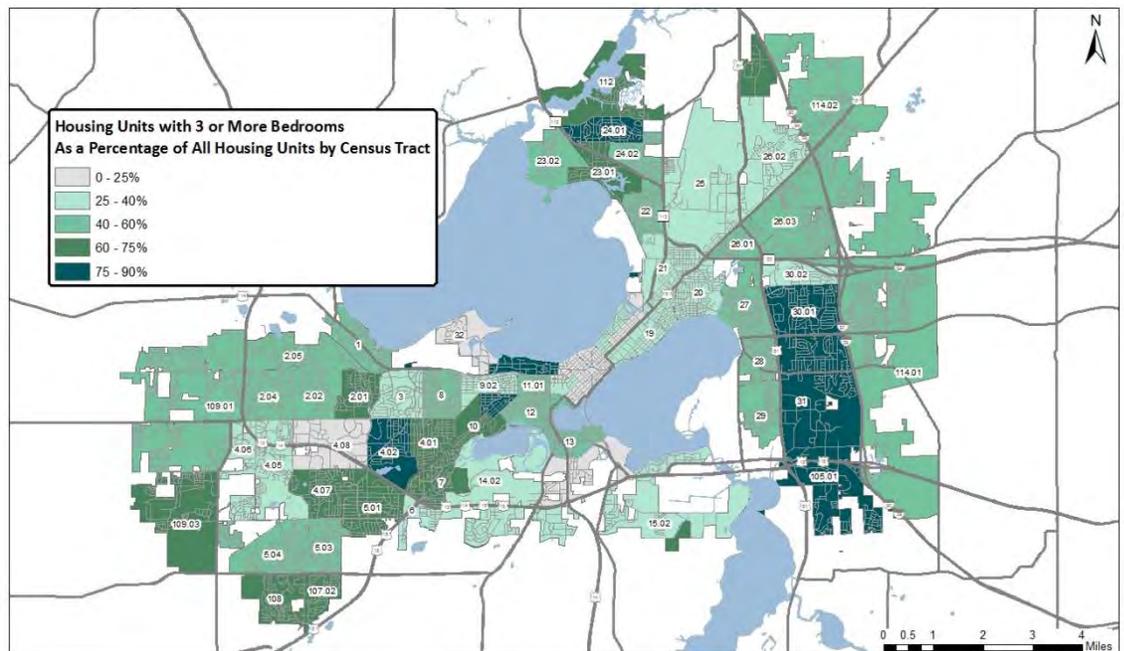
Housing Units in structures containing between two to 19 units typically would be considered a “missing middle” housing type as identified in the City’s Biennial Housing Report. There are areas where this housing type is common, namely in the Eagle Heights neighborhood, of which this style is the form utilized by University housing. Other areas that contain higher prevalence of this housing type include

Census Tract 4.05, much of South Madison in Census Tracts 6, 12, 14.01, 14.02, 15.02; the eastern isthmus in Census Tracts 16.04, 17.05, 18.02, 18.04, and 19; Carpenter-Ridgeway and Greater Sandburg in Census Tracts 25 and 26.02; and Census Tract 30.02.

The two most common unit sizes within the City of Madison are two- and three-bedroom housing units, collectively 64% of all units in the City. The two least-common bedroom types are studio units (no bedroom) and units with five or more bedrooms, representing 5% and 3% of all units, respectively.

Figure 103: 3+ Bedroom Units by Geography

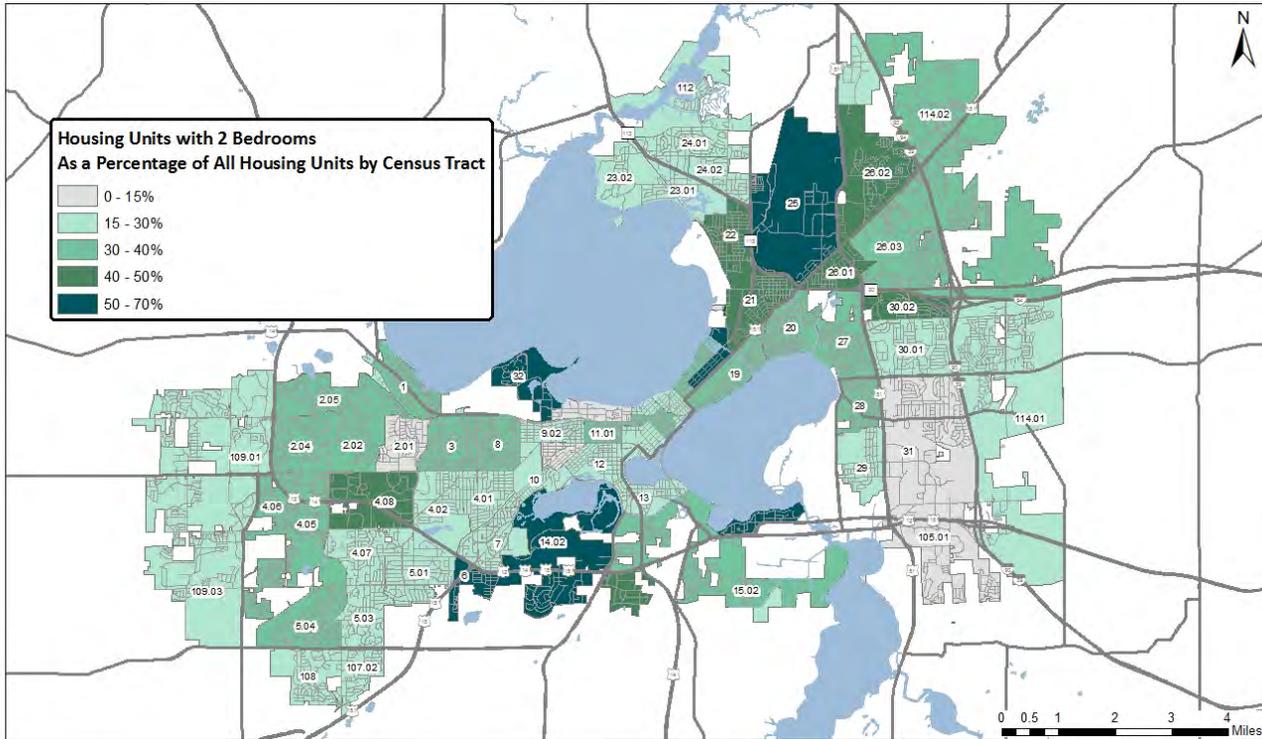
Areas that contain the highest percentages of units with three or more bedrooms within the City are areas that also generally contain the highest rates of single-family dwelling units. The exception is University-affiliated tract 11.02, with high rates of student housing.



Source: 2016 ACS 5-Year Estimates

Since 2010, there has been small growth in units of all bedroom sizes as development in the City has increased, with the exception of 5+ bedroom units, which has seen a small decline in number of units at a rate of approximately 50 units per year.

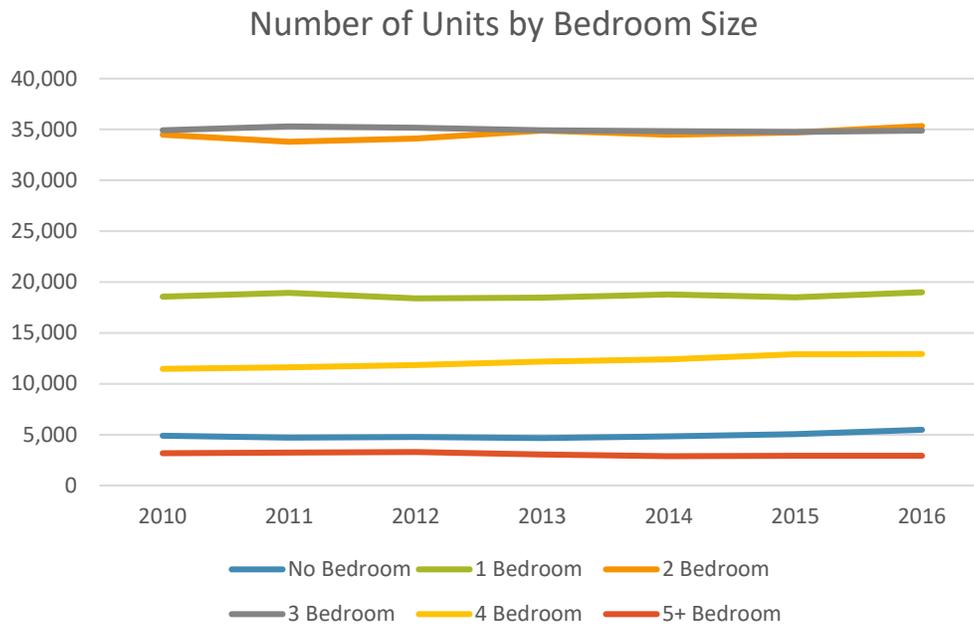
Figure 104: 2-Bedroom Units by Geography



Source: 2016 ACS 5-Year Estimates

Two bedroom households generally are less prevalent in areas with high rates of single-family homes and homeownership when compared to three-bedroom and larger units. Areas with large proportions of two bedroom units include Census Tracts 6, 14.02, 15.01, 18.04 25, and 32, with generally higher numbers in South and North Madison and likely representative of higher prevalence of rental and smaller or more affordable homeownership units.

Figure 105: Overall Number of Units by Number of Bedrooms



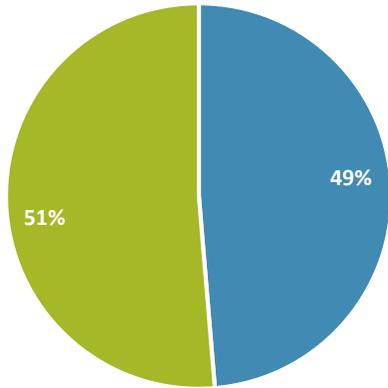
Source: 2016 ACS 5-Year Estimates

**OWNERSHIP**

Forty-nine percent of all households in the City are homeowners when omitting known likely student renter households from the calculation. Although the majority of the City is comprised of renters, White households in the City are much more likely to be homeowners than Households of Color, even when standardizing overall homeownership rate by percent of racial/ethnic demographic. White and Hispanic/Latino households are the only demographic in which there are more owner households than moderate to high-income households.

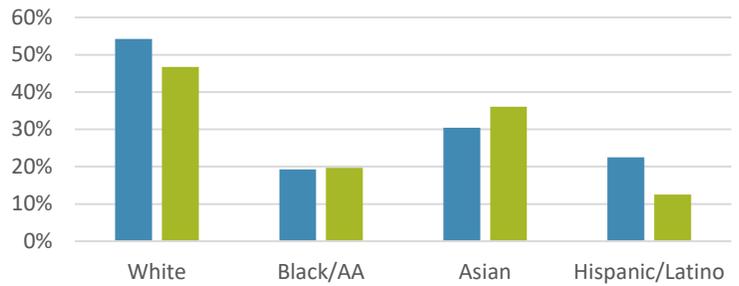
**Figure 106: City of Madison Homeownership Rates**

**Citywide Homeownership Rate**



■ Owner Household ■ Renter Household

**Ownership and Income by % of Households in Each Racial/Ethnic Group**

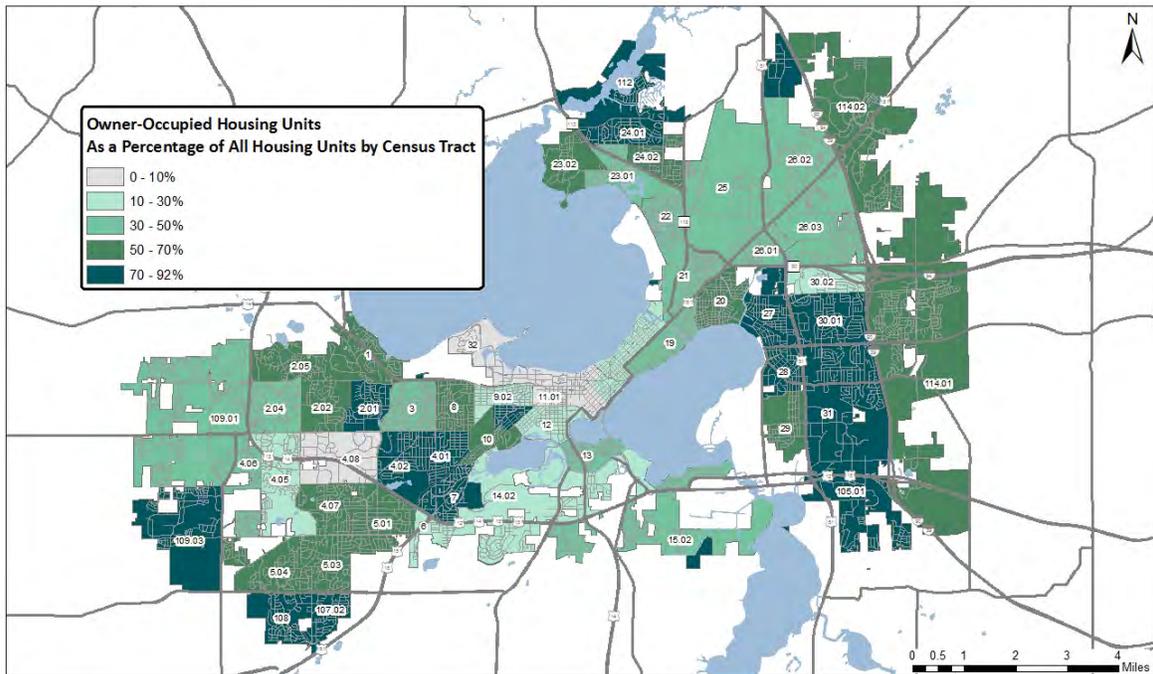


■ Ownership Rate ■ Households Above 100% HAMFI

Source: 2010-2014 HUD CHAS Table 1

Although the ownership rate for the City is 49%, there are Census Tracts in which over 70% of all units are owner-occupied. Aside from periphery Census Tracts, these areas are Census Tract 2.01, 4.01, 4.02, 7, 9.01, 27, 28, 30.01, and 31. In general, ownership rates are lower in central and South Madison, with areas of increased ownership in West and Southeast Madison.

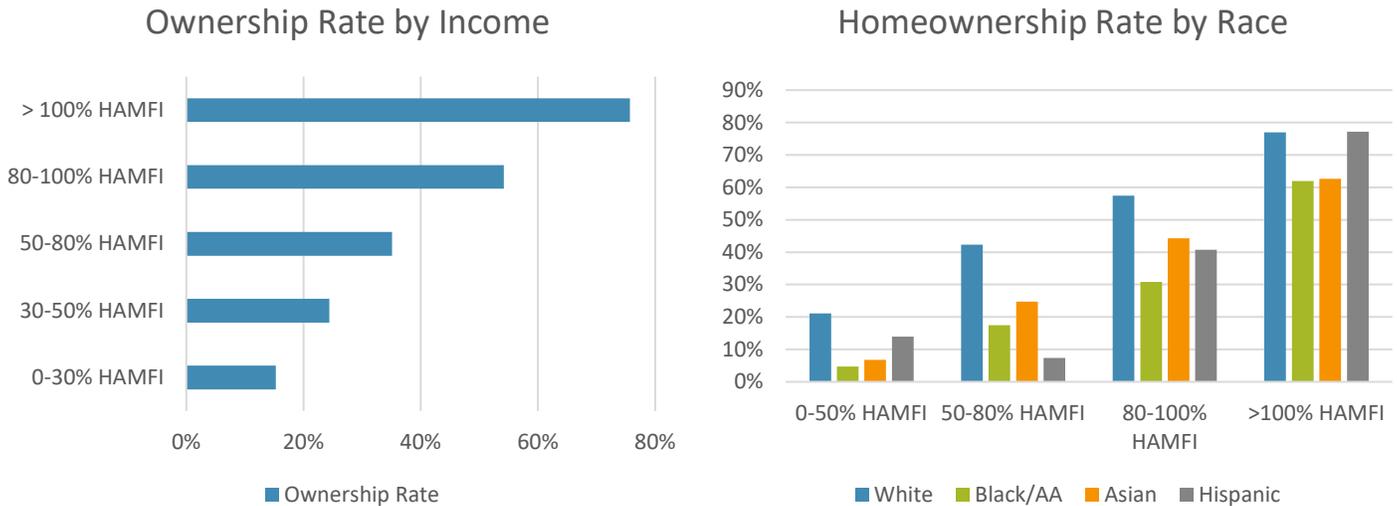
**Figure 107: Owner-Occupied Housing Units by Geography**



Source: 2016 ACS 5-Year Estimates

As homeownership rates generally increase as income increases (as shown in the figure below), it would be expected that ownership rates would increase for all households at higher income levels, regardless of race or ethnicity. When omitting student households from calculations, data shows significantly increased rates of homeownership as income increases. However, there are disparities in rates of homeownership not only by income, but also by race and ethnicity within the same income band. For households earning more than the HUD Area Median Income (\$80,800), the rate of ownership is 15 percentage points higher for White and Hispanic households than for Black or Asian households. These disparities exist at lower incomes as well, with White Households having significantly higher ownership rates at all incomes.

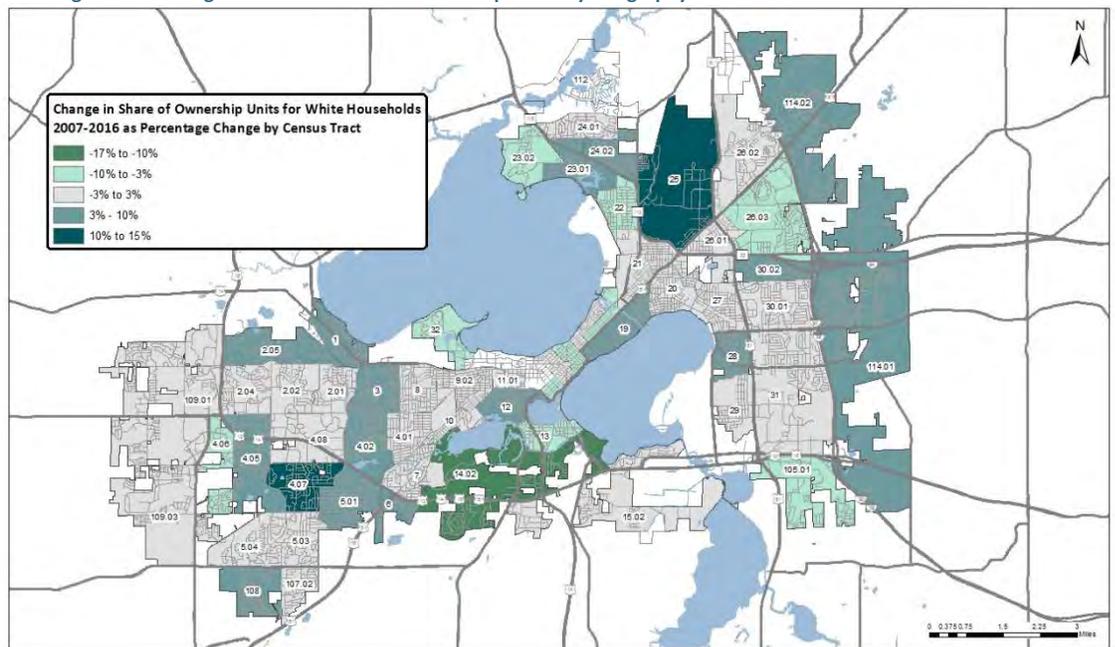
Figure 108: City of Madison Homeownership Rates Cont.



Source: 2010-2014 HUD CHAS

From 2007 to 2016, White household represented 89.2% of all home loan originations in the average Census Tract in the City, increasing the share of White homeownership in the average Tract by 0.4%. However, not all areas experienced this trend equally. Some areas saw much larger share of originations attributable to Households of Color, increasing the ownership share in specific neighborhoods.

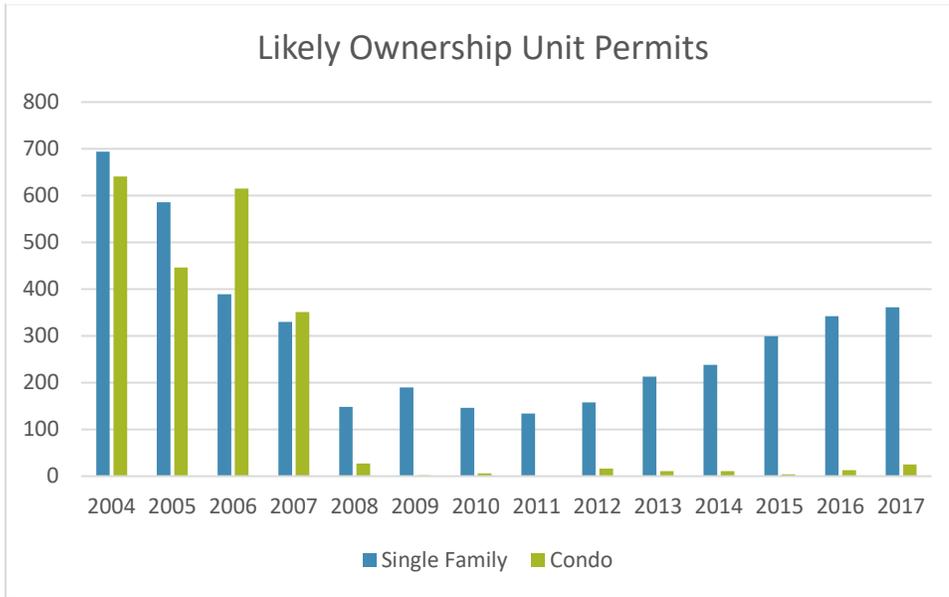
Figure 109: Change in White Household Ownership Share by Geography



Source: Home Mortgage Disclosure Act, HUD CHAS 2010-2014, Author's Calculations

Areas displaying the largest changes in homeownership by race/ethnicity include increases in the proportion of White homeowners in Census Tracts 4.07 and 25, with correspondingly significant increases in Household of Color ownership shares in Census Tracts 14.01 and 14.02.

Figure 110: Construction of Ownership Unit Types



Source: City of Madison Building Inspection

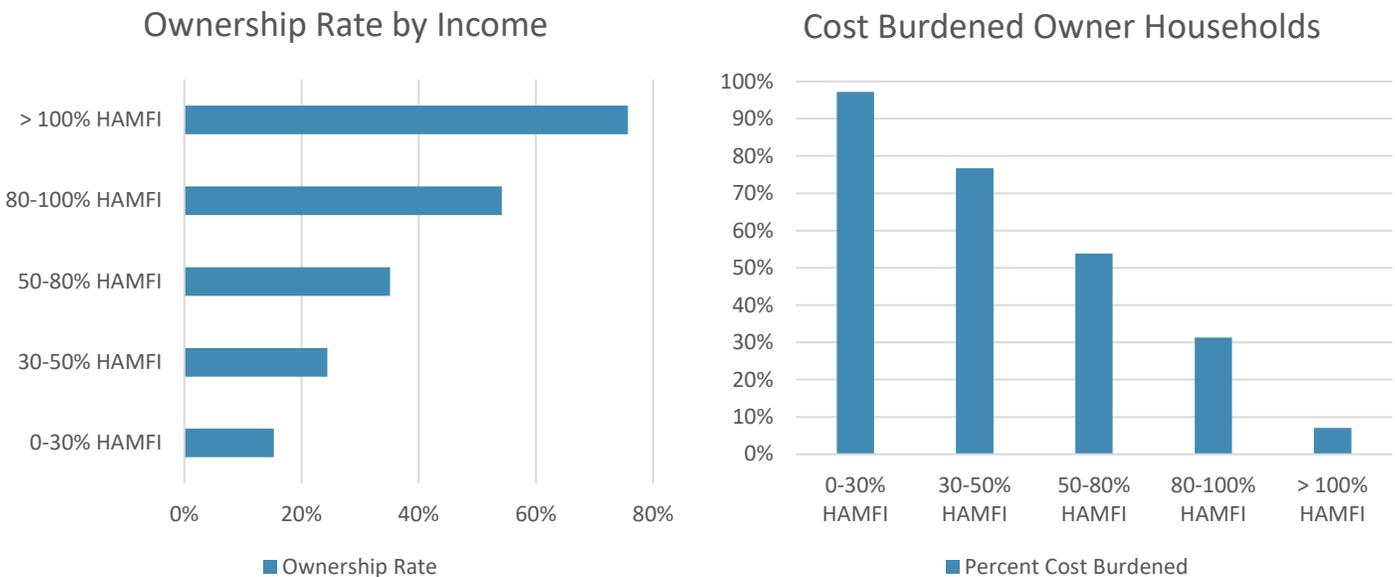
The number of “likely” homeowner units, measured as single-family and condo units added to the City’s housing stock annually decreased significantly from the levels of the mid-2000s. Since 2009, there have been no more than 25 Condominium units permitted in a single year, a drastic decrease from 2004-2007, with a high of 615 units added in 2006.

Single-family homes saw a similar decrease in rates of construction, although there has been steady increase in single-family unit production from the low of 2011. The production of condominium units has not experienced a similar upward trend. Single-family residential construction is still well below pre-Recession rates.

## OWNER AFFORDABILITY

As household incomes rise, rates of homeownership increase as well, and one way to gauge the effect of housing appreciation and its effect on the housing market is through an analysis of cost burden for homeowners by income level – signifying how many low-income households are able to secure affordable homeownership opportunities within the City of Madison. Even for households who are able to purchase a home within the City, low-income households are more likely to be cost burdened than moderate- and upper-income households, signifying either a lack of affordable homeownership opportunities or a lack of opportunity for upward economic mobility.

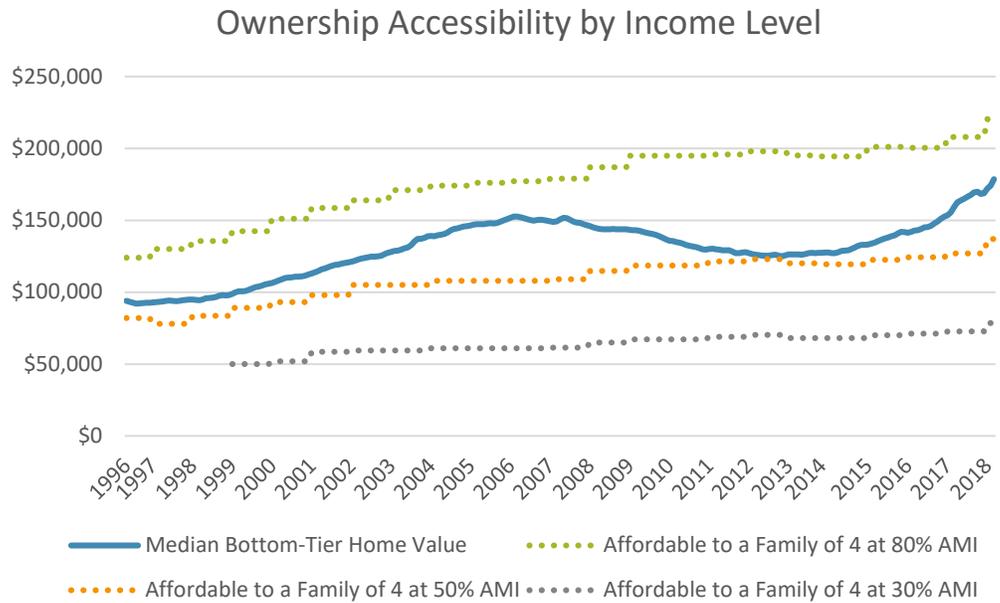
Figure 111: Ownership Rates and Cost Burden by Household Income



Source: 2010-2014 HUD CHAS

To estimate pricing of the most affordable housing options within the City, Zillow offers data for the “median bottom-tier” of homes. These are home sales prices for the median of the bottom third of all sales within a given month, offering a reasonable estimate of pricing for the most affordable options within the Madison owner-occupied housing market. Compared to affordability limits based on HUD’s income limits, the median bottom-tier home has not historically been affordable to any household earning 50% AMI or below. Recent housing prices for this tier have risen past values from 2006 to 2008, and since 2013 have risen faster than incomes guidelines for households at 80% of the HUD Area Family Median Income, indicating that home values are rising much faster than corresponding incomes. This means that recently, an even higher number of households have become priced out of affordable homeownership options within the City’s housing market, even those households to which homeownership would have previously been affordable. This is a large barrier to housing choice within the City.

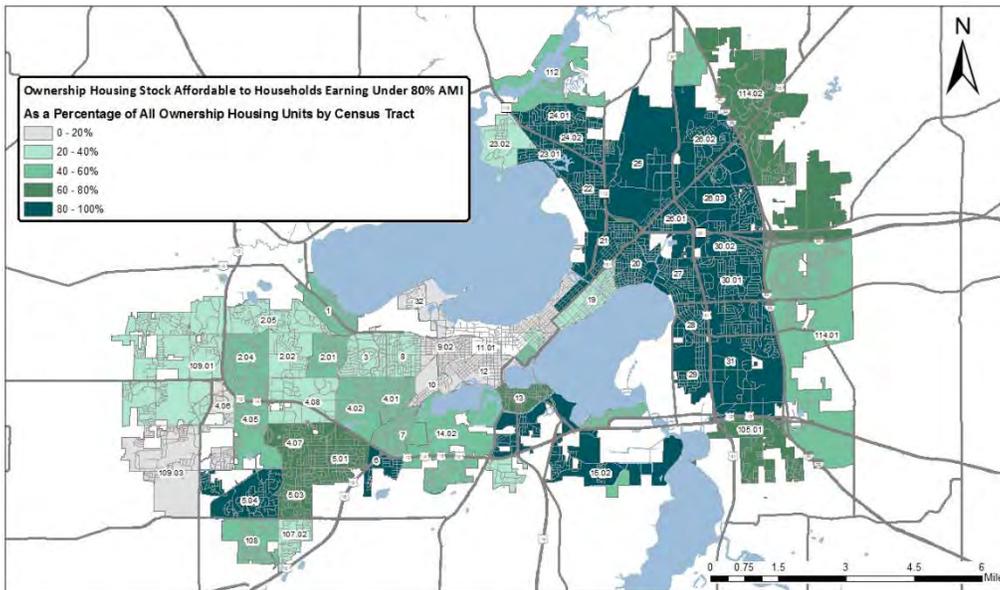
Figure 113: Ownership Accessibility by Household Income



Source: HUD FY Year Income Limits, Zillow Sales Price Aggregate Monthly Data 1996-2018

Median Bottom Tier is defined as the median of the bottom 1/3 of all homes sold, by sales price, in a given month. Author’s calculations for Affordability by Family Income assumes family size of 4. Affordability assumes no more than 30% of gross income to be contributed toward mortgage payment. Mortgage calculations assume 30-year fixed-rate, mortgage insurance, 4.65% interest rate, property taxes calculated at current mill rate for the City of Madison(24.2), 97% LTV. Homeowners insurance estimated at \$840 annually. Assumed closing and utility costs paid utilizing savings.

Figure 112: Ownership Units Affordable to LMI Households



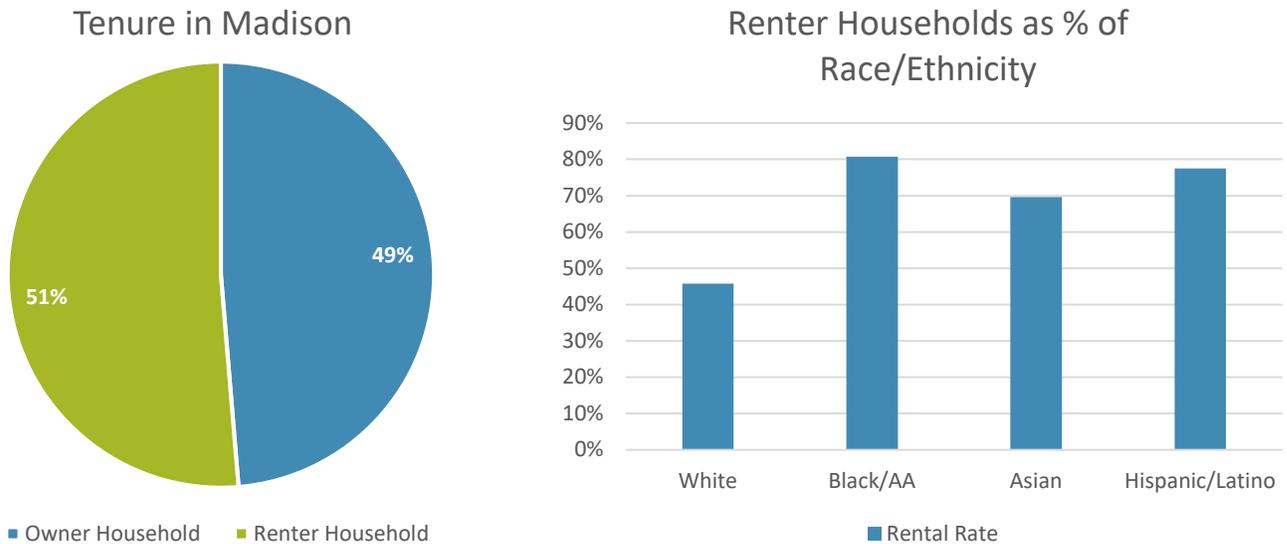
Thirty-nine percent of Madison households earn under 80% HAMFI annually, but only 25% of all homeowners are in this income level. The housing market in Madison has historically not produced enough homes at an affordable level to households earning under 80% AMI. Additionally, the affordable owner-occupied housing stock that does exist is unevenly distributed geographically, causing additional spatial impediments to housing choice. Areas in which this impediment is most apparent is

through west, central, and parts of south Madison, which offer few homes at a price affordable to low-income households (affordable to households earning at or below 80% AMI). Correspondingly, the north and east sides of Madison contain an abundance of ownership housing affordable to low-income households in comparison to other areas of the City. Much of west Madison contains fewer than 40% of ownership units that would be affordable to these households, in comparison to areas in south, east, and north Madison in which over 80% of ownership units would be affordable.

RENTAL

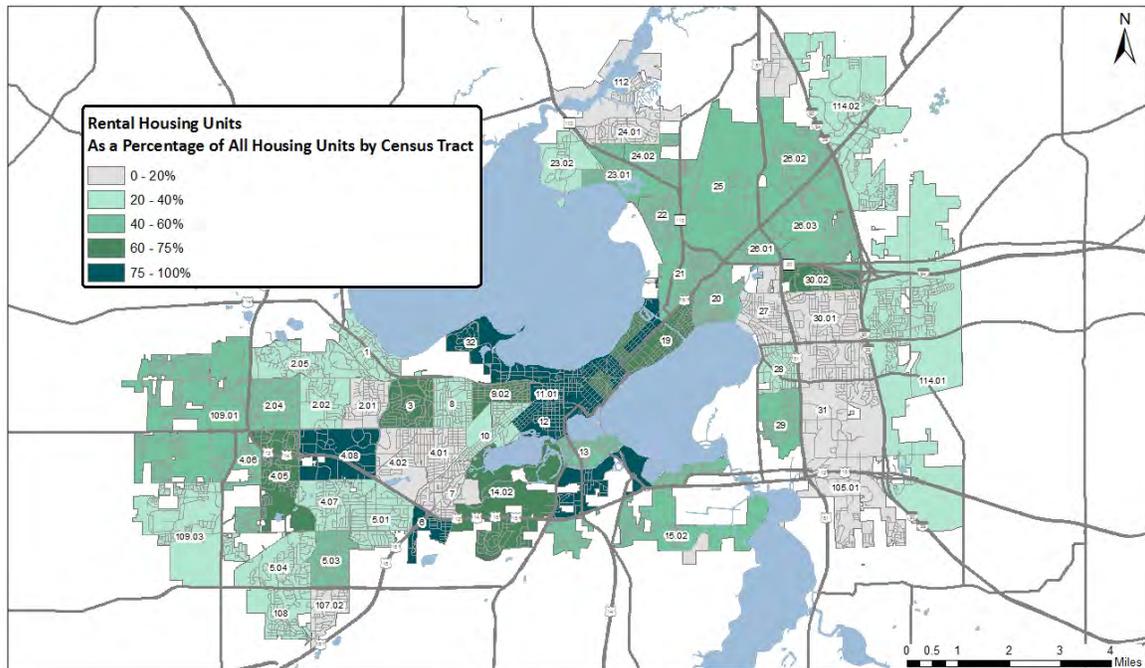
Fifty-one percent of all households within the City of Madison are renter households, even when omitting likely student renter populations. Rates as a percent of total by race/ethnicity vary for this tenure type, with White households being the only demographic less likely to be renters than homeowners. Seventy percent of Asian households are renter households, and nearly 80% of Hispanic/Latino and Black/African American households are renters within the City.

Figure 114: Tenure and Race/Ethnicity



Geographically, many areas of the City are predominately renter areas. Areas surrounding the University of Wisconsin campus have high rates of renter-occupancy, as well as the eastern isthmus and Census Tracts 4.08, 4.08, 6, 14.01, 14.02, and 30.02. Areas with extremely low shares of rental units include areas of near-west Madison and southeast Madison corresponding to single-family development with high rates of ownership.

Figure 115: Renter-Occupied Housing Units by Geography

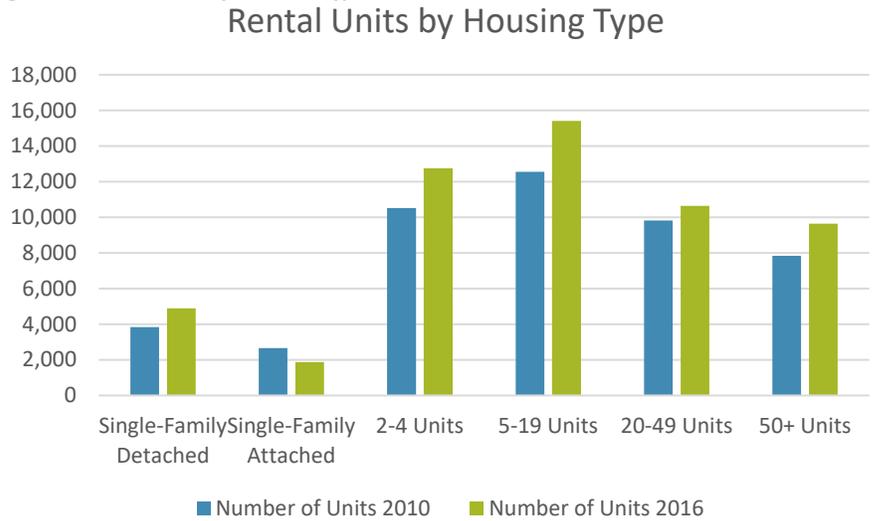


Source: 2016 ACS 5-Year Estimates

The majority of renter-occupied units are contained in multifamily structures, primarily in 2-19 unit buildings. Only 4,891 renter households live in single-family detached units, the most prevalent housing type in Madison (43% overall). This represents approximately 9% of all rental units in the City compared to 81% of all ownership units.

Per American Community Survey data, the largest growth in the production of renter-occupied units has been in structures with 5-19 units, followed by 2-4 unit structures and 50+ unit structures. Growth in the availability of rental housing has occurred in all structure types, with the sole exception of single-family attached housing.

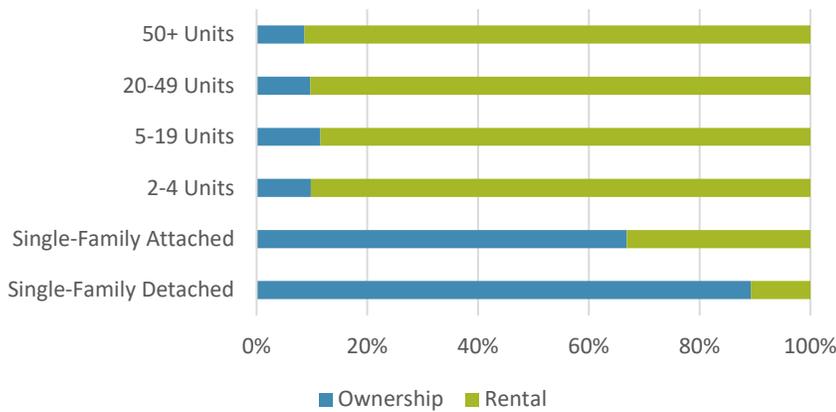
Figure 116: Rental Units by Structure Type



Source: 2016 ACS 5-Year Estimates

Figure 117: Percent Rental vs. Owner Units by Structure Type

### Percent Rental by Unit Type



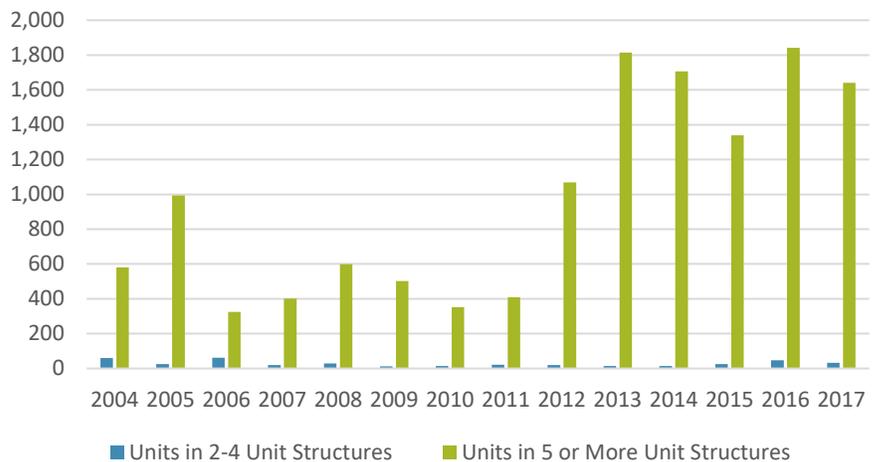
Source: 2016 ACS 5-Year Estimates

Rates of construction of likely rental units slowed during the recession, and were lower from 2004 to 2007, corresponding with an increase in condominium units, potentially indicating rentals were instead being developed as condominium units. Since 2011, however, there has been a drastic increase in the construction of new rental units, primarily in 5+ unit structures. This increase in renter-occupied units, along with a relative decrease in net gain of new households since 2014 has directly contributed to the modest increase in the rental vacancy rate, as reported by MG&E.

Approximately 90% of all units in structures with two or more units are renter-occupied units. Single-family attached units are approximately 34% renter-occupied as of the 2016 ACS, but have been decreasing in number for both rental and homeownership year to year, demonstrating a net loss in units that may indicate less market demand for this housing type overall within the City. Nearly 90% of all single-family detached homes are owner-occupied, signifying restrictions in availability for renter-households who may prefer this style of housing, while affording greater options for households that can afford to enter the homeownership market.

Figure 118: Permits for Units Likely to be Rental

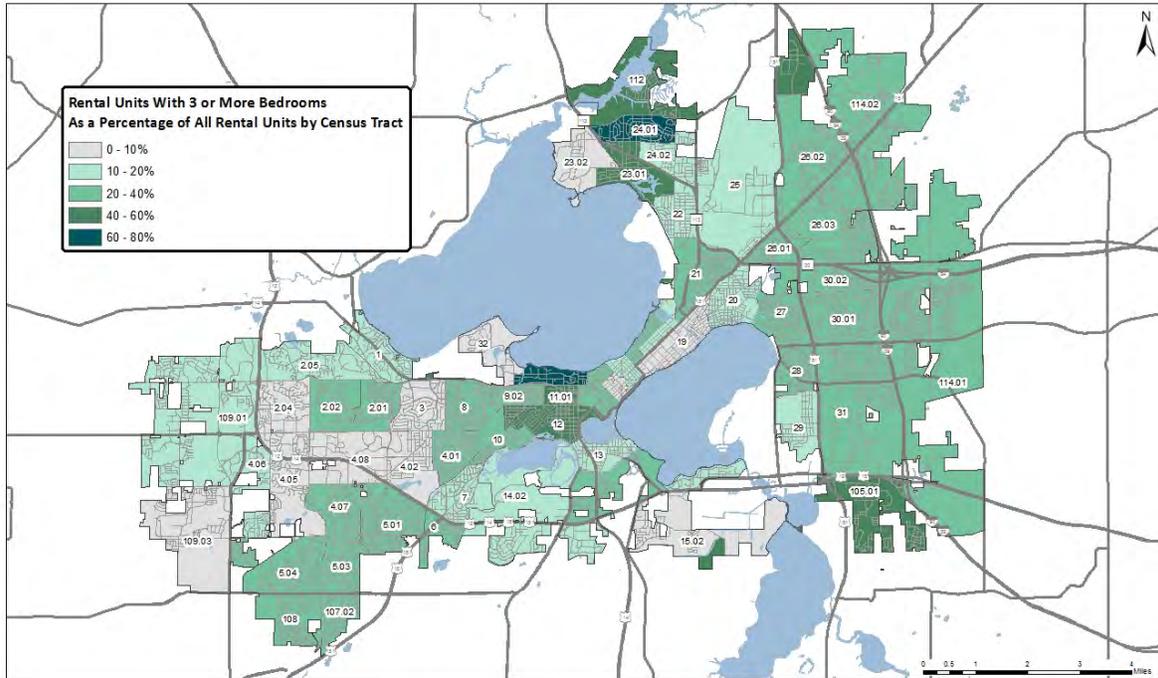
### Likely Rental Unit Permits



Source: City of Madison Building Inspection

Nineteen percent of rental units in Madison three bedroom units or larger. Areas close to the University of Wisconsin campus show the highest concentrations of large-bedroom rental units, although Census Tracts in north Madison (23.01, 24.01) also display increased prevalence of larger units. Other areas with above-average shares of large unit rentals include much of east Madison, southwest Madison, and the near-west side. Parts of west Madison (in gray below), as well as Census Tracts 15.02 and 19 contain few units available to large-household renters relative to the rest of the City, indicating a choice impediment in areas based on household size.

Figure 119: 3+ Bedroom Rental Unit Distribution

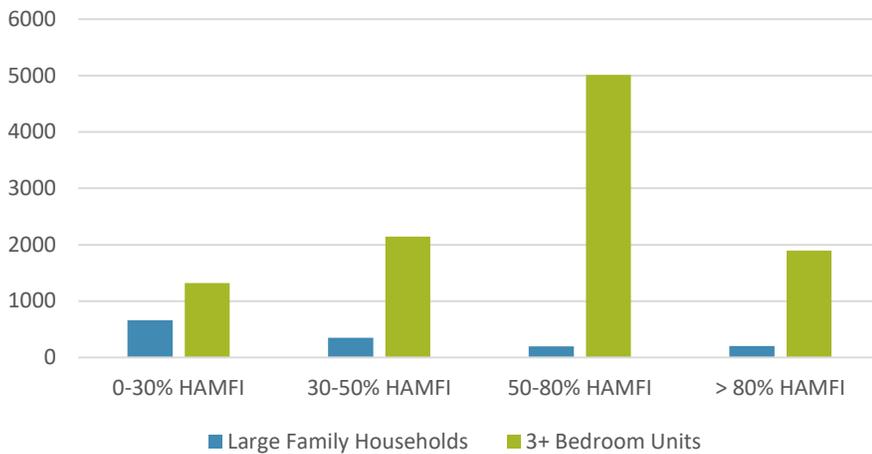


Source: 2010-2014 HUD CHAS

While nearly one in five units for-rent are characterized by three or more bedrooms, only 2.6% of all renter households are large family households, defined as five or more individuals. This would imply that many of these large rental units are being utilized by non-family households, likely easing accessibility for large families to obtain an appropriately sized unit simply due to number of units available. Affordability of units for families is still of concern, as larger units generally have higher median gross rents.

Figure 120: Availability of Large Unit Rentals vs Large Family Demand

### Unit Availability for Large Families

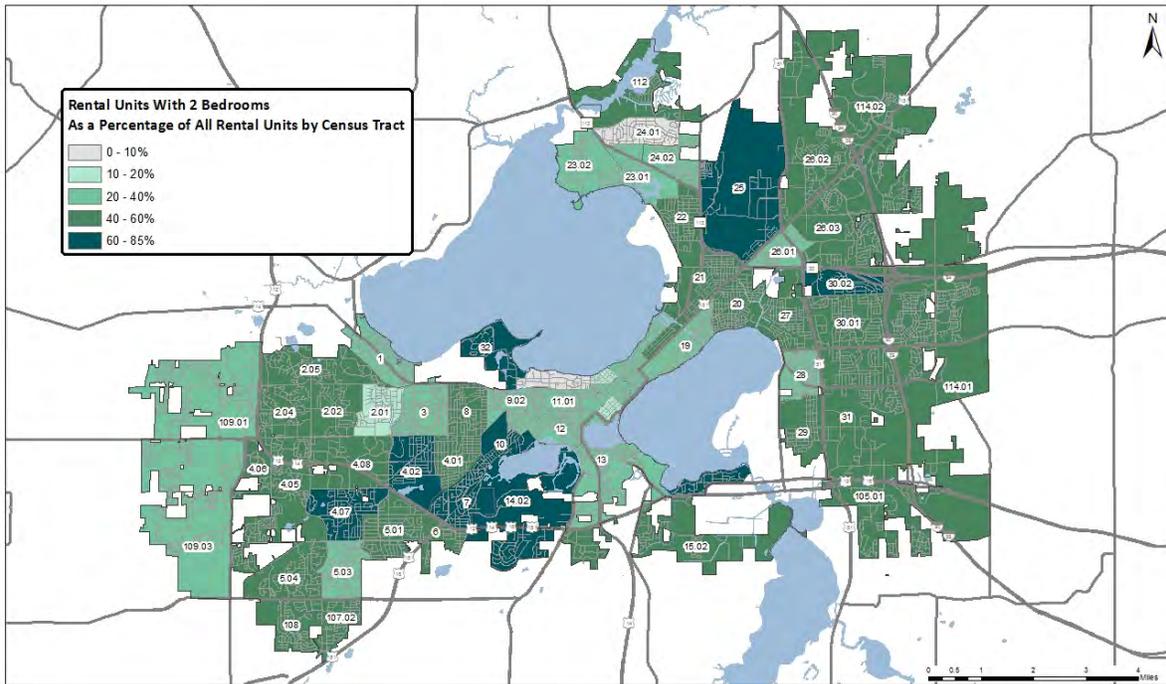


Source: 2010-2014 HUD CHAS Tables 7 & 15C

CHAS data collects gross rent by bedroom size, which allows comparison of family need to available units by different gross rents. Even when controlling for household income, the number of available units is low, even at the lowest affordability levels for larger households to reside in a unit without excessive cost burden or overcrowding. By some housing standards, a five-person household would require at least a four-bedroom unit. While not collected by CHAS to be displayed by gross rent, the American Community Survey estimates indicate that there are 2,825 rental units in the City with four or more bedrooms, twice the number of large family households.

While rental units with three or more bedrooms are generally concentrated in areas near the University of Wisconsin campus, two bedroom rental units are more evenly distributed throughout the City. Many areas display increased concentrations of this unit size, with decreased concentrations seen in areas near the University of Wisconsin and the isthmus. Census Tracts 2.01 and 24.01 display especially low prevalence of this unit size among rental units.

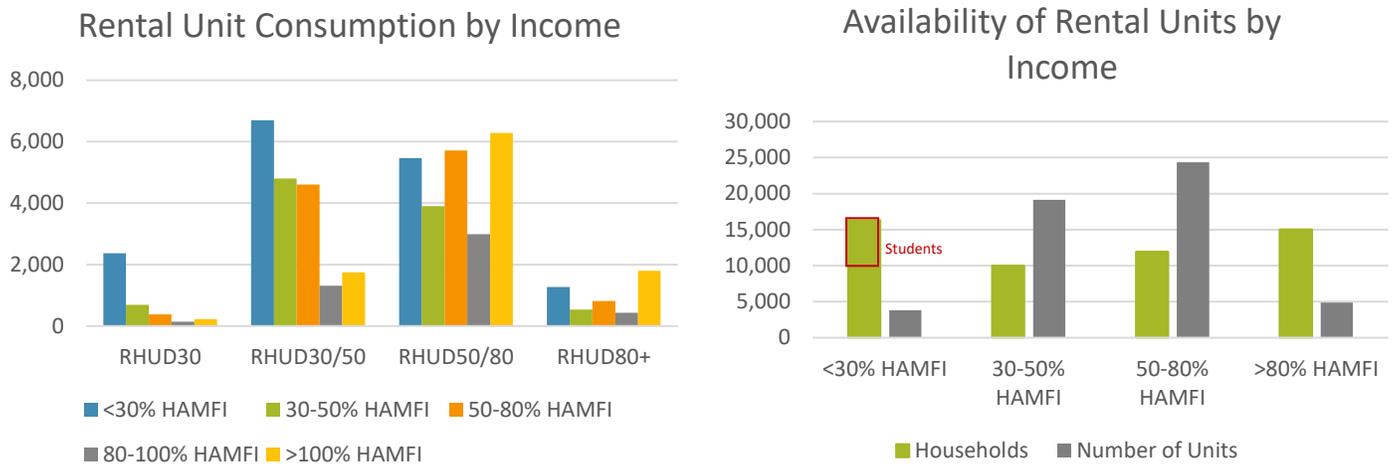
Figure 121: 2-Bedroom Rental Unit Distribution



Source: 2010-2014 HUD CHAS

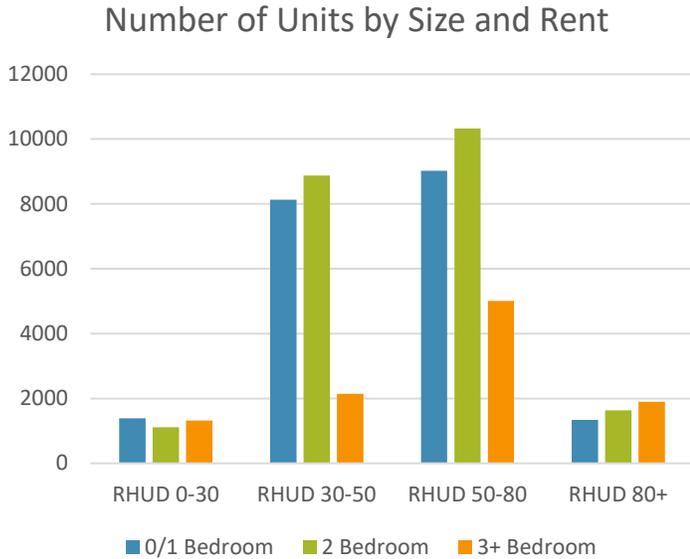
Of particular concern in the rental housing market is that households with higher incomes have the ability to “outcompete” lower income households for the same units of housing, sometimes demonstrating a behavior or pattern of “renting down” to units at a rate below what they could expect to afford (or paying far less than 30% of their income on housing costs). This is reflected in the relatively small number of units with gross rents that would be at the affordability limit for households at 80% HAMFI or greater (RHUD 80+). These households often rent units with lower gross rents in order to secure affordable housing. This is underscored by the fact that due to unit availability, lower-income households must often rent units above their affordability level, meaning that in order to rent an available unit they often cost burden themselves.

Figure 122: Rental Unit Consumption and Availability



Source: 2010-2014 HUD CHAS

Figure 123: Number of Units by Size and Rent



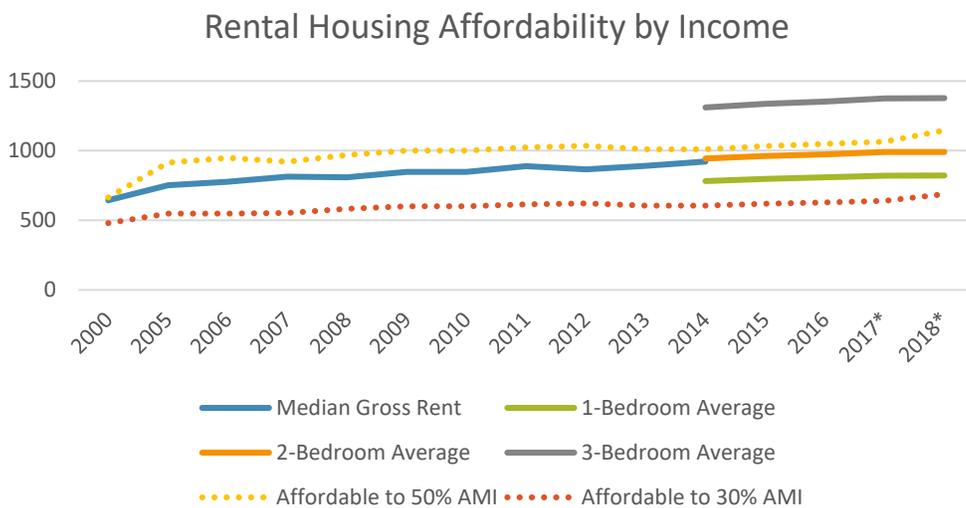
In considering rental units by price-point and bedroom size, there does not appear to be a large difference between the overall number of affordable units by bedroom size for units that would be affordable to households with incomes at 30% HAMFI or below. For units more in the “market” range of 30-80% HAMFI, there are many more units on the market that are 0, 1, or 2-bedroom units than 3-bedrooms. However, the 50-80% HAMFI range for rental cost displays a large increase of 3+ bedroom units in this gross rent range, indicating the increased costs associated with production and maintenance of 3+ bedroom units, as well as the general accessibility of these units to low and moderate-income households. 3+ bedroom units in this range (50-80% HAMFI) represent over 50% of all 3-bedroom units within the City.

Source: 2010-2014 HUD CHAS

## RENTAL AFFORDABILITY

Until 2015, the American Community Survey did not publish Median Gross Rent Estimates by Bedroom, instead providing Median Gross Rent by all units regardless of number of bedrooms. This makes past affordability estimates difficult, but compared to the three most recent years of aggregate listing data from ApartmentList.com, it appears that the reported median rent is somewhat similar to the two bedroom average rent. Since at least 2000, the median apartment in Madison has been affordable to a four person household earning 50% AMI. Since 2014, the average two bedroom unit would be affordable to that same household, but the average three bedroom unit would not.

Figure 124: Rental Housing Affordability



The development of subsidized affordable housing through the Section 42 Low Income Housing Tax Credit program is the primary method by which new affordable units are created. While the 20/50 (where at least 20% of units must be affordable to households earning at or below 50% AMI) and 40/60 (where at least 40% of units must be affordable to households earning at or below 60% AMI) set-aside eligibility requirements are key in furthering affordable housing opportunity, due to the relatively high median incomes in Dane

Source: ACS 1-Year Estimates, HUD FY Income Limits Family Size of 4, Apartment List Extrapolations

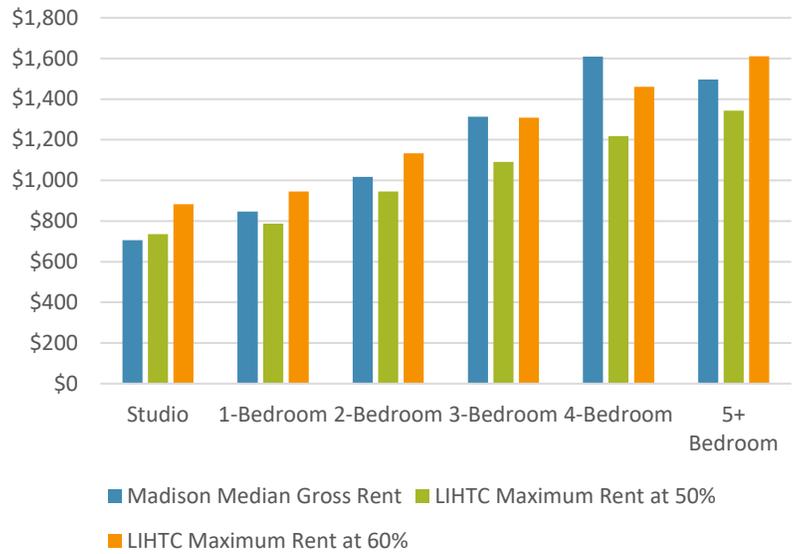
County, gross rents for units created through this program are inherently higher than for other areas of the State, even with Madison’s large extremely low-income population.

The Wisconsin Standard Multifamily Tax Subsidy Project Maximum Rent Limits for 50% AMI units are less than the City median at, 1-bedroom, and 2-bedroom unit sizes, and have remained at similar levels in recent years. In areas with a high number of units of naturally occurring affordable housing (lower median rents), a high proportion of 50% AMI and 60% AMI units may increase median rent in a geographic area dependent upon location.

Fortunately, this program employs income eligibility requirements for units, ensuring that those served in subsidized units are low-income households. Households may still rent units that are above of their affordability limit (for example, a household earning 30% of the AMI may rent a unit serving households earning at or below 50% of the AMI), finding themselves cost burdened in LIHTC developments, as the income eligibility is a maximum with a minimum determined by management of the development.

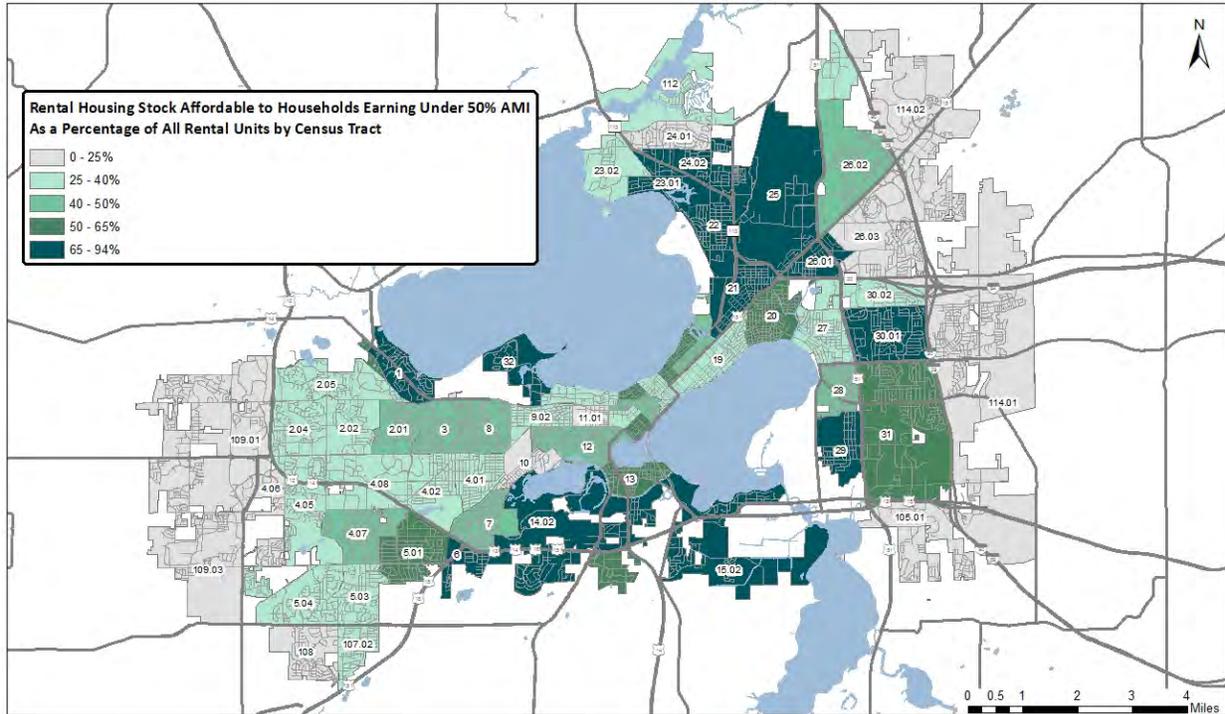
Figure 125: Median Gross Rent and LIHTC Rent

### Median Gross Rent and LIHTC Rent



Source: 2016 ACS 5-Year Estimates, 2016 WHEDA MTSP

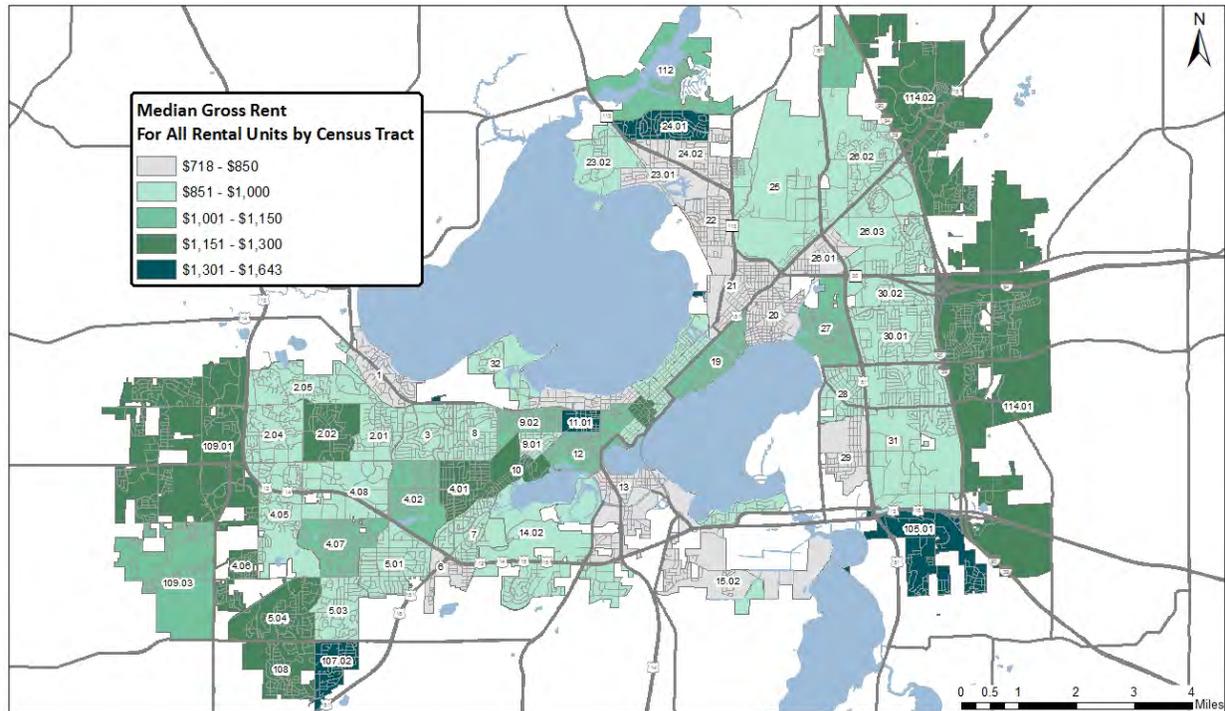
Figure 126: Rental Housing Stock Affordable at RHUD50



Source: 2010-2014 HUD CHAS

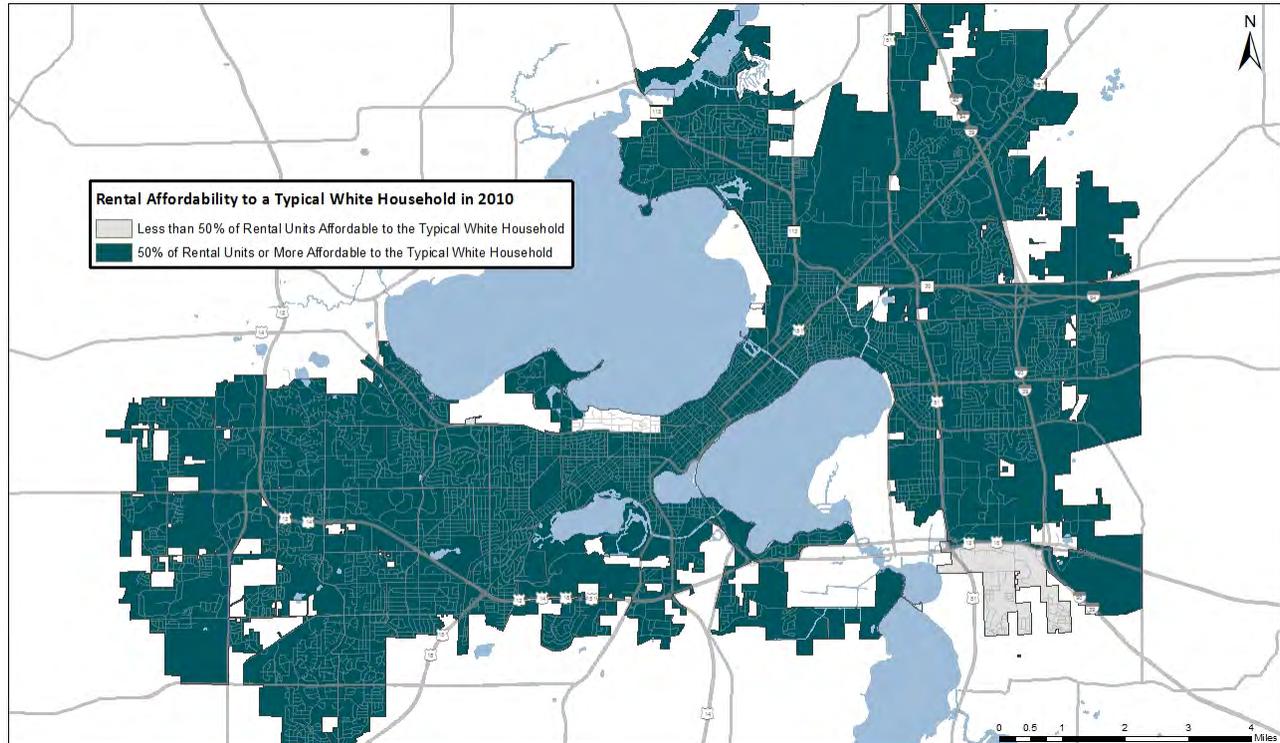
- Areas of Madison with the largest percentage of affordable units for households earning under 50% HAMFI include much of South Madison and North Madison, as well as Census Tracts 1, 29, 30.01, and 32. Many of these areas correspondingly show low median gross rents by Census Tract.
- Census Tracts 4.06, 10, 11.01, 24.01, and 26.03 are the only non-periphery tracts where fewer than 25% of rental units are affordable to households at 50% AMI, indicating limited housing choices for low-income households.

Figure 127: Median Gross Rent



Source: 2016 ACS 5-Year Estimates

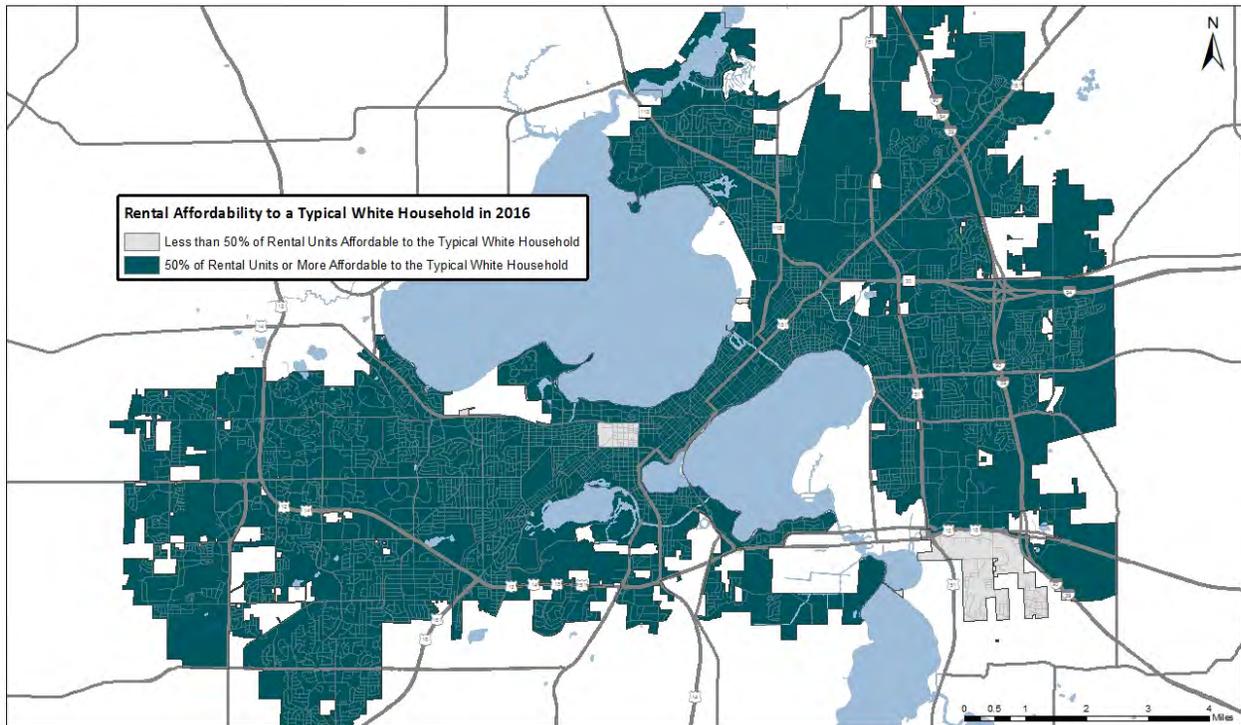
Figure 128: 2010 Rental Affordability to White Households



Source: 2006-2010 ACS 5-Year Estimates, Author's Calculations

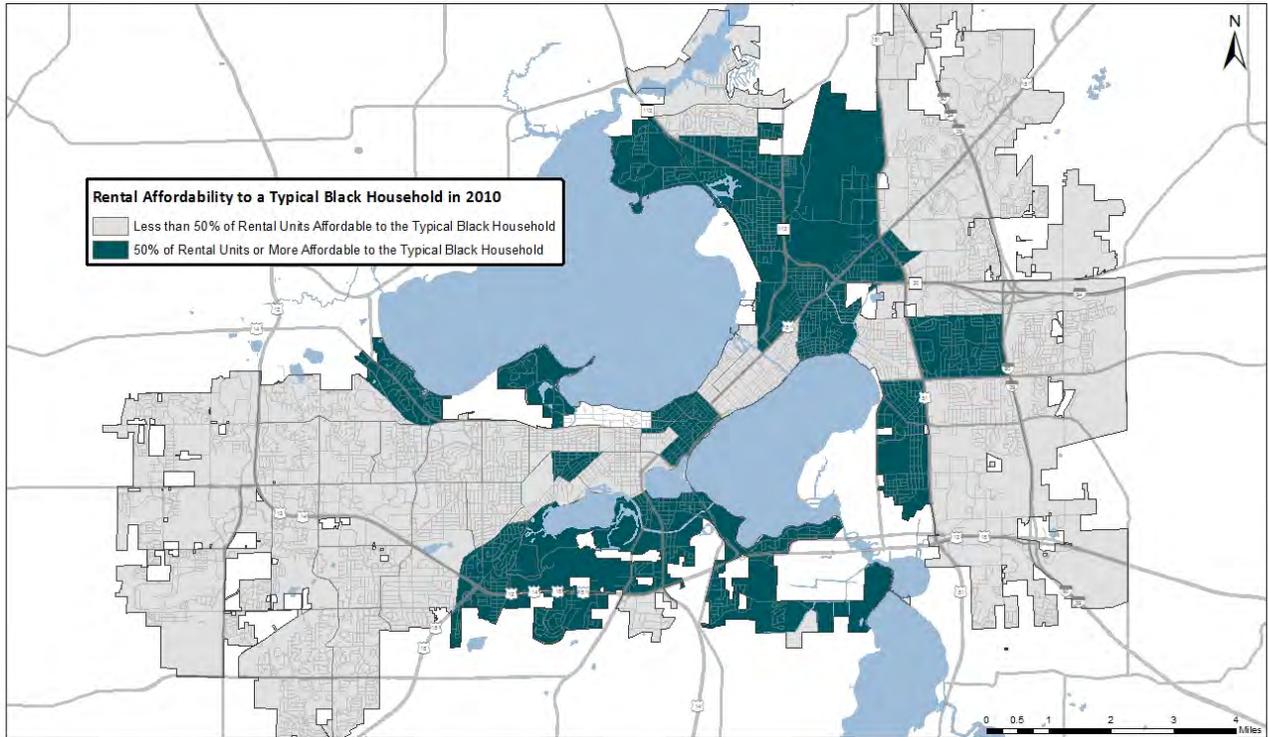
A major impediment to fair housing choice in the rental market is affordability of housing, which is based on both housing cost and income. A comparison of areas in which the typical White household could afford to rent 50% or more of all rental units without spending above their "affordability threshold" of 30% of household income is relatively unchanged from 2010 to 2016. This is representative of increasing incomes for this demographic that match or exceed increases in rent over the same timeframe.

Figure 129: 2016 Rental Affordability to White Households



Source: 2012-2016 ACS 5-Year Estimates, Author's Calculations

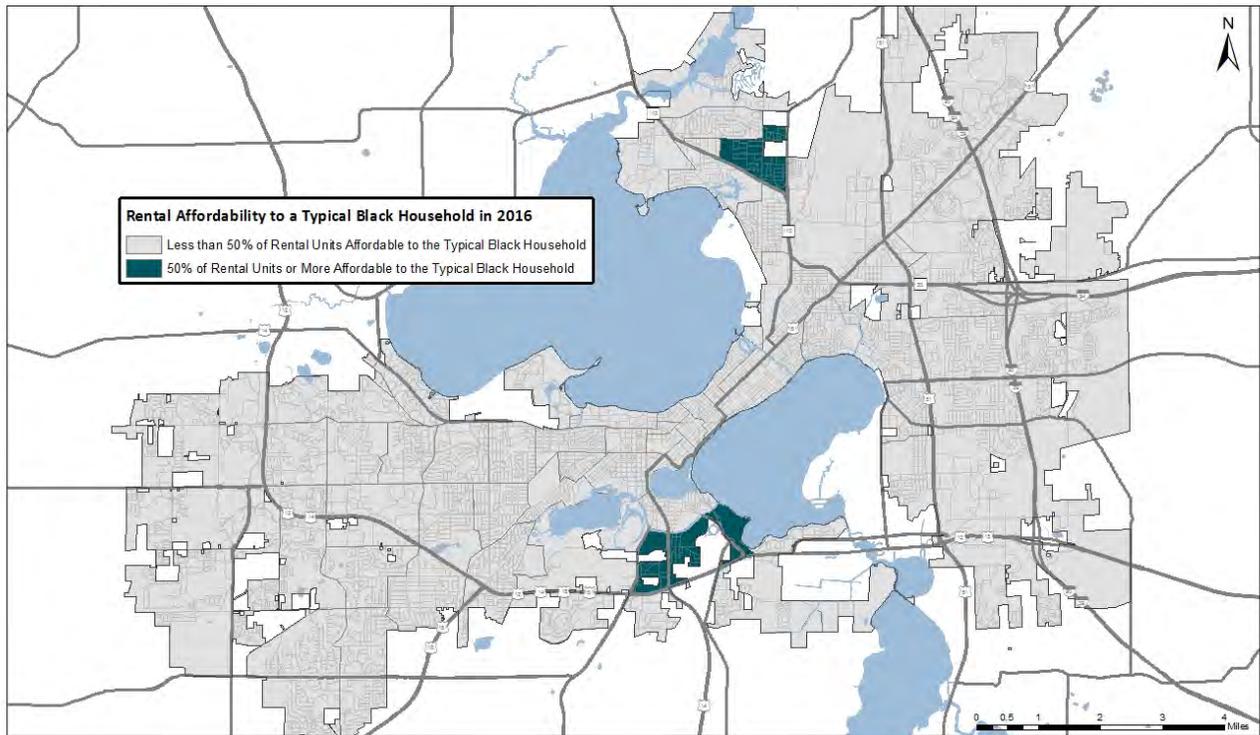
Figure 130: 2010 Rental Affordability to Black Households



Source: 2006-2010 ACS 5-Year Estimates, Author's Calculations

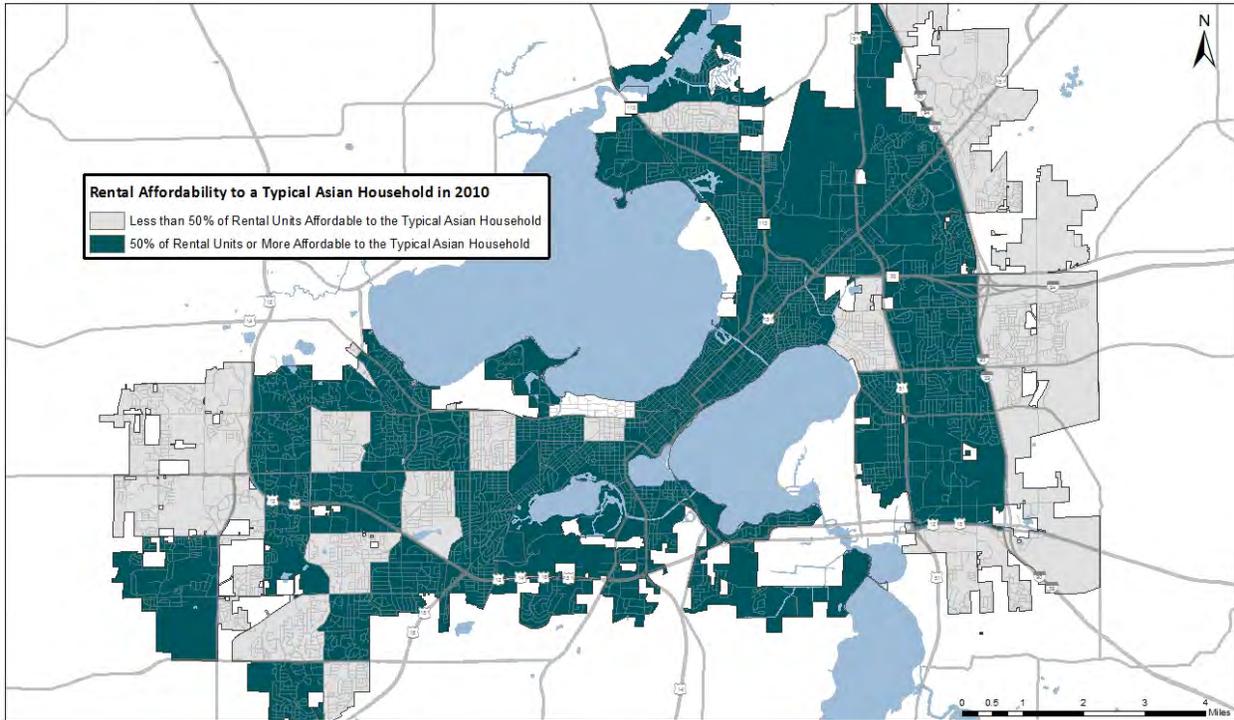
For Black/African American households, there has been a reduction in areas that are in generally affordable to the median household. While in 2010 much of the north and south sides of the City, along with other Census Tracts in the east, west, and central Madison were affordable to most Black households, rising rents, coupled with reduction in median income, has decreased the number of areas that are generally affordable for Black renters to two Census Tracts – Census Tract 14.01 and Census Tract 24.02.

Figure 131: 2016 Rental Affordability to Black Households



Source: 2012-2016 ACS 5-Year Estimates, Author's Calculations

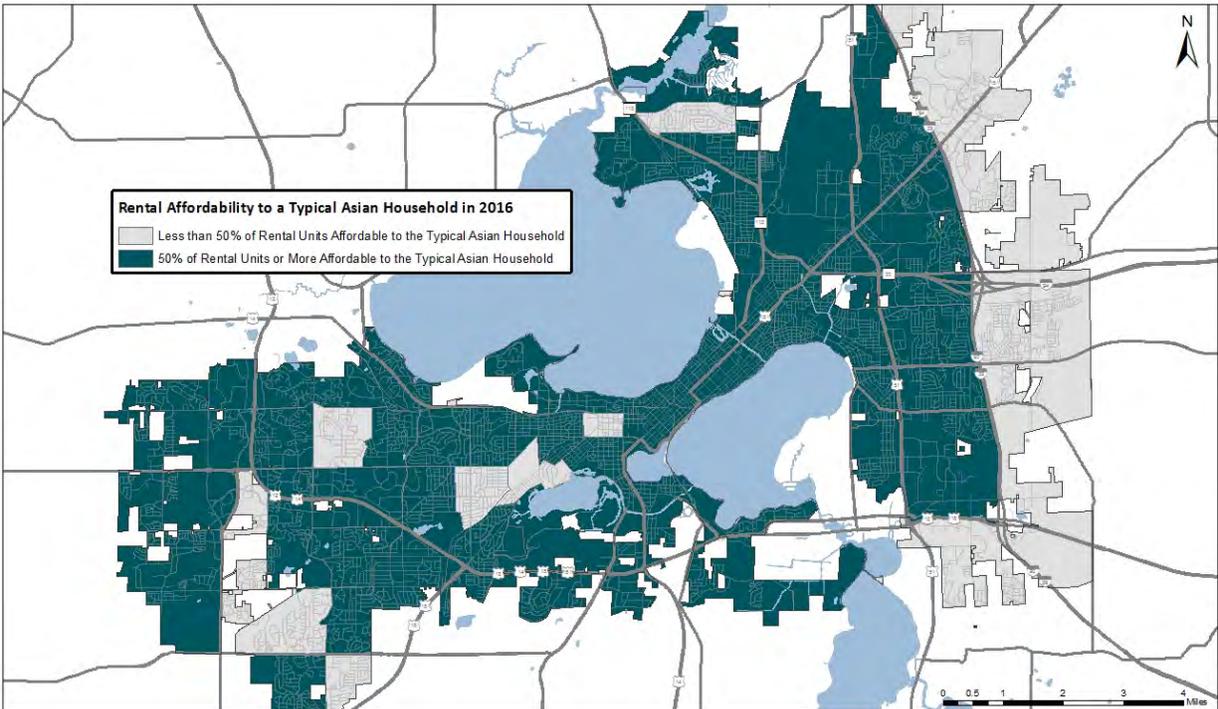
Figure 132: 2010 Rental Affordability to Asian Households



Source: 2006-2010 ACS 5-Year Estimates, Author's Calculations

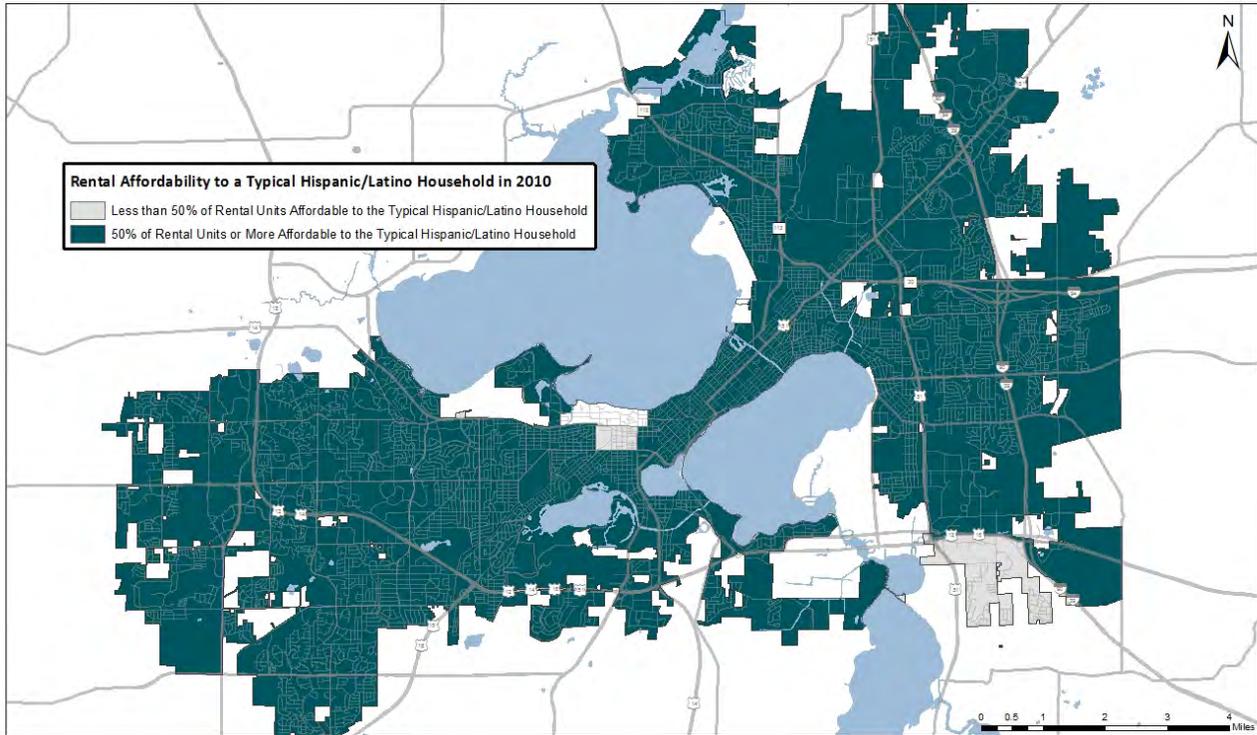
Rental affordability for the typical Asian household has remained relatively consistent between 2010 and 2016, displaying a slightly increased geographical area of affordability to a majority of the population. This is reflective of the Asian median income for the City rising at a rate above the rate of neighborhood rental cost increases, leading to increased accessibility of rental units. Much of the Monroe Street corridor and Westmorland became unaffordable over this timeframe, however, likely due to increases in housing costs.

Figure 133: 2016 Rental Affordability to Asian Households



Source: 2012-2016 ACS 5-Year Estimates, Author's Calculations

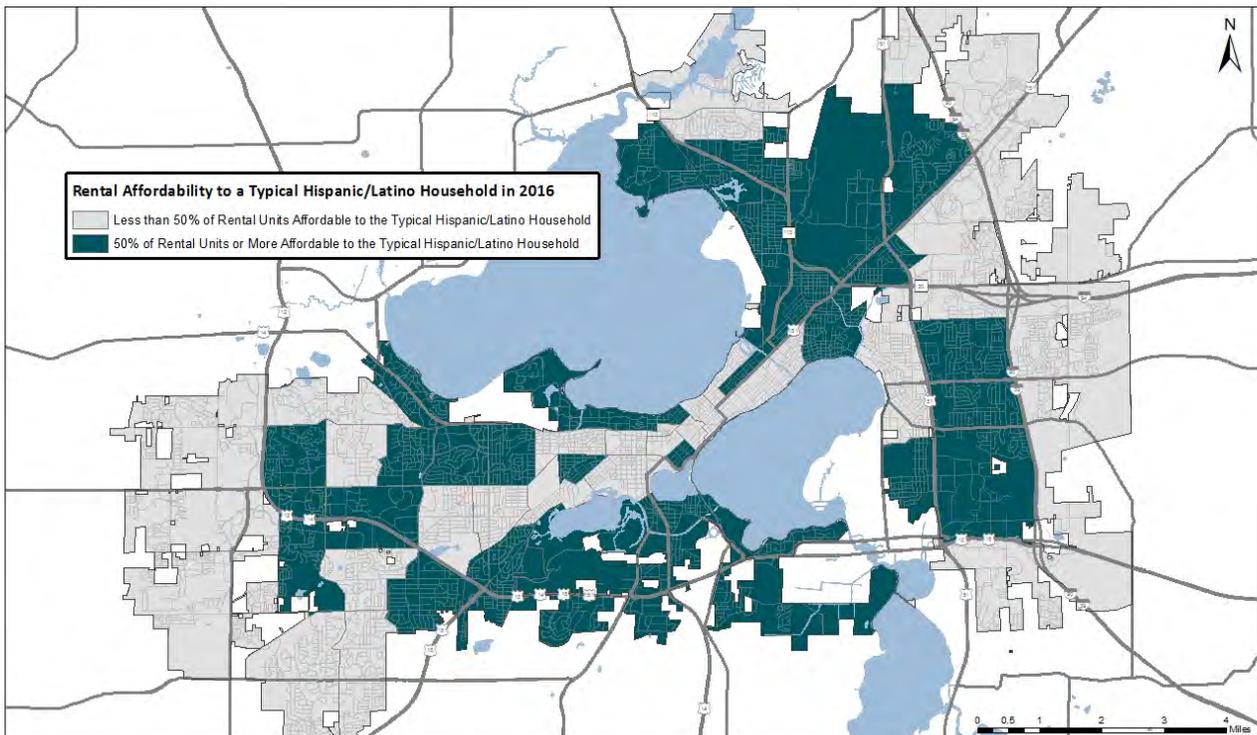
Figure 134: 2010 Rental Affordability to Hispanic/Latino Households



Source: 2006-2010 ACS 5-Year Estimates, Author's Calculations

For Hispanic/Latino households, there has been an overall reduction in areas affordable in the rental market. This is representative of a decreased median income for this ethnic group, coupled with an increase in rental rates from the year 2010 to 2016. Areas that have generally retained their affordability for this demographic include much of north and south Madison, several areas of south and southwest Madison, and select areas of east Madison.

Figure 135: 2016 Rental Affordability to Hispanic/Latino Households



Source: 2012-2016 ACS 5-Year Estimates, Author's Calculations

## HOUSING PROBLEMS

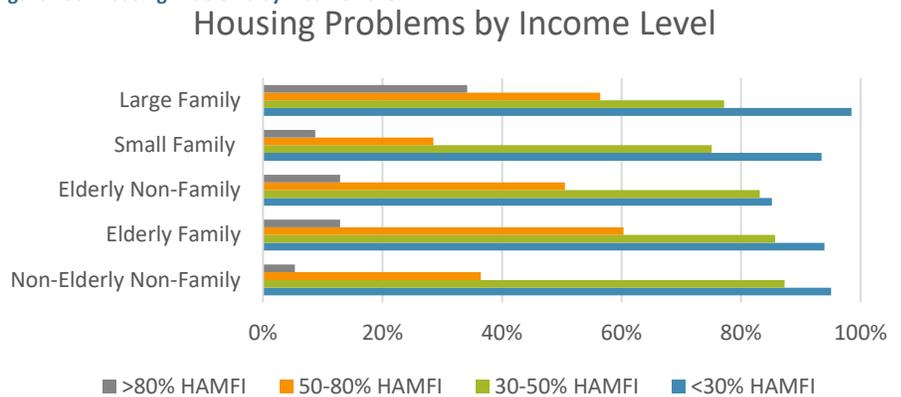
The US Department of Housing and Urban Development defines four specific housing problems in its data and research:

1. The unit lacks complete kitchen facilities
2. The unit lacks complete plumbing facilities
3. The household is overcrowded
4. The household is cost burdened (>30% of income is paid toward gross rent)

Many of these problems are uncommon in the United States a whole, and even less so in the City of Madison. In addition to the HUD defined housing problems, it is common for households to experience other housing problems either in the housing market or from a deficiency of the unit itself. Other problem areas identified in past City, academic, and HUD reports include:

1. Under-consumption (higher-income households renting units affordable to lower-income households)
2. R/ECAPs (Racially/Ethnicity Concentrated Areas of Poverty)
3. Areas of Racially Concentrated Affluence
4. Low Vacancy Rates
5. Segregation by Race
6. Eviction & Housing Discrimination
7. Lending Policies and Practices that impact protected classes of purchasers

Figure 136: Housing Problems by income Level



Source: 2010-2014 HUD CHAS

## AFFORDABILITY & CONSUMPTION

Income is central to housing affordability. Surveying a range of income groups for both starting and median wages for different occupations within the City, the following table provides a range of what would be affordable to individuals in both for-sale and rental markets. For instance, tracking the median sales price of the bottom third of homes sold in Madison is a good approximation of the average “entry-level” or “starter” home that would qualify to those in entry-level career positions.

**Table 27: Housing Affordability by Common Occupation Types**

Occupation	Entry-Level Wage (Annual)	Median Wage (Annual)	Maximum Home Value at Entry-Level Wage	Maximum Home Value at Median Wage	Affordable Gross Rent at Entry-Level Wage	Affordable Gross Rent at Median Wage
Bartenders	\$16,460	\$19,410	\$59,000	\$69,000	\$412	\$485
Retail Salespersons	\$16,680	\$22,290	\$60,100	\$79,800	\$417	\$557
Childcare Workers	\$17,600	\$23,920	\$63,000	\$85,400	\$440	\$598
Restaurant Cooks	\$19,470	\$24,900	\$69,700	\$89,200	\$487	\$623
Janitors and Cleaners	\$18,900	\$25,490	\$67,500	\$90,625	\$473	\$637
Teacher Assistants	\$20,300	\$29,650	\$72,700	\$106,100	\$508	\$741
Pharmacy Technicians	\$22,350	\$34,240	\$80,100	\$122,600	\$559	\$856
Dental Assistants	\$32,450	\$39,280	\$116,300	\$140,600	\$811	\$982
Construction Laborers	\$27,430	\$42,610	\$98,200	\$152,000	\$686	\$1,065
Licensed Practical and Vocational Nurses	\$36,170	\$46,100	\$129,500	\$164,000	\$904	\$1,153
Child, Family, and School Social Workers	\$31,790	\$48,650	\$113,800	\$173,600	\$795	\$1,216
Firefighters	\$21,720	\$49,840	\$77,500	\$178,400	\$543	\$1,246
Elementary School Teachers	\$40,790	\$56,160	\$146,100	\$200,400	\$1,020	\$1,404
Middle School Teachers	\$41,640	\$59,270	\$148,100	\$211,500	\$1,041	\$1,482
Police and Sheriff's Patrol Officers	\$47,480	\$65,610	\$169,400	\$234,800	\$1,187	\$1,640

Source: 2018 Bureau of Labor Statistics, Author's Calculations  
Calculations based on single-income households.

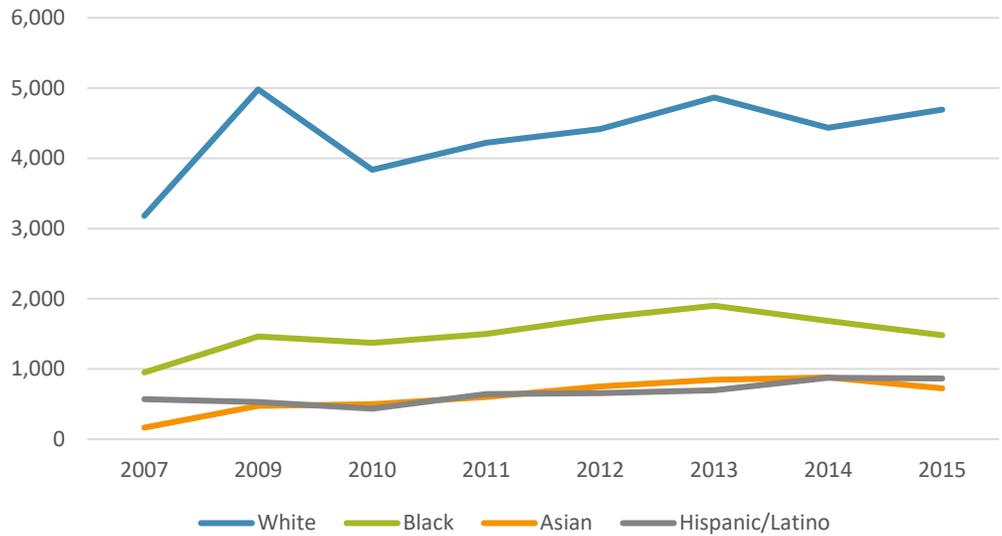
As of February 2018, Madison has a median bottom-tier home value of \$174,200, which would be unaffordable to all of the listed occupations at an entry-level wage, and only affordable to four of the listed occupations at the median wage. Approximately 44.6% of all Madison households and 52.1% of all individuals earn below \$50,000 annually, making homeownership often unattainable to many households, even at values for the median starter home within the current housing market.

Housing affordability is discussed in other sections in this report for both Madison's renter- and owner-occupied housing inventory; please refer to those sections for tenure-specific affordability limits.

The City of Madison’s 2015-2019 Consolidated Plan defines all households with severe housing cost burden to be at-risk of homelessness. Per this definition in the Consolidated Plan, 14,565 renter households, or 28% of all renter households in Madison, are potentially at-risk. Of particular concern for this analysis are severely cost burdened rental households earning between 0% and 30% of the HUD Area Median Family Income. This statistic lowers the income level requirement further from HUD’s “worst case” data<sup>5</sup>, reflecting households potentially at an even more severe risk of homelessness than either statistic. Representing an average of 25% of all renter households, households in this category of “extreme need” (0-30% HAMFI, severely cost burdened) face increased difficulty in maintaining stable housing that will remain affordable over an extended period.

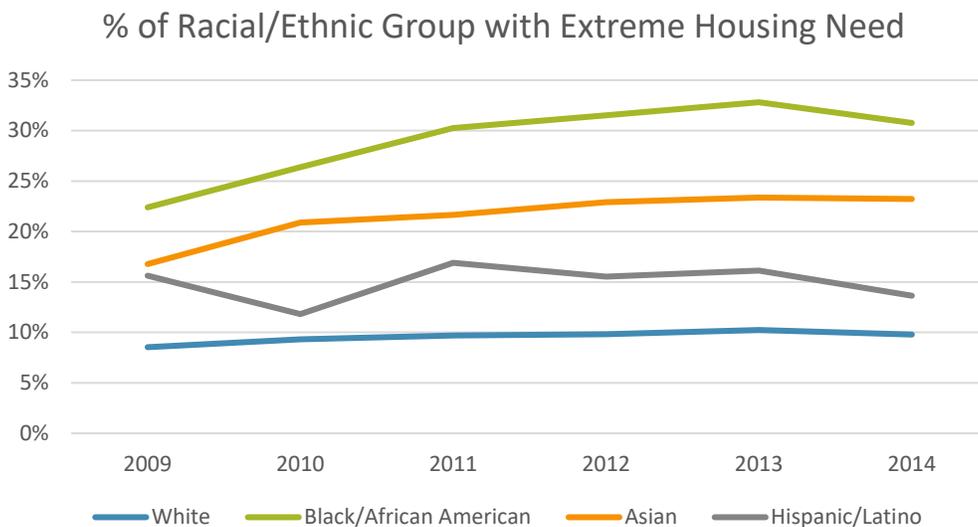
By race/ethnicity, White households comprise the largest number of households in “extreme need,” or at a severe risk of housing instability. However, when adjusted for total number of households in each demographic, data shows that Black households and Asian households are nearly three and two times more likely, respectively, to be low-income and severely cost-burdened as renters.

Figure 137: Extremely Low-Income and Severely Cost-Burdened Households by Race/Ethnicity



Source: 2005-2015 HUD CHAS

Figure 138: Percent of Each Racial/Ethnic Group that is Extremely Low-Income and Severely Cost-Burdened



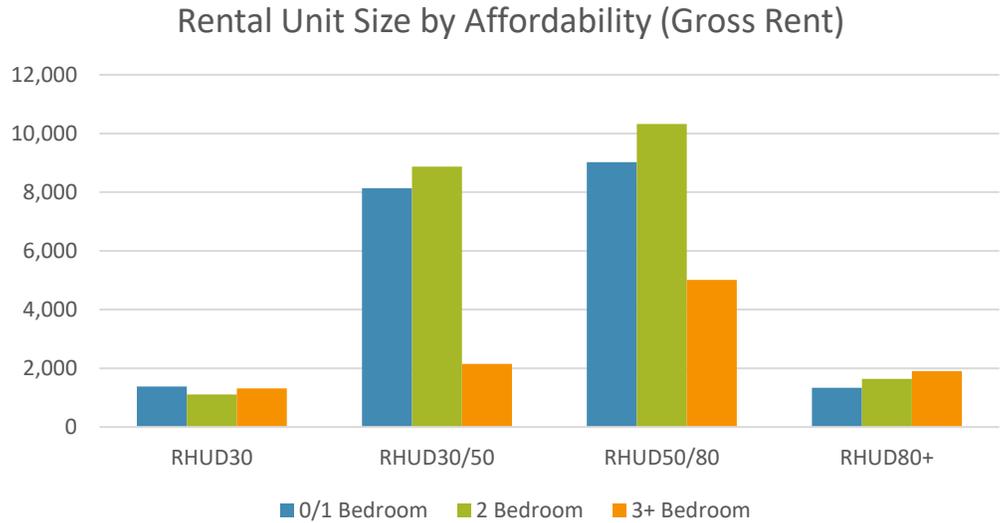
Source: 2005-2015 HUD CHAS

Hispanic/Latino households display relatively consistent rates when averaged over the period from 2009 to 2014, and White household display consistency overall during the same period. From 2009-2014, the rate of extreme housing need for Black/African American households increased from 22% to 31%, and for Asian households from 17% to 23%. Though decreasing as a share of total population from 2013 to 2014, these large increases in the percentage of extremely low-income, severely cost burdened households over a relatively short timeframe should continue to be monitored to ensure they do not increase further.

<sup>5</sup> US Department of Housing and Urban Development 2015 Report to Congress

The City of Madison contains approximately 55,385 units of rental housing, an increase of approximately 3,385 since 2014. This represents 52.4% of all housing units in the City, displaying a sustained increase in both the supply and demand of renter-occupied units. Due to data limitations, the most recently available data for rental units by rent, income, and tenure is from the 2010-2014 HUD Comprehensive Housing Affordability Strategy, which is based on the 2010-2014 American Community Survey Five-Year Estimates.

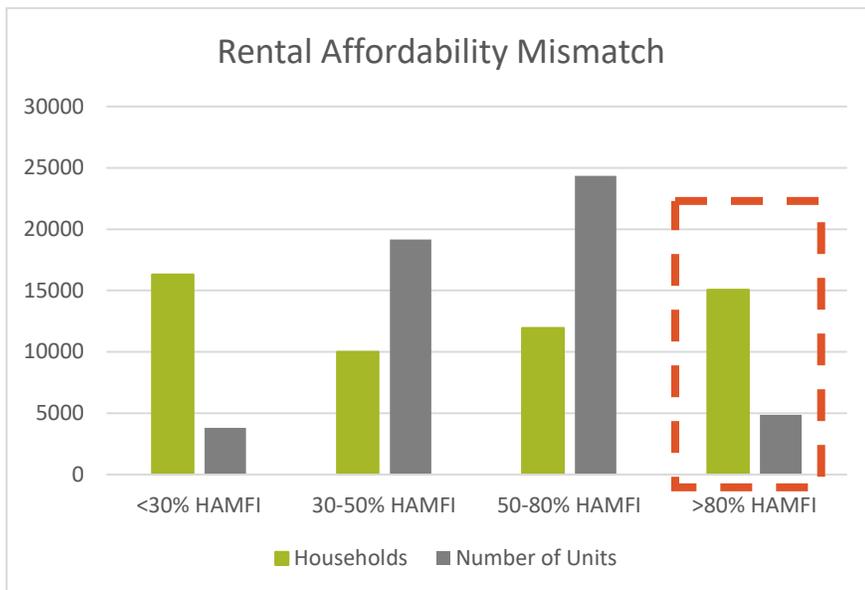
Figure 139: Rental Unit Size by Affordability



Source: 2010-2014 HUD CHAS

Regardless of size, the most common gross rent range are units that would be affordable to households earning 50-80% of the HUD Area Median Family Income, which equal a gross rent between \$1,010 and \$1,616 per month. While there are significant numbers of units in the market that rent for prices that would be affordable to households earning 30-50% HAMFI, 40% of those units are rented by households earning greater than 50% HAMFI – with 40% of those households being moderate to high-income households (>80% HAMFI). This signifies that in the Madison rental market, moderate- to high-income households are displaying behaviors of “renting down,” or occupying housing units well below what they could reasonably afford (due to either a preference for lower-cost housing units or to an insufficient inventory of housing units affordable to them) while “pricing out” lower-income households from those units. This behavior and the nature of the housing supply-demand mismatch creates fewer opportunities to maintain affordability for extremely low- and very low-income households Citywide.

Figure 140: Affordable Rental Cost and Households by Income



Source: 2010-2014 HUS CHAS

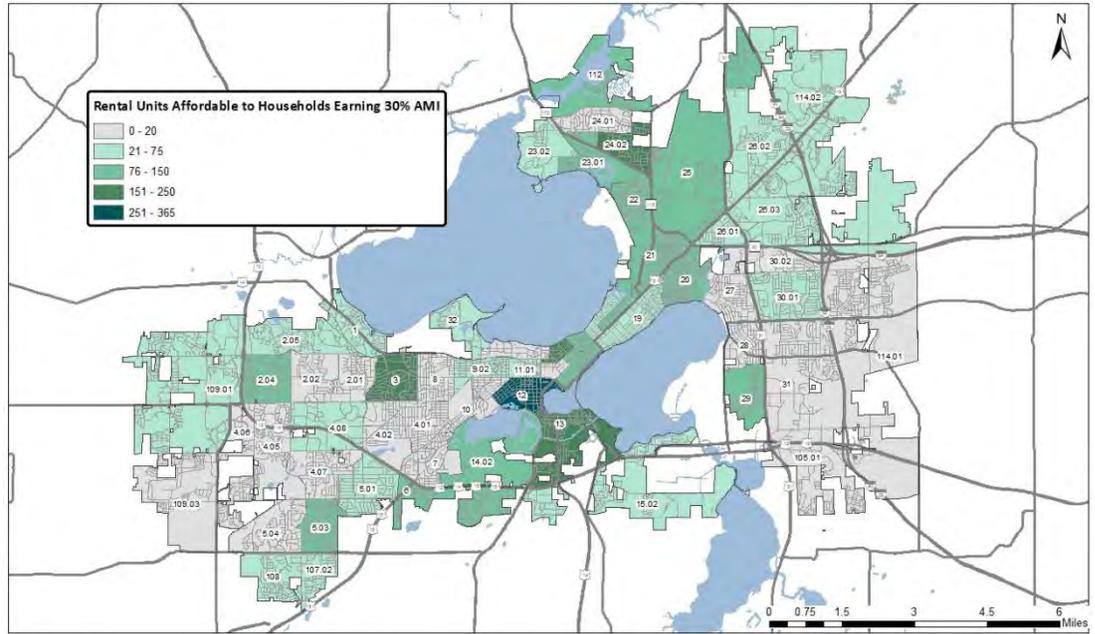
Comparing the number of affordable units available and number of households at each income level shows the largest disparities in availability of affordable units are for extremely low-income households and moderate- to high-income households in the City.

Source: 2010-2014 HUD CHAS

While this indicates that Madison has a relative large amount of affordable housing for moderate-income populations (or an “over-supply” of housing affordable to households earning between 30% and 80% of the HAMFI), it also indicates a large shortage of affordable housing options to the lowest income households in Madison, exacerbated by the effect of higher-income households renting down within the market.

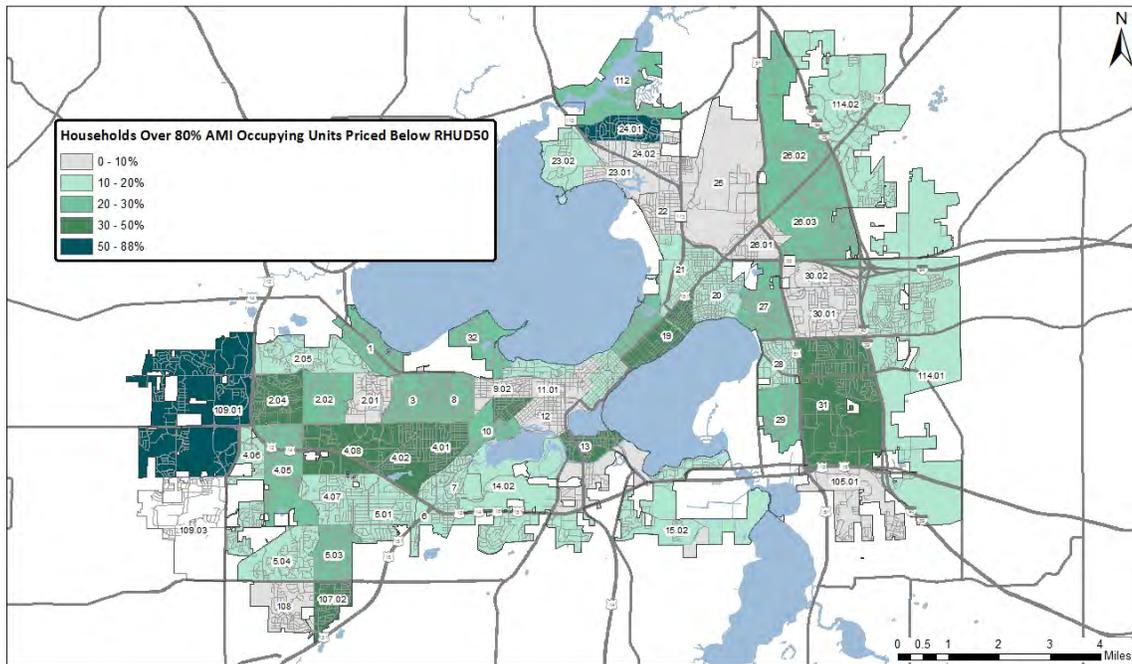
Geographically, there are many areas of the City of Madison which provide few housing opportunities to extremely low-income households. Areas in gray have fewer than 20 units available to these households per Census Tract. Aside from Census Tract 12, which contains a large number of government-assisted (subsidized or otherwise rent-restricted) housing opportunities, there are no areas that contain over 250 units available for ELI households. Areas that contain between 151 and 250 units include Census Tract 24.02 in North Madison, Census Tract 13 in South Madison, Census Tract 3 in West Madison, and Census Tracts 16.03 and 16.04 in the University of Wisconsin’s campus area.

Figure 141: Rental Units Affordable to Extremely Low-Income Households



Source: 2010-2014 HUD CHAS Table 15C

Figure 142: Moderate- to High-Income Households Occupying Units Affordable to Lower-Income Households



Source: 2010-2014 HUD CHAS Table 15C

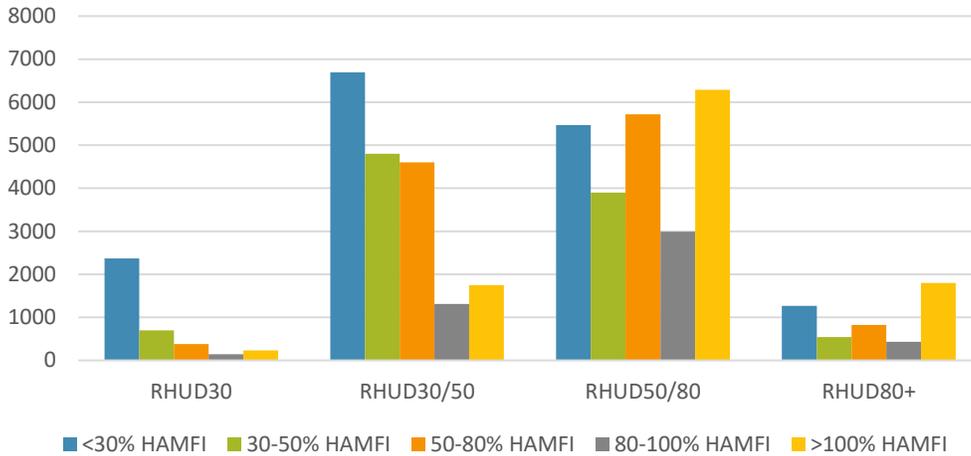
To illustrate the areas where rental housing affordable to extremely- or very low-income households is occupied by moderate to high-income households, the map below illustrates >80% HAMFI households as a percent of all available units that would be affordable to a household earning 50% HAMFI or less, adjusted for household and unit

bedroom size. Areas with higher proportions of upper-income renters in lower-cost units are the Marquette neighborhood, Vilas, Westmorland, Midvale Heights, and Arthur Ridge, as well as Census Tracts 24.01 and 31. Over 30% of units in the aforementioned areas that are affordable to extremely or very low-income households are leased to moderate- and high-income households.

Figure 143: Rental Consumption by Household Income

The graph below underscores the trend that large numbers of extremely low-income households are living in units well above their affordability limits. Due to the ability to map these areas, approximately 5,300 of these households are likely student households living in areas in close proximity to the University of Wisconsin campus. However, even if all of these likely student households are removed from the two highest gross rent categories, that would still indicate approximately 1,500 extremely

### Rental Unit Consumption by Income



Source: 2010-2014 HUS CHAS

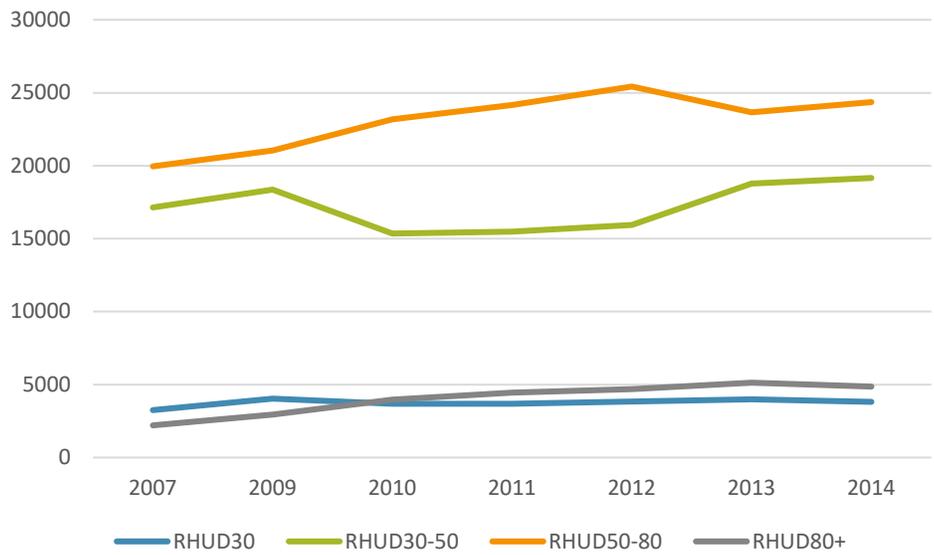
low-income renter households occupying units priced at RHUD 50 or Higher.

While units have been consistently added to the rental market, their affordability as measured by HUD has fluctuated over time. Most notable is the number of units for rent at rates affordable to households earning between 30% and 80% of HAMFI, which fluctuated between 2009 and 2013. Affordability in number of rental units shifted during these years, with more units becoming less affordable to households earning between 30-50% HAMFI. This is likely due to steady increases in rental rates of units while median incomes rose at a much lower rate from \$24,000 to \$24,850 for a family of four at 30% HAMFI and from \$40,000 to \$41,450 for a family of four at 50% HAMFI between the years 2009-2012. These years also saw an increase in the number of renters in the market overall, decreasing vacancy rates and increasing competition for units, putting upward pressure on rental rates throughout the City.

Over this timeframe, there have been essentially no new net units that are affordable to a household earning at or below 30% of the HUD Area Family Median Income, while there was a more than 100% increase in the number of units affordable only to those earning 80% HAMFI or greater. It should be noted that many of the new student housing options in the University of Wisconsin campus area include numerous units that rent within this price range, so this increase is not solely attributable to market-rate apartment construction.

Figure 144: Units Available by Affordability

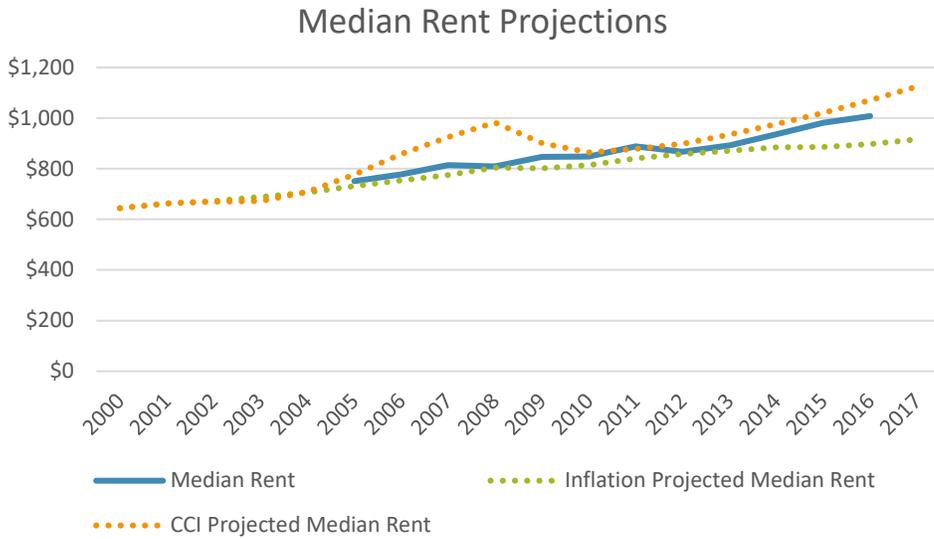
### Available Units by Affordability



Source: 2010-2014 HUS CHAS

A common theme covered by local media and in conversation with non-profit housing providers regarding housing affordability is the drastic increase in rental prices within the City. To attempt to determine the reasons for these increases beyond the low vacancy rate and tightening of the market overall, median rent prices for the reference year 2000 were indexed to inflation as well as a construction cost index to compare rate increase scenarios. The American Community Survey/Census Bureau median rent is denoted by blue, an annual projection tied to construction cost index in orange, and an annual projection tied to inflation in green.

Figure 145: Median Rent Projections



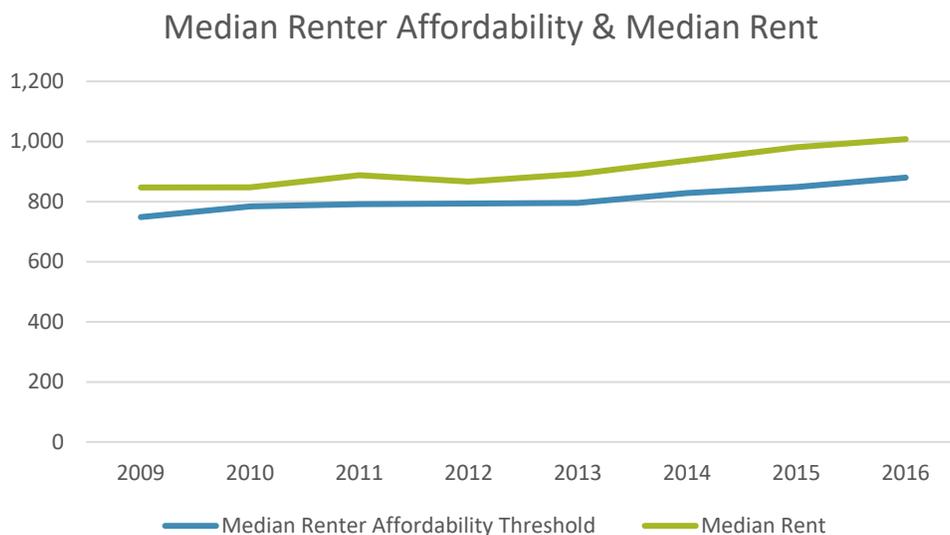
Aside from the spike in construction cost indexed rent from 2005-2008, rental price increases have appeared to remain constant with increases in construction costs for the Madison Metropolitan Statistical Area since 2011, and have risen more gradually with projections based on constructions cost than inflation since that time.

Median rent in Madison reached a value over \$1,000 for the first time in 2016, and under the indexed projections are expected to continue rising once 2017 and 2018 ACS estimates become available.

Source: Decennial Census, American Community Survey 5-Year Estimates, Bureau of Labor Statistics

Within the City of Madison since 2009, the majority of rental units have never been affordable to the majority of renters. This discrepancy in housing costs compared to household income exacerbates the housing cost burden for renters. Since 2013, the gap between the median household affordability threshold and median rent has increased, indicating that even with rising renter incomes over time, there are not enough lower cost units coming online in the market to stabilize housing prices or maintain existing affordability.

Figure 146: Median Rent Compared to Median Renter Affordability Threshold

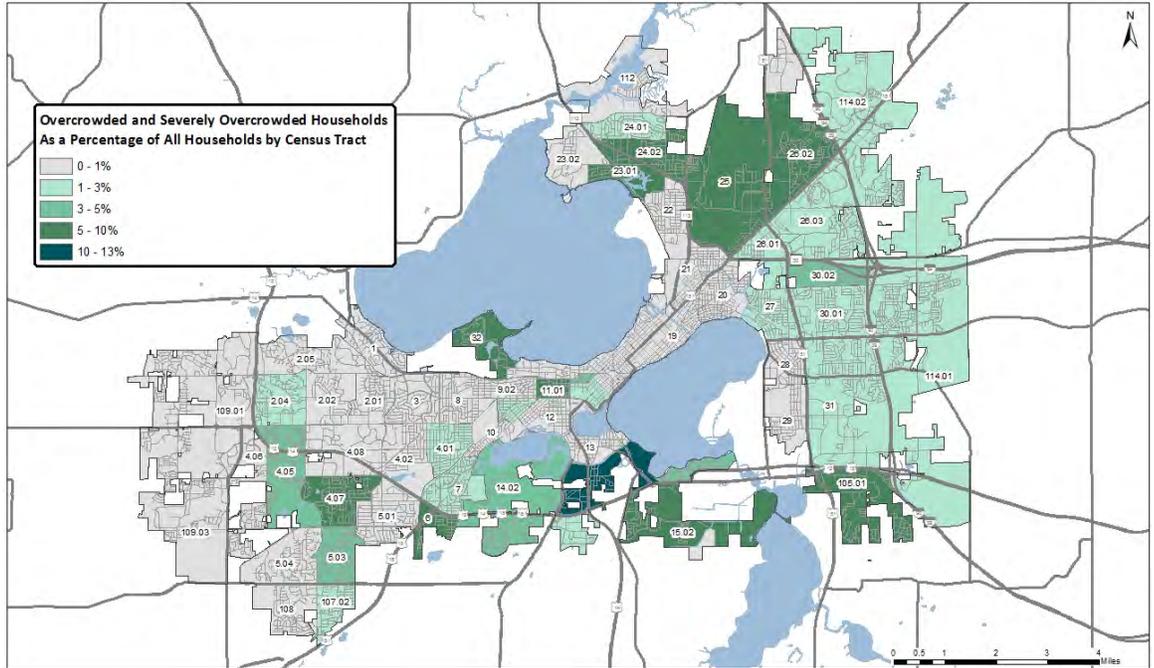


Source: American Community Survey 5-Year Estimates

## OVERCROWDING

One of HUD’s four housing problems, overcrowding, is slightly less common in Madison than in the State as a whole. Only 0.5% of Madison’s owner-occupied households experience any form of overcrowding (WI avg. 1.0%), and 3.9% of Madison’s renter households experience any form of overcrowding (WI avg. 3.2%). Adjusted for likely students, rental overcrowding drops to 3.5% for the City.

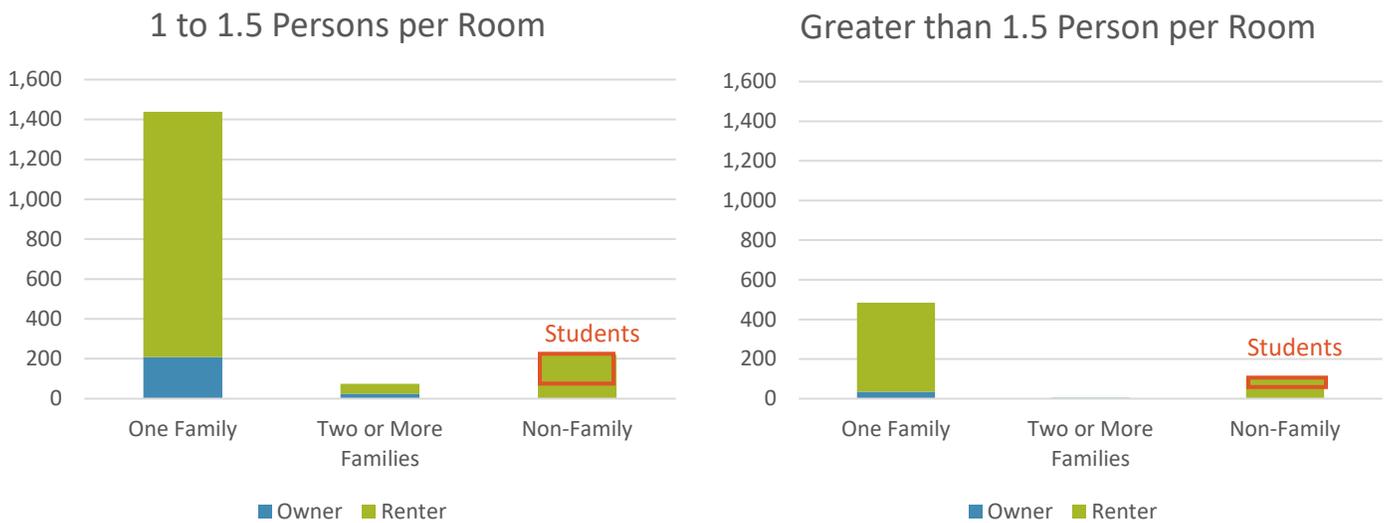
Figure 147: Overcrowding by Geography



Source: 2010-2014 HUD CHAS Table 10

Distribution of overcrowding geographically across the City shows above average concentrations of overcrowded households in southwest, north, and south Madison, with a particularly high number of overcrowded households in Census Tract 14.01 – Bram’s Addition, Burr Oaks, and Capitol View neighborhoods. As noted in previous chapters, Burr Oaks specifically has a large average family size of over 3 persons per household. This is consistent with average household size by race/ethnicity, in which Hispanic/Latino households display above average household sizes for the City. Census Tract 14.01 has the second highest percentage of Hispanic/Latino households in the City at 21.5%, which may contribute to higher levels of overcrowding, but cannot be confirmed statistically as overcrowding data is not provided by race.

Figure 148: Overcrowded and Severely Overcrowded Households

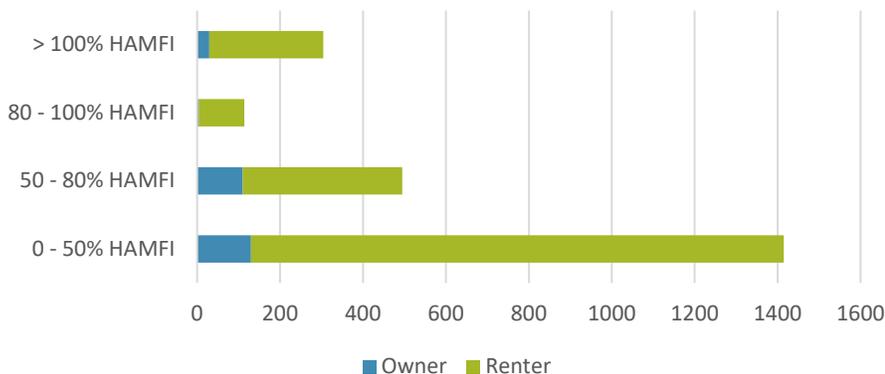


Source: 2010-2014 HUD CHAS Table 10

Among overcrowded households, the majority are one-family households of any composition, excluding sub-families. This suggests that the majority of overcrowding in Madison is due to one-family households renting units that are too small to accommodate all family members without being considered overcrowded. As there are 10,370 3+ Bedroom rental units in Madison, it is unlikely that these households are overcrowded due to lack of available large bedroom units, but may be renting smaller units in an attempt to maintain affordability, or to exercise housing choice in areas which they would prefer to live regardless of rental housing stock options.

Figure 149: Overcrowded Households by Income

### Overcrowded or Severely Overcrowded Households by Income



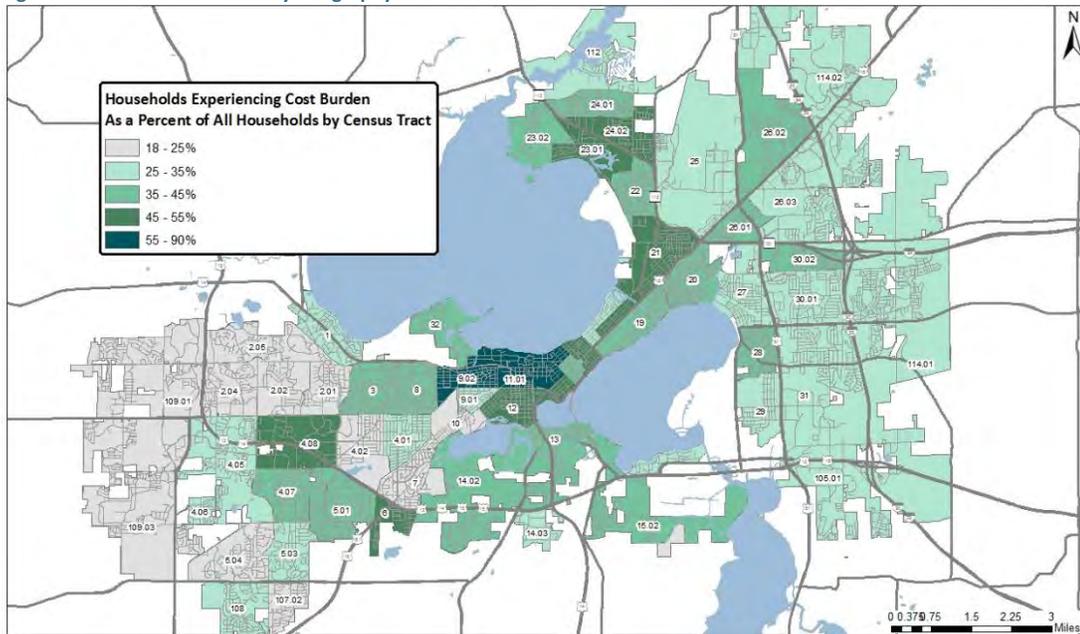
By income, the majority of overcrowded households are either extremely low- or very low-income. Although there are approximately 3,465 3+ Bedroom rental units affordable to households earning 0-50% HAMFI, 38% of those units are rented by households earning greater than 50% of the HUD Area Median Family Income.

For households earning more than the HUD Area Median Family Income (>100%), there is a larger number of overcrowded households than would be expected due to income, especially among renter households.

Source: 2010-2014 HUD CHAS Table 10

## COST BURDEN

Figure 150: Cost Burden Rates by Geography



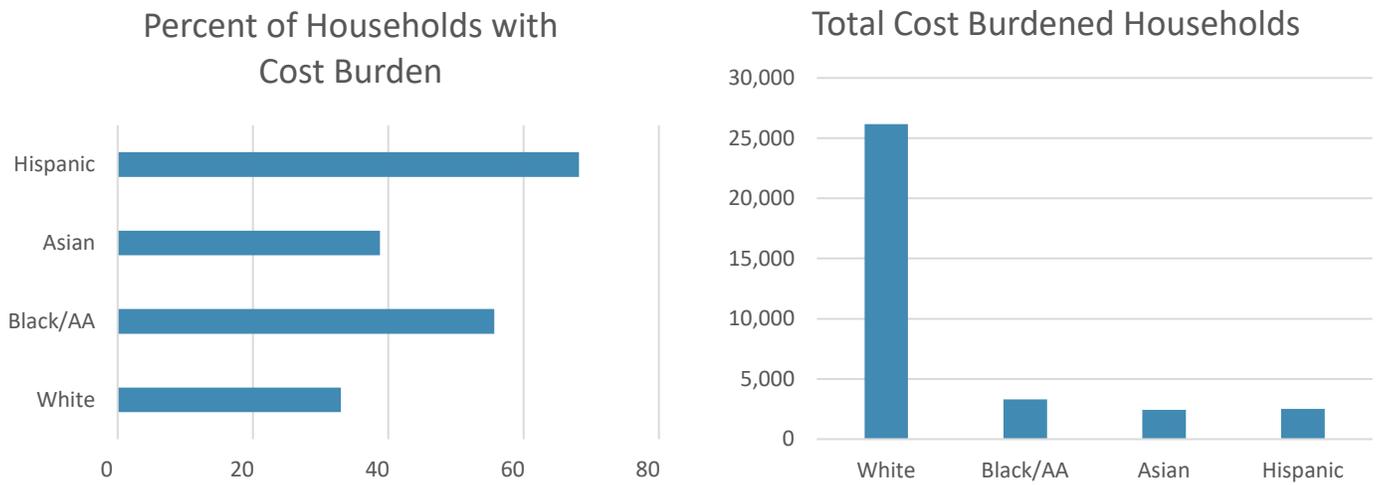
Within the City of Madison, 24.7% of all owner households and 52.4% of all renter households are experiencing cost burden, likely displaying such a large variance due to income disparities between renters and homeowners - the median income for rental households is \$35,192 annually compared to \$87,974 for owner households. As household incomes or median rent prices and home values are not distributed equally throughout the City, neither

Source: 2010-2014 HUD CHAS

is the dispersion of cost burden. University of Wisconsin-associated tracts, with high levels of students with extremely low incomes and high levels of housing units with higher rents, display rates of cost burden up to 90% of all households in some Census Tracts. Apart from those tracts, the highest prevalence of housing cost burden is found in Census Tracts 4.08, 6, 18.04, 21, 23.01, and 24.02. Areas with below average rates of cost burden are all located in west Madison, highlighted in gray on the below map.

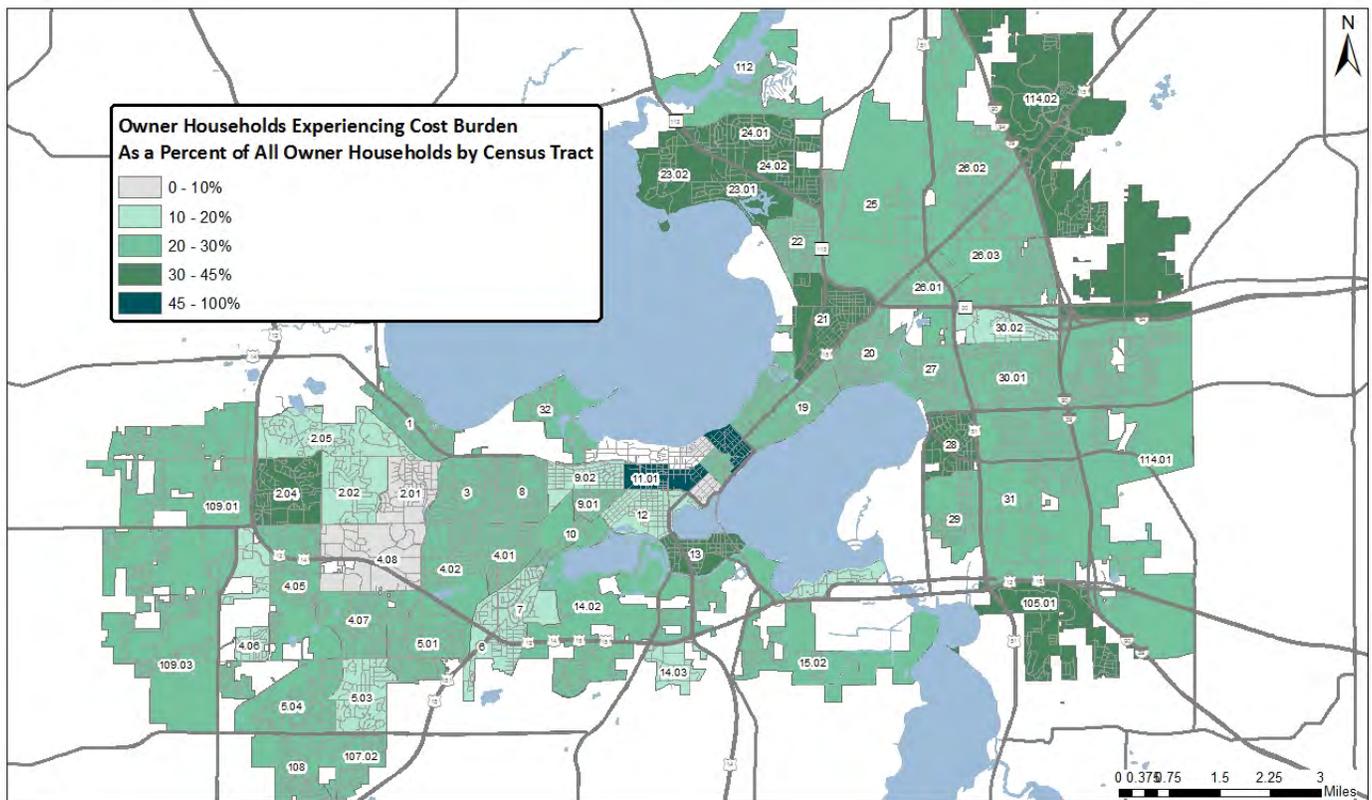
Aside from the overall number of affordable units available to low-income households in the City, the primary metric of housing problems for all demographics is cost burden, which is when a household spends more than 30% of income on housing costs. While White households are the largest race/ethnic group experiencing cost burden by number, Households of Color are more likely to be cost burdened as a percentage by racial/ethnic demographic.

Figure 151: Households Experiencing Cost Burden



Source: 2010-2014 CHAS

Figure 152: Cost Burdened Owner Households

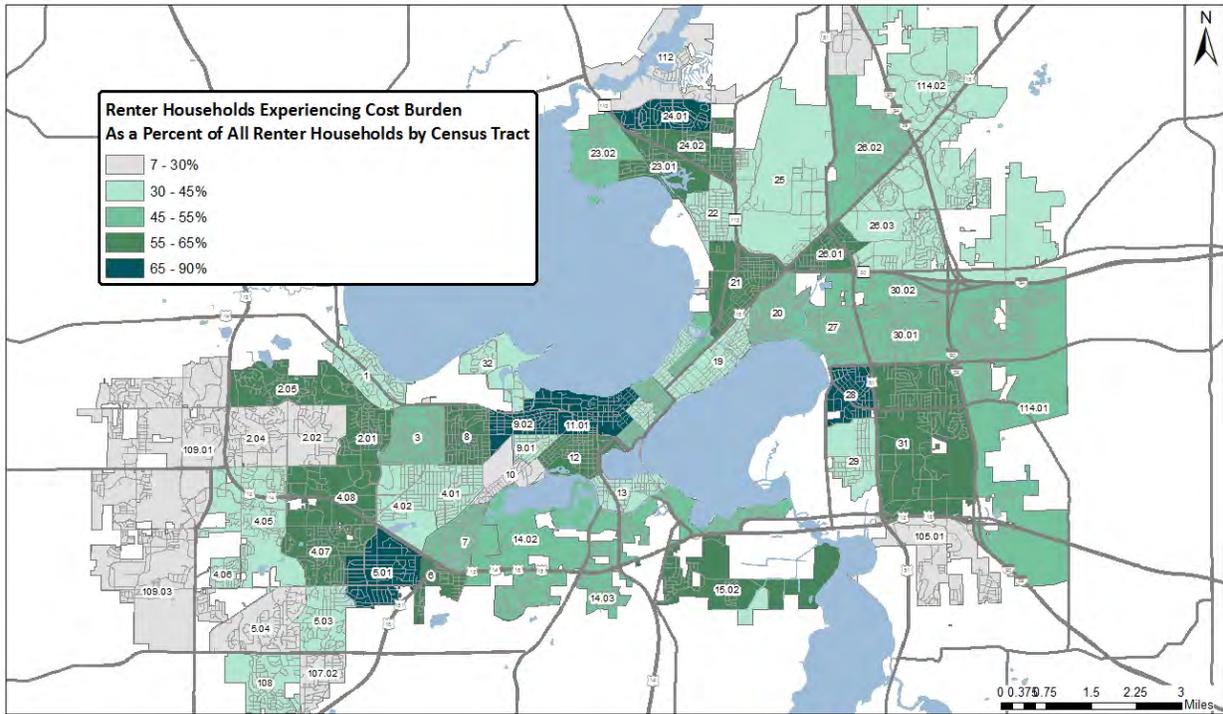


Source: 2010-2014 HUD CHAS

There are several areas of the City where cost burden is prevalent among both renters and homeowners, by their own respective standards. These areas include much of north Madison, Census Tracts 21, 23.01, 24.01, and 24.02.

As a percentage of all renter households, there are fewer cost burdened renter households in central Madison, most notably in the Monroe Street Corridor, the eastern isthmus, and west Madison Census Tracts 2.02, 2.04, and 5.04.

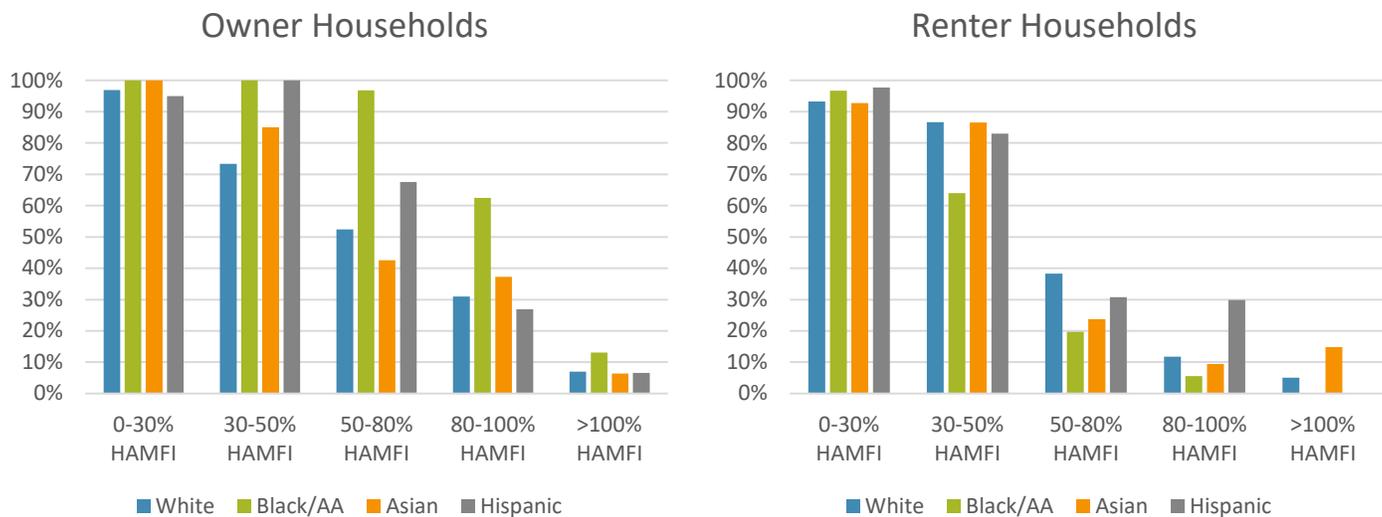
Figure 153: Cost Burdened Renter Households



Source: 2010-2014 HUD CHAS

Nearly all owner households earning at or below 30% of the HUD Area Median Family Income are cost burdened. Moving into higher-income category owner households, rates of cost burden remain consistently higher among Black/African American households. Asian and Hispanic households earning at or below 50% of the HAMFI experience higher rates of cost burden when compared to White households.

Figure 154: Rates of Household Cost Burden

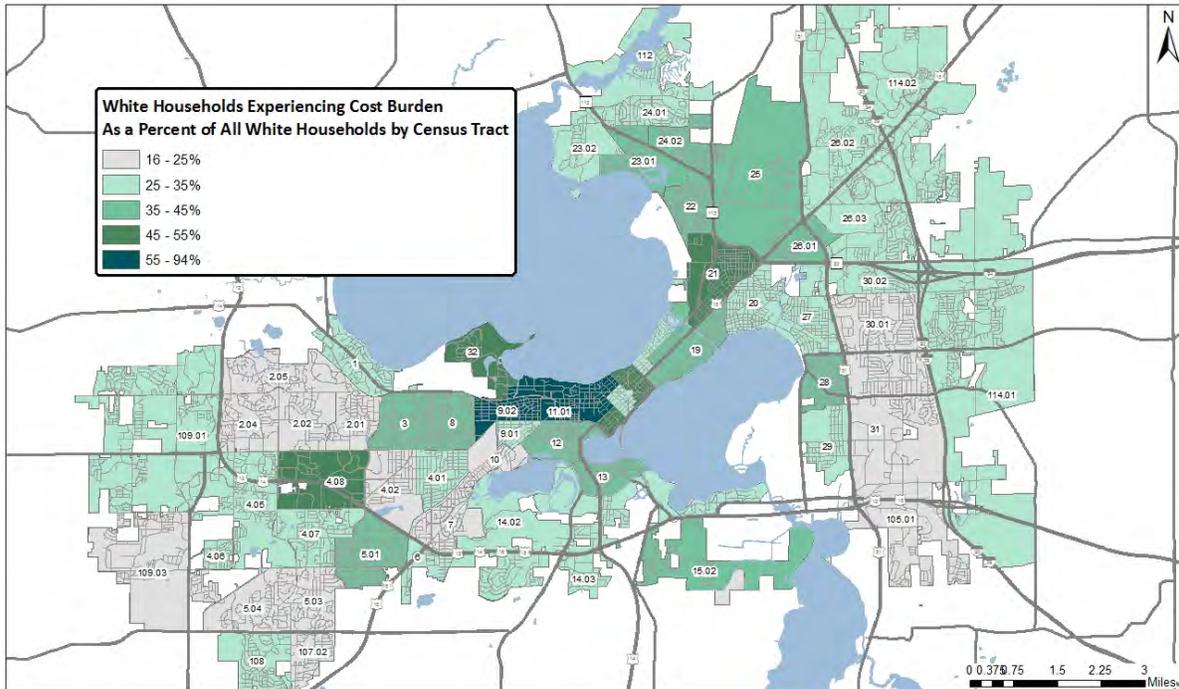


Source: 2010-2014 HUD CHAS

While levels of cost burden are similar for all extremely low-income households, Black/African American renter households are less likely to be cost-burdened than other racial demographics as income increases.

The area with highest rates of prevalence of White households experiencing cost burdened, aside from campus-associated tracts, is Census Tract 21. Other areas where at least 35% of White households experiencing cost burden are in north Madison, as well as Census Tracts 3, 5.01, 8, 13, 15.02, and 29.

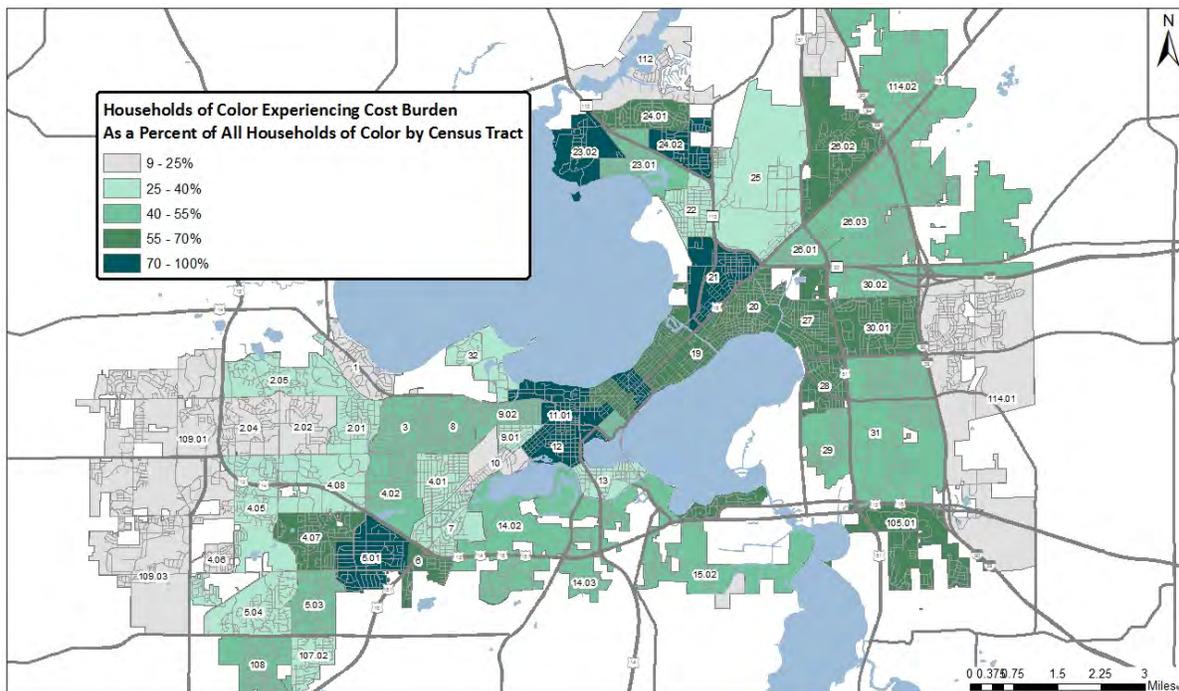
Figure 155: White Household Cost Burden by Geography



Source: 2010-2014 HUD CHAS

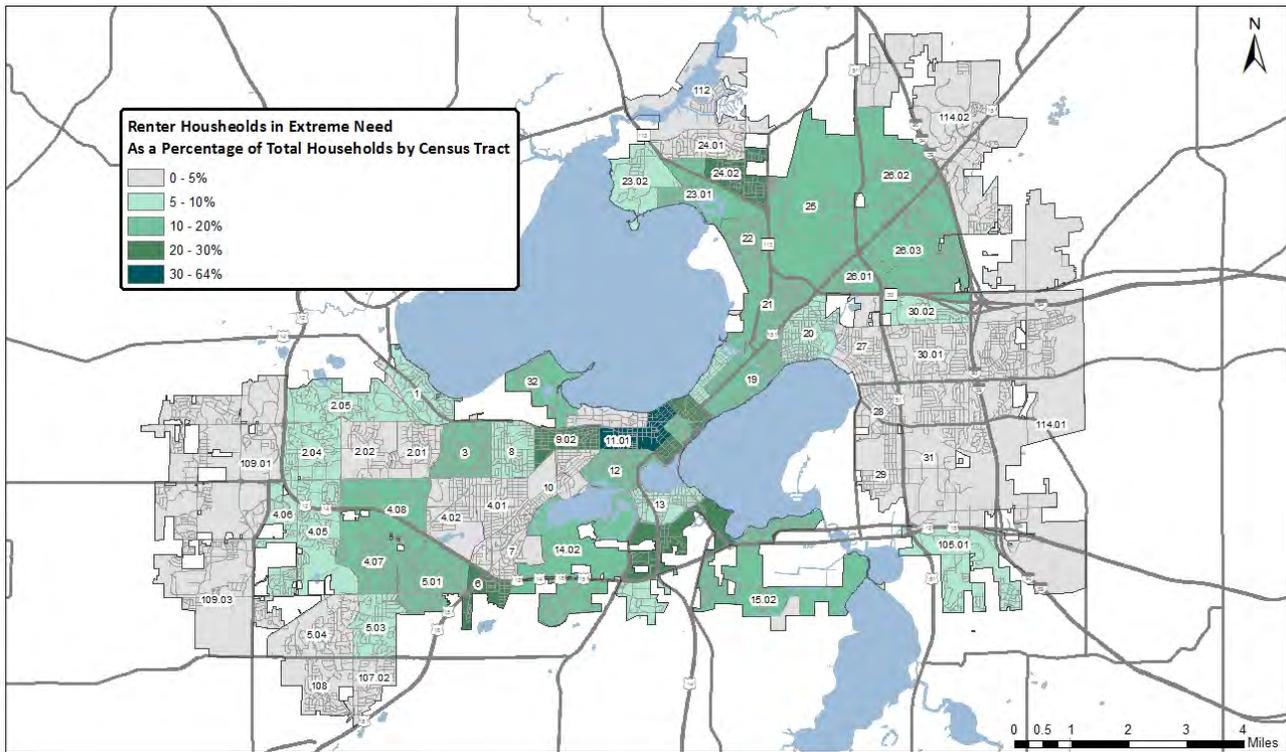
There are substantially more areas of the City with increased concentrations of cost burdened Households of Color compared to White households. In Census Tracts 5.01, 21, 23.02, and 24.02, over 70% of all Households of Color are cost burdened, while the largest non-campus associated tract for White households contained less than 55% of households experiencing cost burden. In total, there are 16 Census Tracts in Madison that contain higher percentages of Households of Color experiencing cost burden than the highest White household percentage Census Tract.

Figure 156: Household of Color Cost Burden by Geography



Source: 2010-2014 HUD CHAS

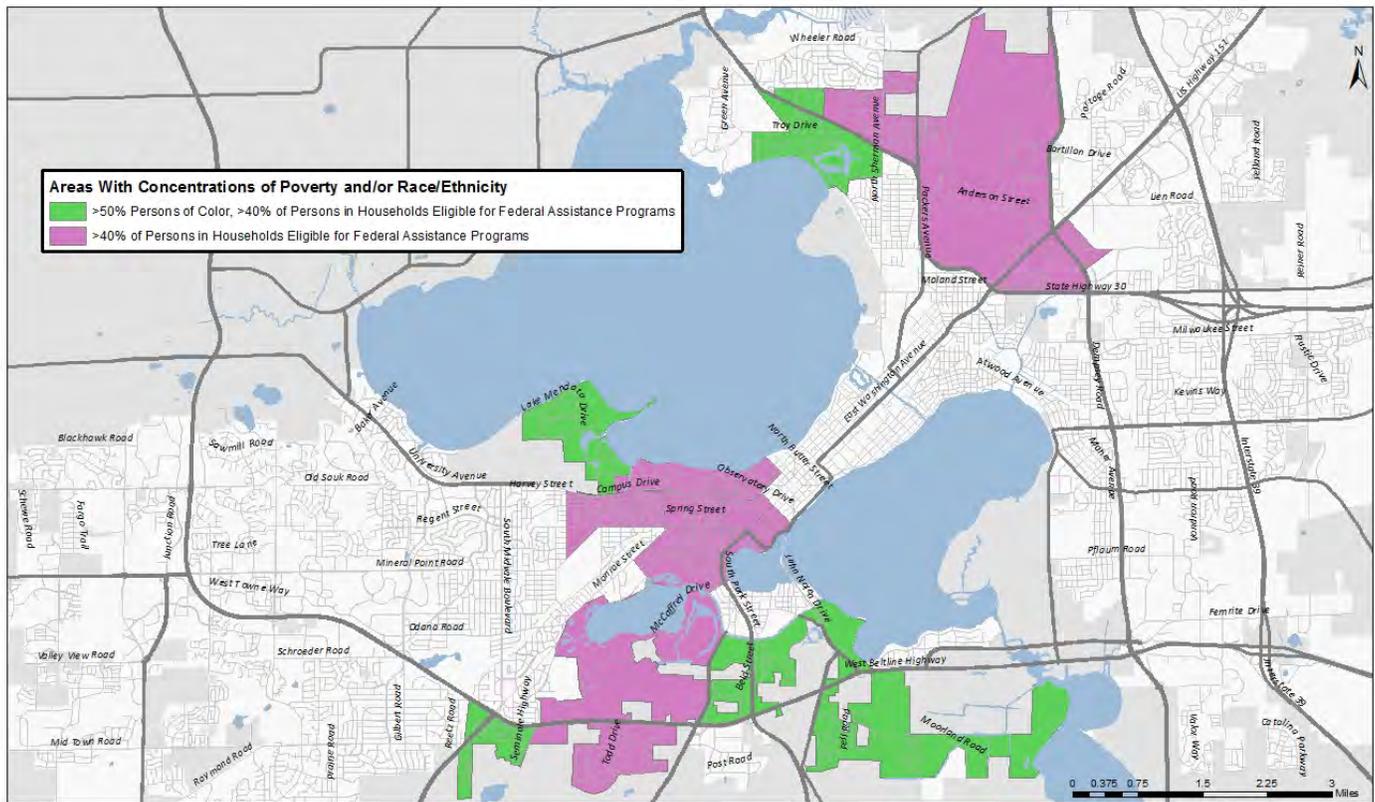
For households with an extreme need (extremely low-income, severely cost burdened), there are three Census Tracts in the City not associated with the University of Wisconsin in which these households comprise more than 20% of the total households of the Census Tract - Tracts 6, 14.01, and 24.02. Areas where these households comprise more than 10% of the Tract total include much of south, southwest, and north Madison, Census Tract 3, and Census Tracts 18.04 and 19 on the eastern isthmus.



Source: 2010-2014 HUD CHAS

Research has shown that different racial groups have different measures for what constitutes an ideal level of diversity. In surveys, 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. Historically, once a neighborhood reaches 5-20% population share of Persons of Color, the neighborhood may begin to experience a more rapid decrease in the White population share.<sup>6</sup>

Figure 157: Concentration of Poverty and/or Race Ethnicity



Source: 2017 ACS 5-Year Estimates

HUD provides a definition for areas that have both concentrations of race and poverty: Racially/Ethnically Concentrated Areas of Poverty, or R/ECAPs, which must meet or exceed strict criteria of a 40% overall poverty rate and 50% Persons of Color. As of the 2014 Fair Housing Equity Assessment produced by Capital Area Regional Planning Commission, two Census Tracts in Madison qualified as R/ECAPs – Census Tracts 6 and 14.01 in south Madison. As of 2018, both of these areas, on a Tract level, have decreased in levels of poverty so that the City no longer has any Census Tracts that would be classified as R/ECAPs.

Considering the City of Madison’s high relative median income and higher cost of living, using a standard federal measure (100% poverty level) may not display the full extent of areas where households are in need of assistance. Using an alternative measure that utilizes eligibility for most Federal assistance programs (185% FPL) in order to adjust for the City of Madison’s high median income, there are still areas which have both high numbers of Households of Color (more than double the City average), and also have more than 40% of individuals in families that are below 185% of the Federal Poverty Level – making them eligible for assistance programs. These areas are Census Tracts 6, 14.01, and 15.02 in South Madison, and Census Tract 23.01 in North Madison. The City should consider continuing to utilizing alternative forms of poverty measure relative to City median incomes, which have continued to rise considerably year-to-year.

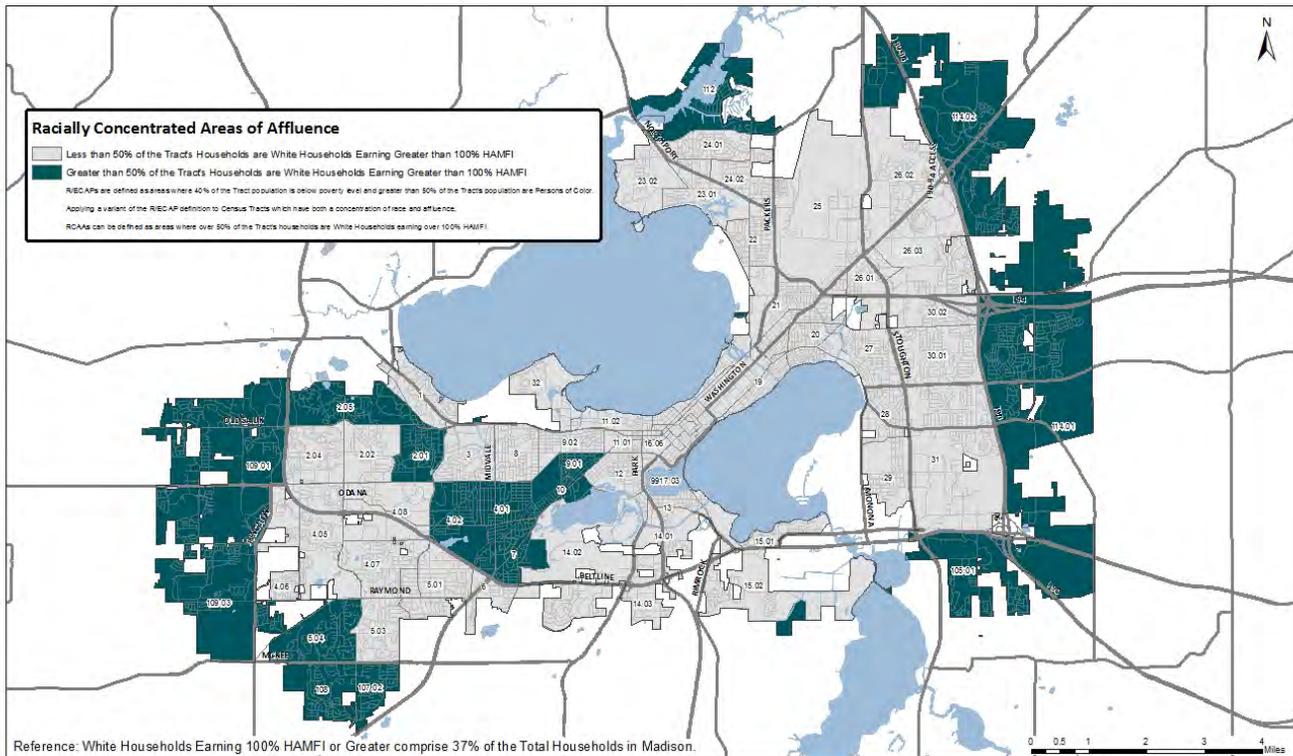
## AREAS OF RACIALLY-CONCENTRATED AFFLUENCE

<sup>6</sup> <sup>1</sup> Card, Mas, and Rothstein, “Tipping and the Dynamics of Segregation,” *The National Bureau of Economic Research Working Paper*, No. 13052, April 2007.

Areas of concentrated, racialized poverty have been noted in numerous studies to “lead to inequalities in life expectancy... critical types of social capital... and upward mobility.”<sup>2</sup> While HUD offers a definition for R/ECAPs, there are also areas in Madison that have high concentrations of White persons who are members of high-income households. These areas have been referred to in academic research as “Racially Concentrated Areas of Affluence,” and research has pointed to such areas’ ability to “enhance the privileges, benefits, and opportunities of the most affluent, resulting in disproportionate advantage...” to residents in these areas<sup>2</sup>.

Adjusting the academic definition to more accurately mirror the adjusted definitions above, displays non-multijurisdictional tracts including Vilas, Dudgeon-Monroe, Crawford-Marlborough-Nakoma, Summit Woods, Westmorland, Midvale Heights, Wexford Village, Woodland Hills, Highland, Glen Oak Hills, Hill Farms, and Faircrest that could be considered Racially Concentrated Areas of Affluence.

Figure 158: Racial Concentrations of Affluence



Source: 2010-2014 HUD CHAS

Table 28: Demographic Information - Racial Areas of Affluence

Census Tract	White Households > 100% HAMFI	White, Non-Hispanic	Persons of Color	Poverty Rate	Median Household Income	Homeownership Rate	Cost Burden
2.01	63%	83%	17%	3%	\$84,760	81%	19%
2.05	56%	87%	13%	5%	\$87,214	70%	27%
4.01	54%	89%	11%	4%	\$86,484	80%	27%
4.02	57%	92%	8%	5%	\$85,714	80%	24%
5.04	52%	82%	18%	5%	\$95,482	62%	25%
7	62%	88%	13%	3%	\$90,815	82%	25%
9.01	69%	88%	12%	5%	\$118,625	80%	31%
10	77%	92%	9%	2%	\$96,472	71%	23%
<b>City Average</b>	<b>37%</b>	<b>75%</b>	<b>25%</b>	<b>19%</b>	<b>\$56,464</b>	<b>48%</b>	<b>37%</b>

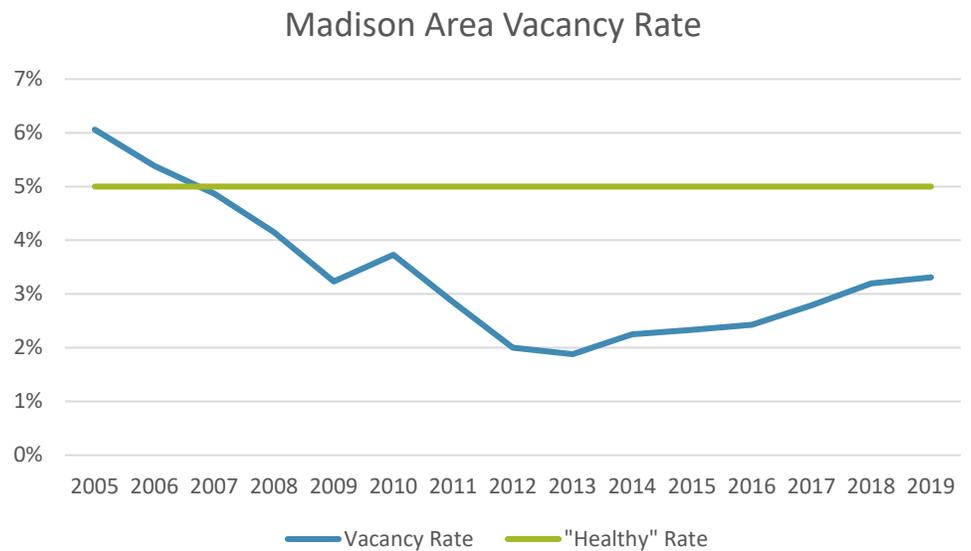
Source: 2010-2014 HUD CHAS, 2016 ACS 5-Year Estimates

## VACANCY RATE

<sup>2</sup> Goetz, Damiano, Hicks, “Racially Concentrated Areas of Affluence: A Preliminary Investigation”, University of Minnesota Center for Urban and Regional Affairs

Madison has recently experienced historically low vacancy rates, and the City added approximately 17,000 renter households between 2007 and 2015, while the inventory of multifamily units only increased by 7,500 units over the same timeframe. This unmet demand has lowered the vacancy rate from a “healthy” value of 5% to a low of 1.9% over a six year period from 2007 to 2013. Low vacancy rate is an impediment to fair housing choice as an extension of the gap in the number of units available to renter households. A low vacancy rate exacerbates the problem of a shortage in units of affordable housing, putting pressure on the housing market and increasing rents.

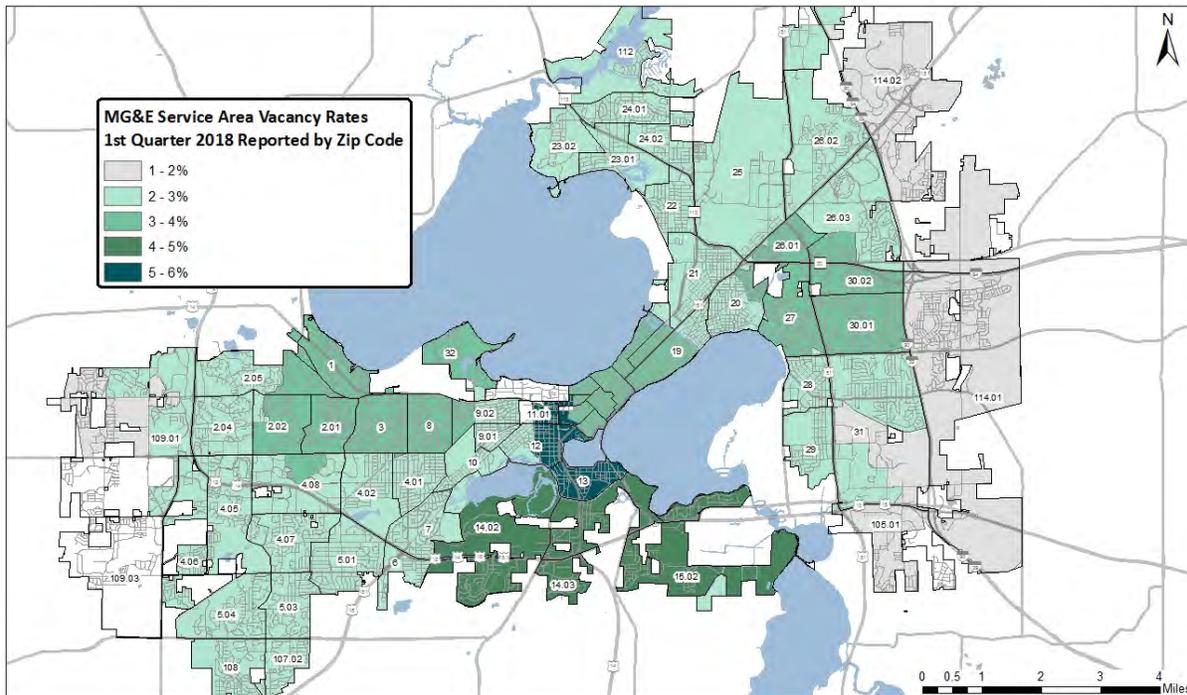
Figure 159: Madison Vacancy Rate



Source: Madison Gas & Electric Multifamily Rental 1<sup>st</sup> Quarter

Increased competition through lowered rental vacancy rates is a supply impediment for low-income households in specific geographic areas of the City of Madison. Madison Gas & Electric tracks both aggregate Madison-area vacancy rates and vacancy by zip code. Areas with higher vacancy rates are generally located in south Madison areas that have rates approaching and exceeding healthy levels. Eastern suburban zip codes show very low rates of vacancy, and areas in much of west Madison and north Madison show rates slightly below the City average.

Figure 160: Vacancy Rate by Zip Code



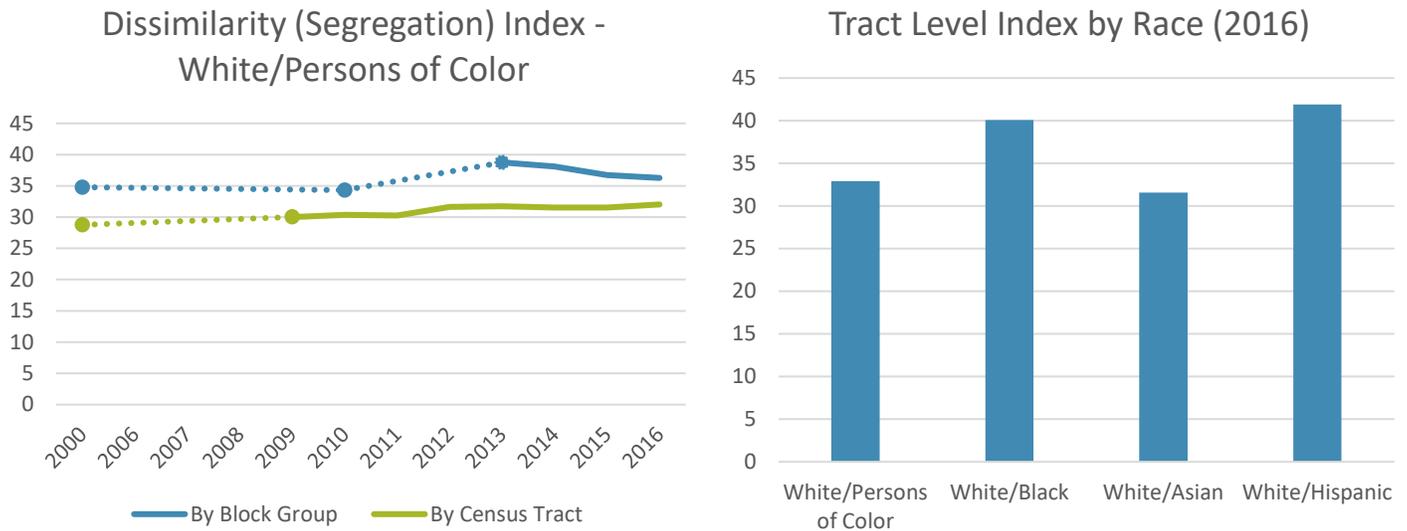
Source: Madison Gas & Electric Multifamily Vacancy Rates

Note: Census Tracts are displayed for spatial reference only, as data is not aggregated at this level. Zip Codes in many cases encompass several Census Tracts, and actual smaller unit vacancy rates likely vary from the aggregated zip code vacancy rate as a whole.

SEGREGATION BY RACE/ETHNICITY

To assess segregation, HUD recommends utilizing a dissimilarity index. This index represents a summary measure of the extent to which distribution of any two groups differ across given areas within a larger area – in this case Census Tracts and Block Groups within the City of Madison. Per HUD guidelines, a score of 40 or under is considered a low level of segregation, 41 to 54 is considered a moderate level of segregation, and 55 or above is considered a high level of segregation. While Madison is currently considered to have low levels of segregation between White residents and Residents of Color, the Index does indicate higher levels of segregation for Black/African American and Hispanic/Latino residents of Madison than for Asian residents, approaching and exceeding moderate levels of segregation, respectively.

Figure 161: Dissimilarity Index



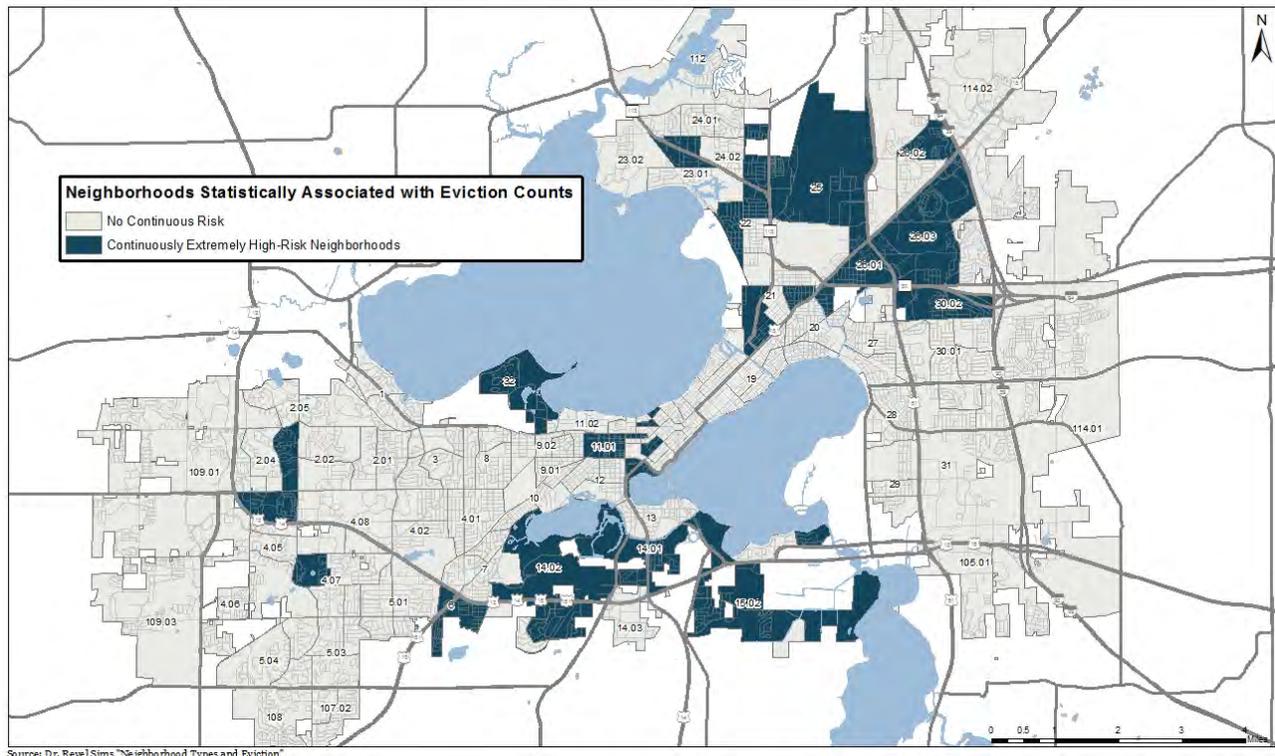
Source: Decennial Census, American Community 5-Year Survey Estimates, Author's Calculations

An additional way to interpret this index is that the value assigned between two groups would be the percentage of the population of either race that would need to move in order for the two groups to be statistically equal. While Madison became more integrated over recent years at a Block Group-level, overall Tract-Level dissimilarity has been slowly increasing since the 2000 Census.

While eviction can be a direct impediment to fair housing, due to confidentiality, data is not publically or easily accessible. Dr. J. Revel Sims of the University of Wisconsin – Madison has conducted preliminary research into evictions within Madison and Dane County as a whole. In his initial research, Sims found that **“race is the most important factor explaining evictions in Dane County, [with] the most non-White neighborhoods clearly the most impacted by the eviction process.”**

Sims classified neighborhoods into three types based on demographic indicators of tenure vulnerability, gentrification, and neighborhood change as tracked through 2006-2010 ACS Five-Year estimates and 2012-2016 ACS Five-Year estimates, using demographic markers closely correlated with eviction rates by neighborhood. The three neighborhood types were broadly grouped into three (3) categories: risk-reducing/potentially gentrifying neighborhoods, increasing risk neighborhoods, and continuously high or extremely high-risk neighborhoods. Of particular interest are neighborhoods that are statistically associated with high levels of evictions, continuously high-risk or extremely high-risk neighborhoods. These are areas that, at least partially, by definition contain higher percentages of Persons of Color than the City average, among other variables.

**Figure 162: Neighborhoods Statistically Associated with Eviction - "High-Risk" of Eviction Block Groups**



These findings promote, among other policy proposals, geographically targeted tenant resources and assistance to prevent excess turnover, to prevent evictions, and to assist tenants in protecting their legal rights throughout the eviction process.

Findings from the initial report include that:

- 94% of plaintiffs list an address within Dane County, suggesting they may not be absentee landlords. However, many of the plaintiffs with the highest number of eviction cases are management companies, and absentee-property owners would be likely to hire management companies that initiate eviction proceedings against tenants
- Dane County averages 2,527 eviction proceedings per year, a majority of which occur between May and August
- Most plaintiffs file relatively few evictions. Ninety percent of all plaintiffs filed less than ten in the time period studied
- The legal landscape that governs evictions has shifted heavily in favor of landlords in legal proceedings, including but not limited to 2015 Wis. Act 176, which allows for possible evictions solely over perceived criminal activity
- There is less ability to regulate housing discrimination and eviction proceedings locally, and tenants have fewer options for recourse

## DISCRIMINATION

There are a limited number of complaints to the City of Madison on the basis of housing discrimination. Since 2010, Race has been the most common protected class for which discrimination reports are filed, being mentioned in 49% of all complaints. While a small number, averaging approximately seven complaints annually, it is worth noting that Race is the most commonly recorded reason for housing discrimination. Discrimination based on Disability increased in occurrence from 2014 to 2016 before displaying less complaints to the City of Madison in 2017, averaging 34% of all complaints. Aside from Race, Color, and Disability, there has been a significant decrease in the number of complaints based on other protected class designations within the City.

Table 29: Fair Housing Complaints to the City of Madison

Housing Complaints to the City of Madison											
Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	Total	% of Complaints Containing Allegation
<b>Total Complaints</b>	13	20	13	12	14	11	20	11	22	<u>136</u>	
<b>Type of Alleged Discrimination (Each Complaint May Contain Multiple)</b>											
<b>Race</b>	5	6	11	8	7	5	8	5	17	<u>72</u>	<b>53%</b>
<b>Retaliation</b>	3	9	7	3	3	5	7	4	11	<u>52</u>	<b>38%</b>
<b>Color</b>	5	5	8	6	5	4	5	3	7	<u>48</u>	<b>35%</b>
<b>Disability</b>	3	6	4	3	6	7	7	4	8	<u>48</u>	<b>35%</b>
<b>Age</b>	2	2	6	0	1	2	0	1	9	<u>23</u>	<b>17%</b>
<b>Conviction Record</b>	4	10	0	0	0	0	0	0	0	<u>14</u>	<b>10%</b>
<b>Sex</b>	2	2	2	2	1	0	2	1	14	<u>26</u>	<b>19%</b>
<b>Familial Status</b>	1	0	2	4	3	1	0	1	5	<u>17</u>	<b>13%</b>
<b>Source of Income</b>	2	3	2	0	4	2	0	1	6	<u>20</u>	<b>15%</b>
<b>National Origin</b>	2	2	1	0	3	1	0	2	5	<u>16</u>	<b>12%</b>
<b>Victim of Domestic Abuse</b>	0	2	1	0	1	1	3	1	2	<u>11</u>	<b>8%</b>
<b>Marital Status</b>	1	0	3	0	2	1	0	0	1	<u>8</u>	<b>6%</b>
<b>Physical Appearance</b>	0	0	0	1	0	0	2	1	3	<u>7</u>	<b>5%</b>
<b>Religion</b>	0	0	0	1	0	0	2	3	1	<u>7</u>	<b>5%</b>
<b>Homelessness</b>	0	0	0	0	0	0	1	1	3	<u>5</u>	<b>4%</b>
<b>Sexual Orientation</b>	1	0	0	0	0	1	2	0	1	<u>5</u>	<b>4%</b>
<b>Gender Identity</b>	1	0	0	0	0	0	2	0	1	<u>4</u>	<b>3%</b>
<b>Political Beliefs</b>	0	1	1	0	0	0	0	0	1	<u>3</u>	<b>2%</b>
<b>Student Status</b>	0	0	0	0	0	0	2	1	0	<u>3</u>	<b>2%</b>
<b>Citizenship</b>	0	1	0	0	0	0	0	1	0	<u>2</u>	<b>1%</b>
<b>Arrest Record</b>	2	0	0	0	0	0	0	0	0	<u>2</u>	<b>1%</b>
<b>Less than Honorable Discharge</b>	0	0	0	1	0	0	0	0	0	<u>1</u>	<b>1%</b>
<b>Domestic Partners</b>	0	0	0	0	0	0	1	1	0	<u>2</u>	<b>1%</b>
<b>Social Security Number Disclosure</b>	0	0	0	0	0	0	0	0	1	<u>1</u>	<b>1%</b>
<b>Genetic Identity</b>	0	0	0	0	0	0	0	1	1	<u>2</u>	<b>1%</b>
<b>Non-Religion</b>	0	0	0	0	0	0	0	0	0	<u>0</u>	<b>0%</b>
<b>Unemployment</b>	0	0	0	0	0	0	0	0	0	<u>0</u>	<b>0%</b>

Source: City of Madison Department of Civil Rights

There was also a decrease in the number of housing discrimination complaints to the Fair Housing Center of Greater Madison (FHCGM) in 2017, although preliminary data for 2018 shows levels comparable to prior years, exceeding 2017's total by the end of the third quarter. Contrary to experience through the City's complaint process, however, FHCGM complaint numbers show that Disability is the leading reason for a discrimination filing through their reporting process, as opposed to Race through the City.

Table 30: Fair Housing Complaints to the Fair Housing Center of Greater Madison

Complaints to the Fair Housing Center of Greater Madison										
Year	2010	2011	2012	2013	2014	2015	2016	2017	Total	% of all Complaints of Discrimination
<u>Total Named Reasons for Complaint</u>	<u>60</u>	<u>72</u>	<u>50</u>	<u>38</u>	<u>34</u>	<u>24</u>	<u>36</u>	<u>19</u>	<u>333</u>	
<b>Type of Discrimination Leading to Complaint (Each Complaint May Contain Multiple)</b>										
<b>Disability</b>	14	16	13	6	16	4	20	5	94	<b>28%</b>
<b>Race</b>	11	19	14	15	4	10	9	7	89	<b>27%</b>
<b>Section 8 Assistance</b>	12	8	4	3	1	0	1	3	32	<b>10%</b>
<b>Familial Status</b>	4	4	4	5	4	4	1	1	27	<b>8%</b>
<b>Lawful Source of Income</b>	8	2	5	0	1	0	0	0	16	<b>5%</b>
<b>Sex</b>	2	5	2	3	1	1	1	0	15	<b>5%</b>
<b>Age</b>	2	4	3	1	1	1	1	1	14	<b>4%</b>
<b>Marital Status</b>	1	1	2	1	3	2	0	0	10	<b>3%</b>
<b>National Origin</b>	0	2	1	1	0	2	2	1	9	<b>3%</b>
<b>Arrest/Conviction Record</b>	6	2	0	0	0	0	0	0	8	<b>2%</b>
<b>Sexual Orientation</b>	0	3	0	1	0	0	0	1	5	<b>2%</b>
<b>Religion</b>	0	1	1	0	2	0	0	0	4	<b>1%</b>
<b>Refusal to Accept Rent Assistance</b>	0	3	0	0	0	0	0	0	3	<b>1%</b>
<b>Victim of Domestic Abuse, etc.</b>	0	0	1	1	1	0	0	0	3	<b>1%</b>
<b>Gender Identity</b>	0	0	0	1	0	0	0	0	1	<b>0%</b>
<b>Homelessness</b>	0	0	0	0	0	0	1	0	1	<b>0%</b>
<b>Political Beliefs</b>	0	1	0	0	0	0	0	0	1	<b>0%</b>
<b>Refusal to Disclose SSN</b>	0	1	0	0	0	0	0	0	1	<b>0%</b>

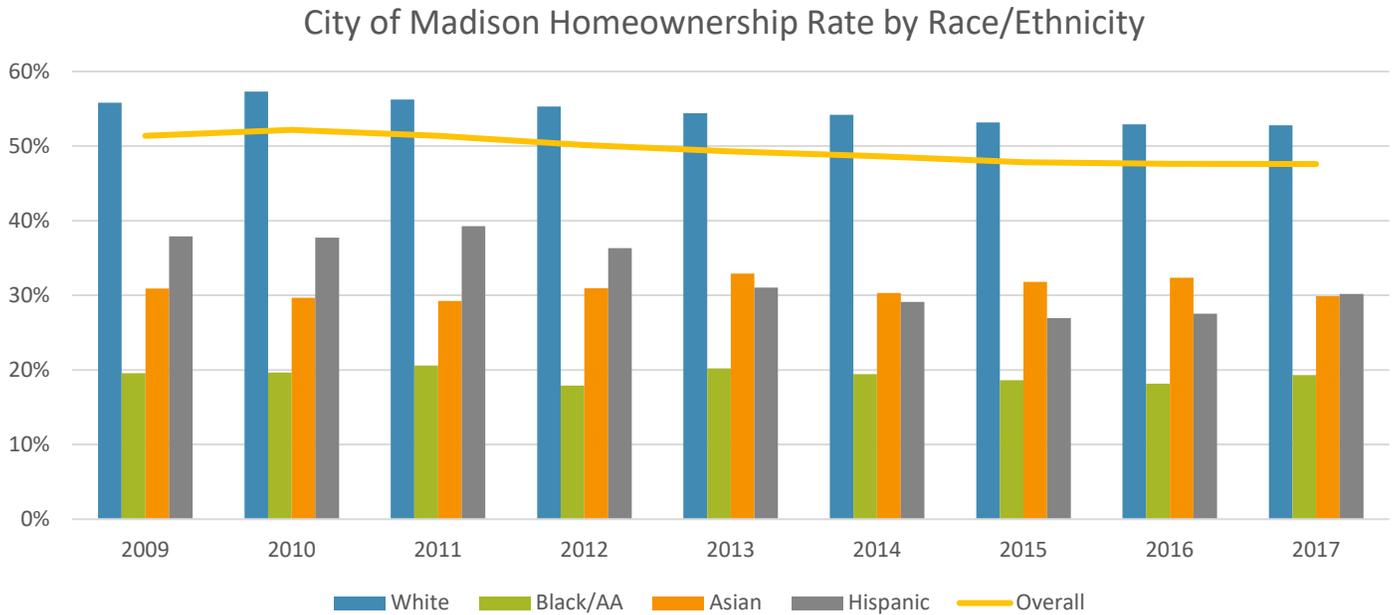
Source: Fair Housing Center of Greater Madison

Combined, these two reporting services indicate that there is likely active housing discrimination occurring within the City, particularly on the basis of Race, Disability, and Color – all displaying increased instances of occurrence when compared to discrimination of other protected class designations.

## MORTGAGE LENDING

Mortgage lending policies and practices directly influence ownership rates within the City of Madison. While homeownership has been decreasing within the City since 2010, growth within the ownership market has occurred and remained consistent for Asian households within Madison, while all other racial/demographic groups have seen decreased ownership over the timeframe.

Figure 163: City Homeownership Rate by Race/Ethnicity

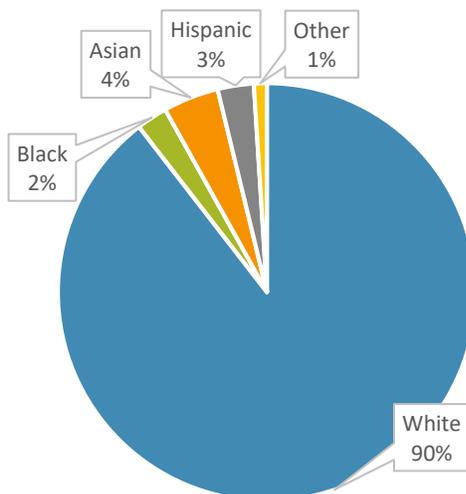


Source: ACS 5-Year Estimates

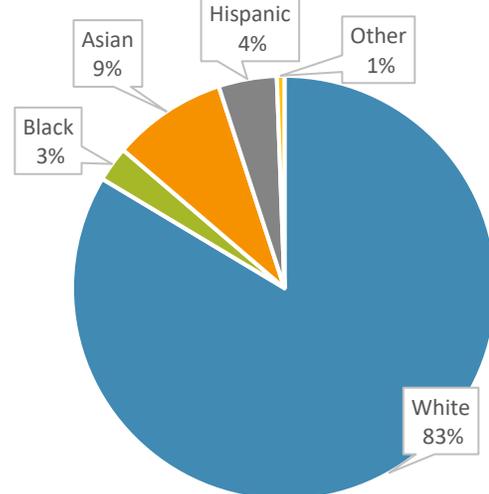
This growth in ownership share for Asian households has increased the ownership share for Households of Color overall. The increase in Asian owner-occupied households from 2010 to 2014 represents an increase of 0.8% for all owner-occupied households. All other Households of Color experienced neither significant growth nor a significant decline as a share of total homeowners over the five year period, with White households showing consistent, but slightly decreased, share of owner-occupied units over the same timeframe totaling 0.9%.

Figure 164: Ownership Share and Loan Originations by Race

Ownership Share by Race, 2014



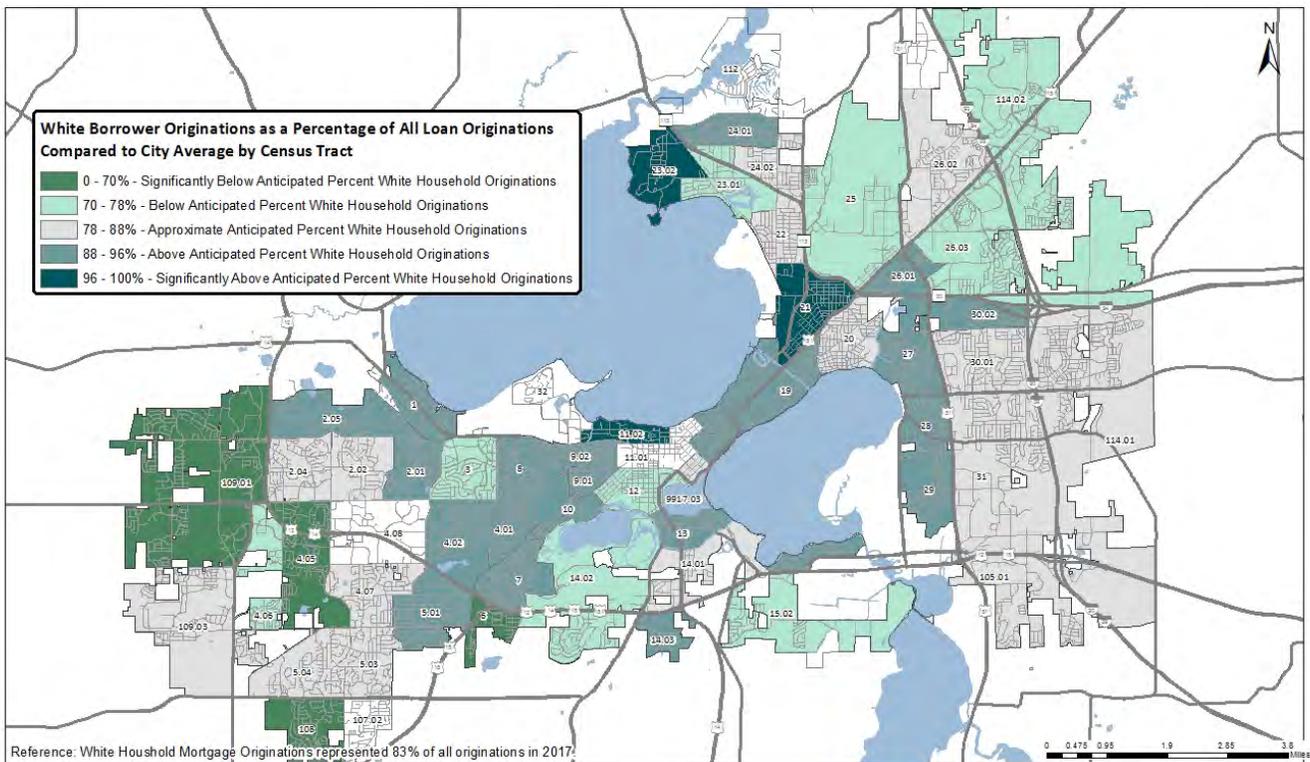
Loan Originations by Race, 2017



Source: 2010-2014 CHAS, Home Mortgage Disclosure Act Data

In the ten year period from 2007 to 2016, 89% of all mortgage originations in the City were made to White borrowers. More recent data from 2017 shows loan originations for White borrowers that year represented 83% of total originations, indicating there may be a shift in homeownership rates or homeownership share in the future should this trend of increased percentage of originations to Households of Color continue.

Figure 165: White Borrower Originations as a Percent of Total by Census Tract

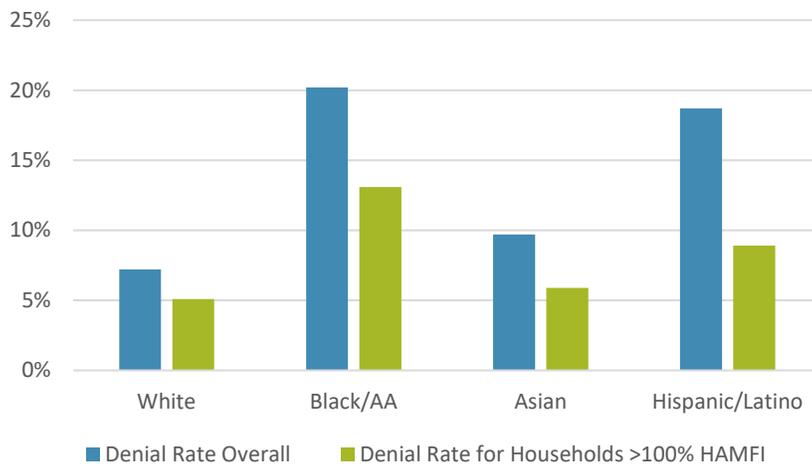


Source: 2017 Home Mortgage Disclosure Act Aggregate Data

Gains within the share of loan originations for Households of Color are not evenly distributed geographically throughout the City. If assuming smaller area (Census Tract) averages should be the same as the City average for percentage of loan originations to White households for 2017, 83% of all new originations should be made by White households in each Census Tract. Assuming a variance of 5% in either direction of the City average to be an approximately normal deviation, Census Tracts outside of that range show either increased or decreased loan rates, for any reason, to White Households in a given area. A deviation of 5% to 13% from the Citywide average is considered to be above or below the anticipated value, while a variance of more than 13% from the City average is considered to be significantly above or below anticipated.

Figure 166: Mortgage Denial Rates by Race/Ethnicity

### Mortgage Denial Rates, 2007-2016



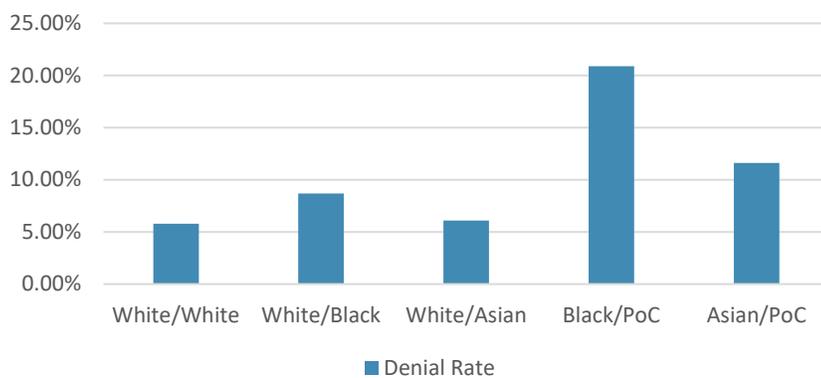
Source: Home Mortgage Disclosure Act Data, CFB, 2007-2016

Due to the relatively low number of mortgage application from Households of Color on an annual basis, data was used from the ten year period 2007 to 2016. This data shows that:

- The overall denial rate for Black/African American and Hispanic/Latino borrowers is significantly higher than that of White and Asian borrowers; reported reasons for application denial do not provide a clear explanation for the disparity
- For all Households of Color, the average home purchase is more likely to be located within a Census Tract containing larger populations of Persons of Color, especially among Black/African American and Hispanic/Latino buyers
- Overall, mortgage applications are more likely to be approved in higher-income census tracts
  - This may simply indicate that higher-income households are more likely to be approved for mortgages, as these households are more likely to apply in higher-income Census Tracts

Figure 167: Joint Borrower Mortgage Denial Rate

### Denial Rate for Joint Borrowers



Source: Home Mortgage Disclosure Act, 2007-2016

For Black/PoC and Asian/PoC Categories, all Persons of Color as a co-applicant were included to better represent a consistent representation of denial rate. Hispanic/Latino is included in PoC, but due to data limitations is not included as a category for primary applicant.

Under the Home Mortgage Disclosure Act, not all lenders are required to report a reason for denial. However, for HMDA submissions in which a denial reason was recorded, Black/African American and Hispanic/Latino households were much more likely to be denied a mortgage for credit history than were White or Asian households – signifying 24% and 23% of all denials, respectively. Although low in number, Black households were also twice as likely as White households to be denied for employment history.

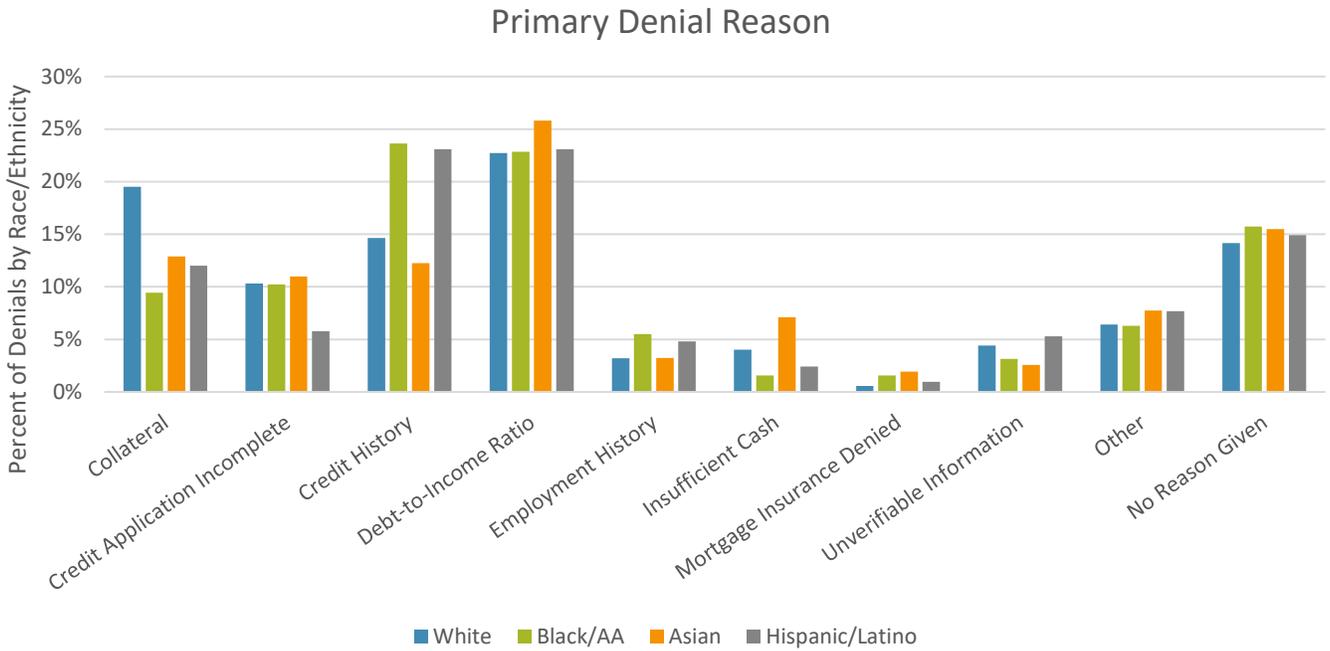
Spatially, for 2017 originations, there are areas that show higher than expected percentages of White household originations than would be expected compared to the City average. These Tracts roughly correspond to areas that display similar demographic trends, and may maintain above-average White homeownership rates in specific neighborhoods of the City.

Of primary concern in mortgage application data is denial rate, especially as reported by race/ethnicity through the Home Mortgage Disclosure Act (HMDA). Data displayed in the figure to the left is for first-lien, owner-occupied mortgage applications, both single-family and multifamily from the years 2007 to 2016.

For joint borrowers:

- White applicants see an increase in denial rate when applying with a non-White co-applicant
- White applicants who apply with a White co-applicant see slightly increased rates of acceptance over White applicants overall.
- Black/African American applicants, when applying with a Non-White co-applicant experience denial rates 3.6 times higher than two White co-applicants, and Asian applicants jointly applying with another non-White person experience a denial rate twice that of two White co-applicants.

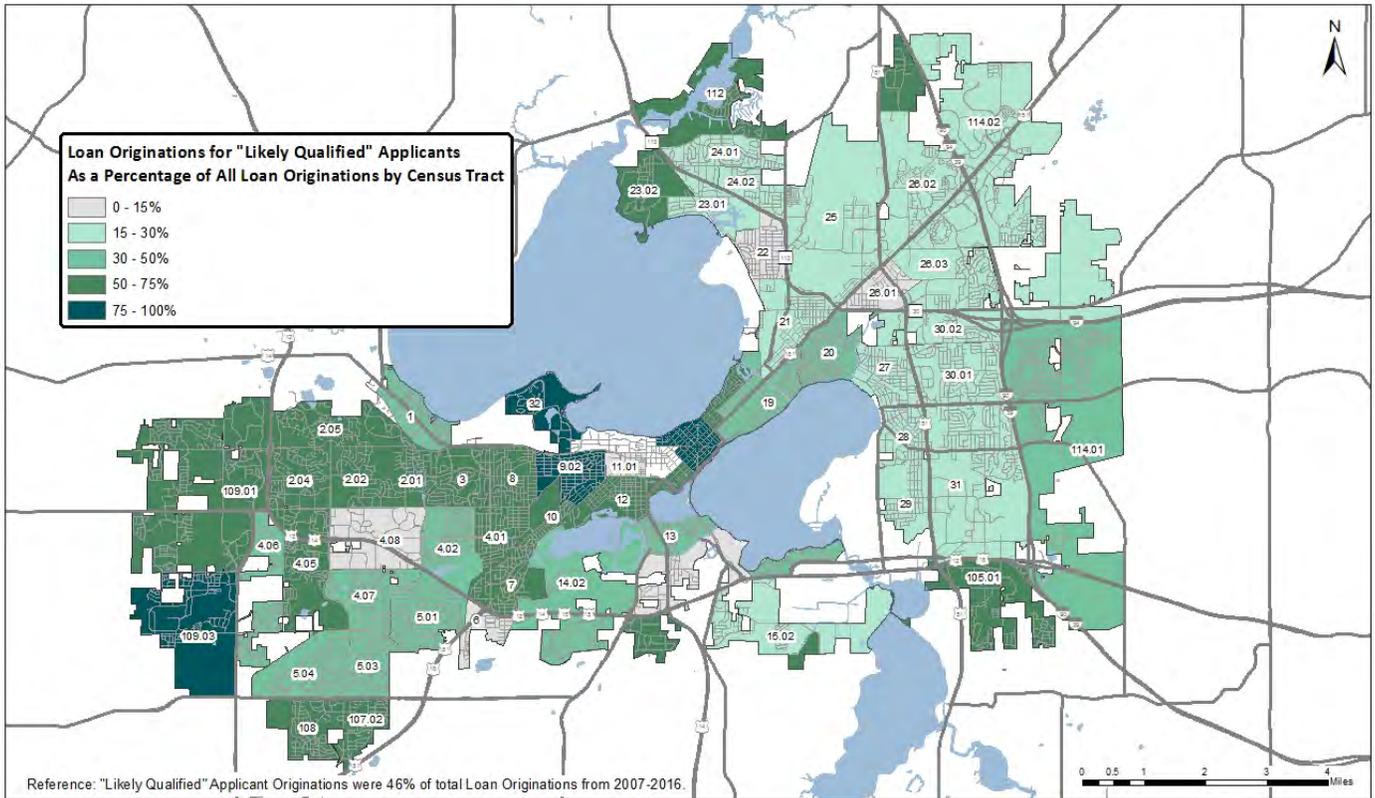
Figure 168: Reasons for Mortgage Denial by Race/Ethnicity



Source: Home Mortgage Disclosure Act Data for first-lien owner-occupied applications for home purchase, 2007-2016

Overall, “likely qualified” applicants display a general consistency in home purchase in areas that have a greater likelihood of higher priced homes, highlighting many of the same areas which CHAS data shows home values affordable primarily to households earning greater than 80% HAMFI. This may directly contribute to the concentration of high-income households in similar areas of the City, exacerbating economic segregation.

Figure 169: Mortgage Originations for Likely Qualified Applicants by Census Tract



Source: 2007-2016 Home Mortgage Disclosure Act Data, Author’s Calculations

In Census Tracts with the highest numbers of loan originations to likely qualified applicants, the denial rate was also generally low for likely qualified Households of Color. The average Citywide denial rate likely qualified Households of Color is higher than that of White households, but in the Tracts where likely qualified buyers are most likely to purchase, the denial rates for Households of Color are much lower.

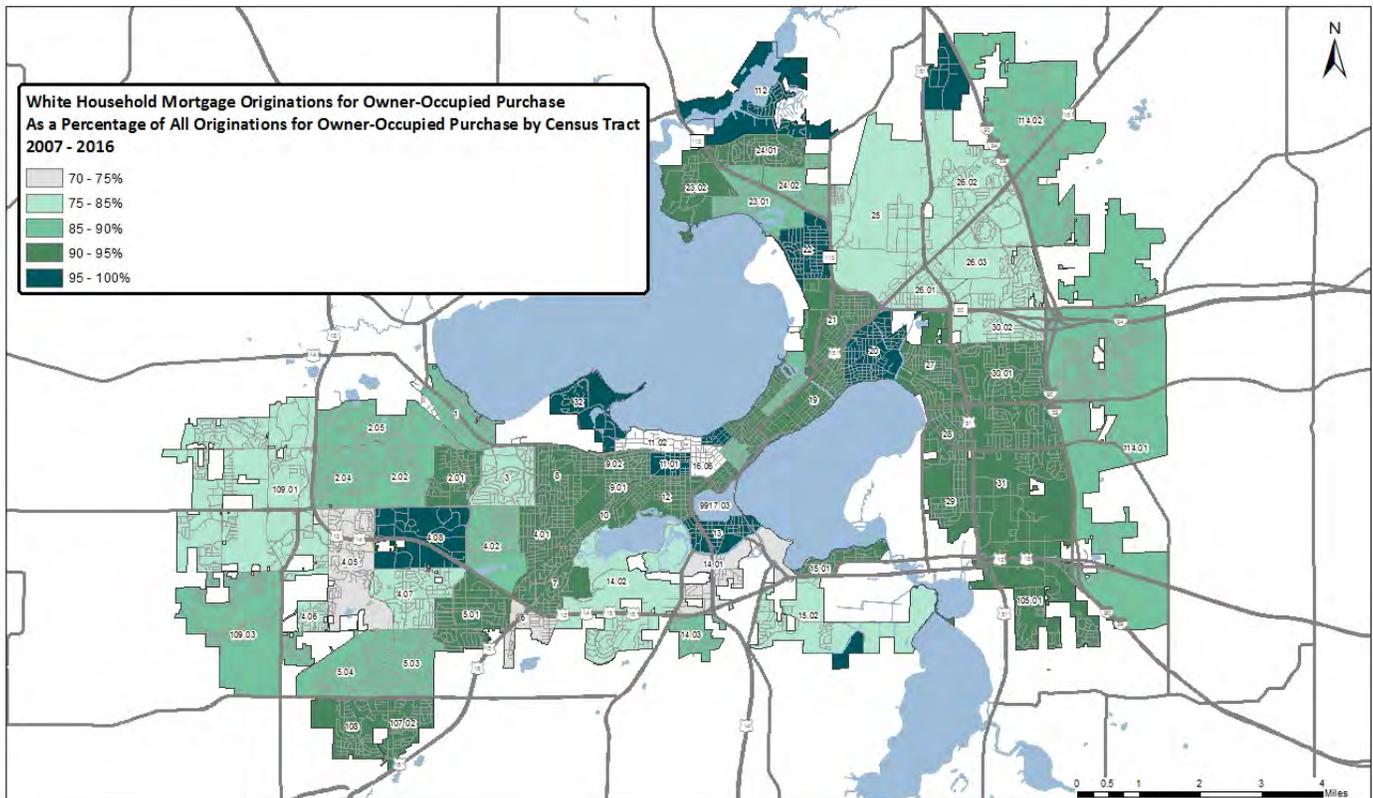
There were 18 Census Tracts in which likely qualified applicants represented the majority of all originations in the Tract from 2007 to 2016. All were located in central or west Madison, with the exception of Census Tract 23.02, the North Lake Mendota neighborhood.

**Table 31: Loan Originations to Likely Qualified Households by Census Tract**

Tract	White Households		Black Households		Asian Households		Hispanic/Latino Households		Percent of All Originations over 100% HAMFI
	#	Denial Rate	#	Denial Rate	#	Denial Rate	#	Denial Rate	
5.04	467	3.9%	12	0%	40	4.7%	15	6.3%	45.1%
2.05	315	5.1%	1	0%	22	0%	6	0%	65.0%
7	317	4.8%	6	0%	8	0%	5	0%	72.7%
4.01	273	2.5%	2	0%	8	0%	8	11.1%	58.2%
8	237	6.0%	1	0%	10	0%	5	0%	56.7%
19	231	6.9%	0	-	6	0%	6	0%	50.2%
2.04	212	8.2%	2	0%	16	0%	4	42.9%	55.7%

As a percentage of all originations by Census Tract, there were four areas of the City not associated with the University of Wisconsin, or primarily outside of Madison, in which over 95% of all originations were to White households for the period from 2007 to 2016. One Tract, Census Tract 4.08, only had five total originations. The remaining three Census Tracts that had over 95% originations to White households were Census Tracts 13, 20, and 22.

**Figure 170: Originations to White Households as a Percentage of Total by Census Tract**



Source: 2007-2016 Home Mortgage Disclosure Act Data

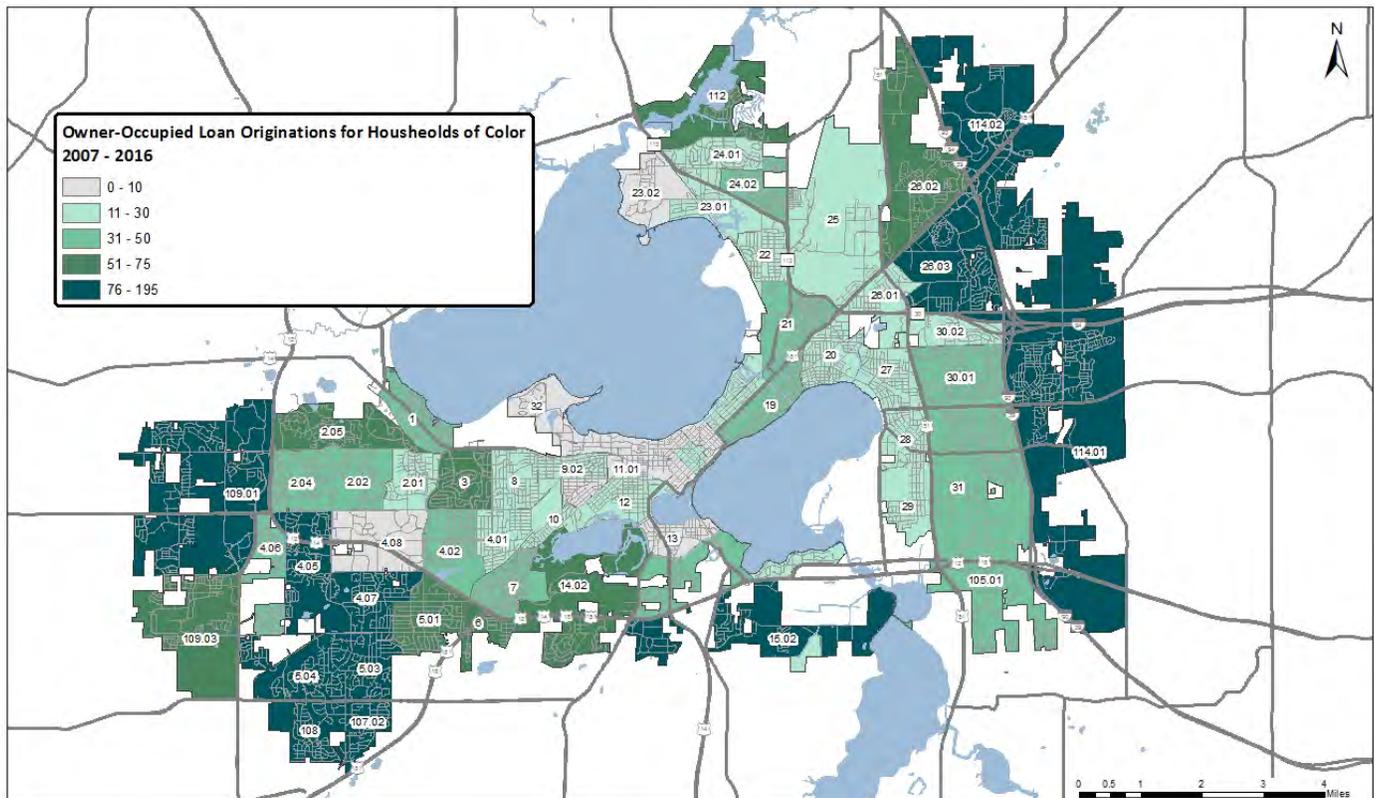
Other areas with a large percentage of originations to White households include much of Near West Madison, east Madison, central Madison, and far north Madison – areas in dark green and blue on the map above in which over 90% of all originations were to White households from 2007-2016.

Table 32: Loan Originations to White Households as a Percentage of Total Originations by Census Tract

Tract	White Households		Black Households		Asian Households		Hispanic/Latino Households		Percent of Originations to White Households
	#	Denial Rate	#	Denial Rate	#	Denial Rate	#	Denial Rate	
13	199	7.4%	1	0.0%	0	-	9	22.2%	96.1%
20	612	6.6%	2	0.0%	10	0.0%	18	27.8%	96.1%
22	369	10.9%	2	66.7%	4	25.0%	14	7.1%	95.3%
10	239	7.4%	1	0.0%	4	0.0%	9	11.1%	94.8%
21	536	6.5%	5	16.7%	14	21.4%	19	21.1%	94.5%
24.01	397	8.3%	8	33.3%	9	44.4%	11	9.1%	94.5%
27	469	7.7%	8	27.3%	4	0.0%	17	5.9%	94.4%

In many of these Census Tracts, the denial rates for Households of Color are significantly higher than for White households. As the Home Mortgage Disclosure Act is a true sample of data from all depository institutions, there is no margin of error in reporting of this data; however, it is critical to note that due to barriers in access, some reports now indicate that Households of Color are becoming less likely to utilize depository institutions in mortgage lending. This would not affect denial rates for HMDA data, but could change numbers of originations or rates if analyzing a Census Tract in total originations as opposed to depository originations, as non-depository lenders are not required to report this data, depending on the financial characteristics of the institution.

Figure 171: Mortgage Originations to Households of Color by Census Tract



Source: 2007-2016 Home Mortgage Disclosure Act Data

Among Census Tracts that had the highest total number of new originations to Households of Color, the denial rate for these households was generally higher than the denial rate for White households. Aside from Census Tracts largely outside of the

jurisdiction, the main location of new mortgage originations for Households of Color were in south and southwest Madison – Census Tracts 4.05, 4.07, 5.01, 5.03, 5.04, 6, 14.02, and 15.02. Other areas with over 50 originations include Census Tracts 2.05, 3, 26.02 and 26.03 located in west and north Madison.

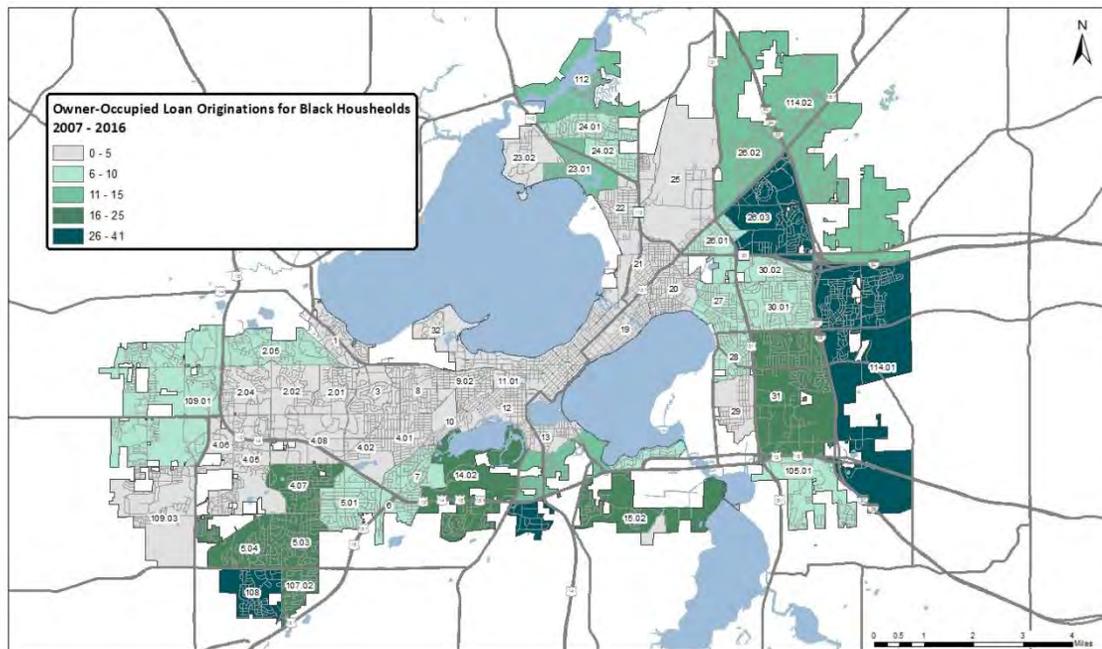
Areas in the lightest shade of green – such as Census Tracts 2.01, 4.01, 8, 10, 12, 20, 22, 23.01, 24.01, 25, 26.01, 27, 28, 29, and 30.02 averaged three or fewer originations per year to Households of Color over this ten year period. Census Tracts 4.08, 9.01, 13, and 23.02 averaged less than one origination per year for Households of Color.

The seven Census Tracts listed in the table below represented 26% of all mortgage originations for Households of Color from 2007-2016, while the south and southwest Tracts in total represent over 38% of all originations for Households of Color.

**Table 33: Loan Originations to Households of Color by Percentage of Total Originations by Census Tract**

Tract	White Households		Black Households		Asian Households		Hispanic/Latino Households		Percent of Originations to Households of Color
	#	Denial Rate	#	Denial Rate	#	Denial Rate	#	Denial Rate	
<b>4.05</b>	196	7.1%	2	33.3%	66	12.0%	10	16.7%	28.5%
<b>14.01</b>	101	12.9%	12	25.0%	8	33.3%	19	34.5%	27.9%
<b>6</b>	183	12.9%	10	44.4%	6	40.0%	54	18.2%	27.7%
<b>14.02</b>	179	11.4%	16	15.8%	14	17.6%	24	25.0%	23.2%
<b>26.03</b>	376	8.7%	38	11.6%	38	22.4%	35	30.0%	22.8%
<b>15.02</b>	293	10.1%	22	15.4%	23	8.0%	41	30.5%	22.7%
<b>4.07</b>	271	7.8%	16	15.8%	28	9.7%	34	20.9%	22.3%

**Figure 172: Black Household Mortgage Originations**

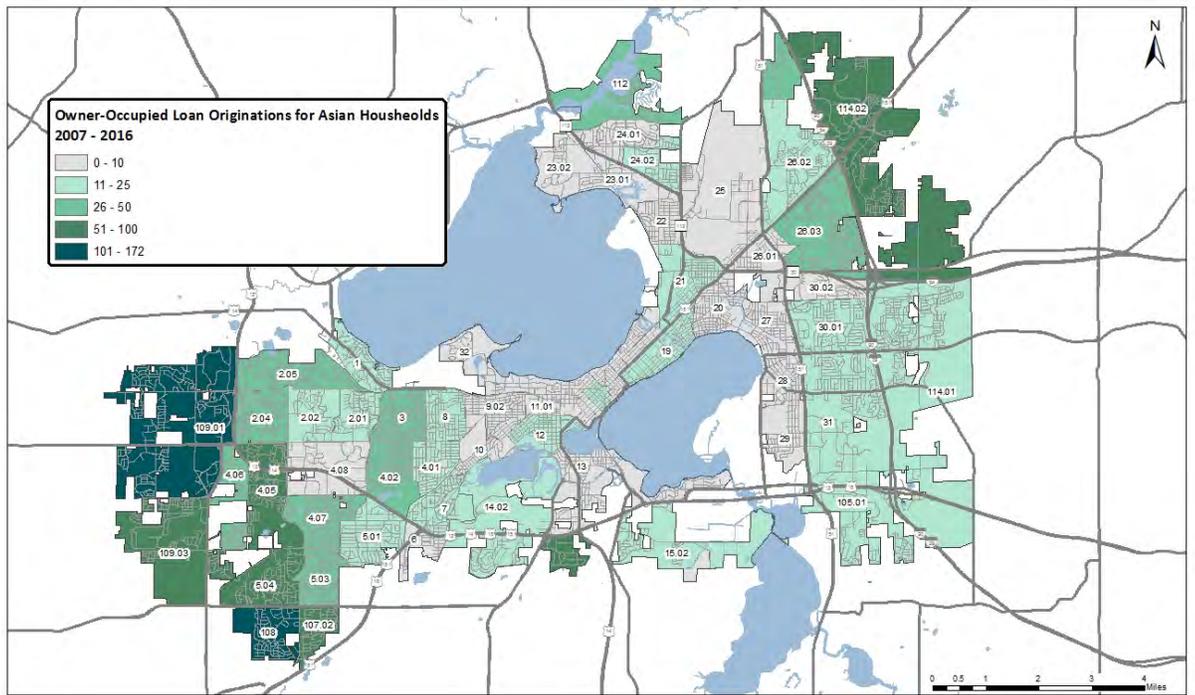


Areas in Madison with the largest number of Black/African American household originations from 2007-2016 include areas of south and southwest Madison, as well as Census Tracts 26.03 and 31 – tracts in green and blue on the above map. Areas in gray averaged less than one origination to a Black household every other year during this timeframe.

Source: 2007-2016 Home Mortgage Disclosure Act Data

Figure 173: Asian Household Mortgage Originations

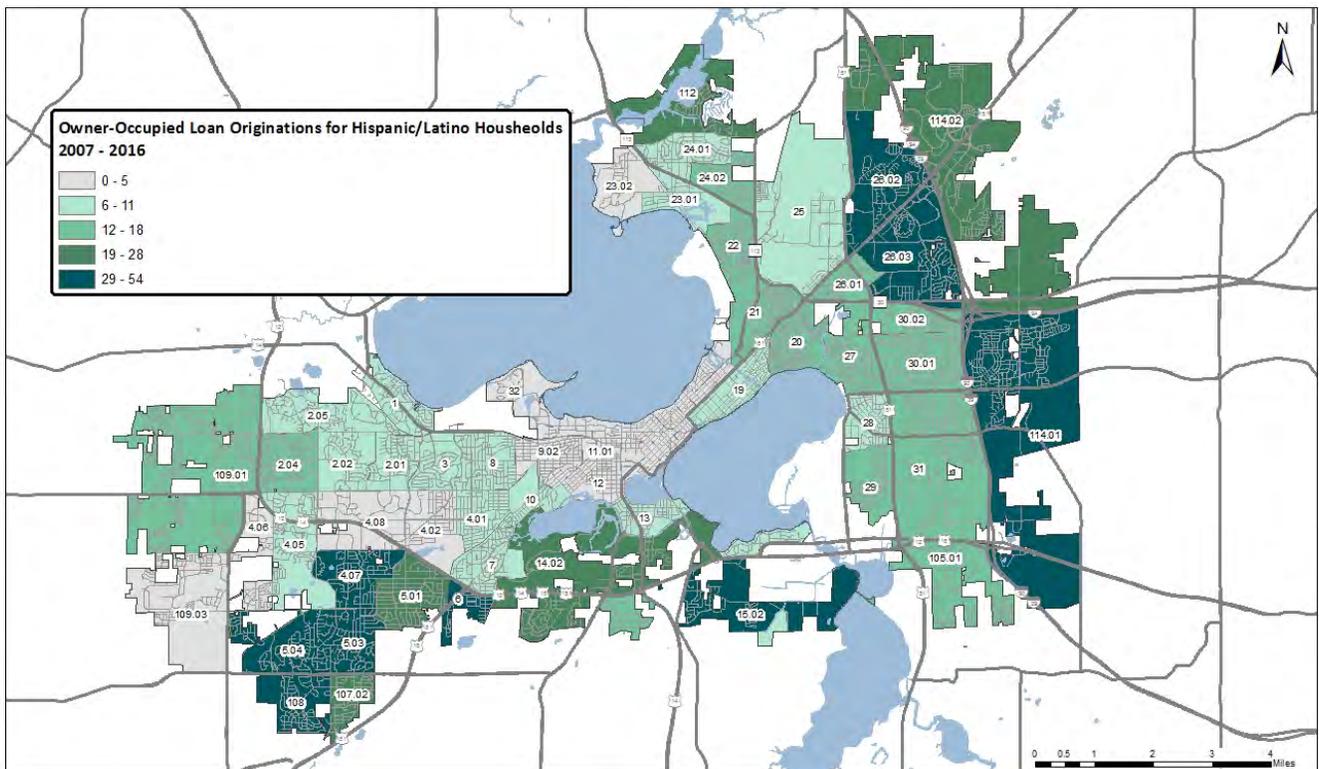
Asian households displayed, in general, more dispersion in originations amongst Census Tracts. There are areas of the City with higher numbers of Asian household originations in this timeframe, including Census Tracts 4.05 and 5.04, with many Tracts having between 11 and 50 originations.



Source: 2007-2016 Home Mortgage Disclosure Act Data

Areas in gray show, on average, less than one mortgage origination per year to an Asian household.

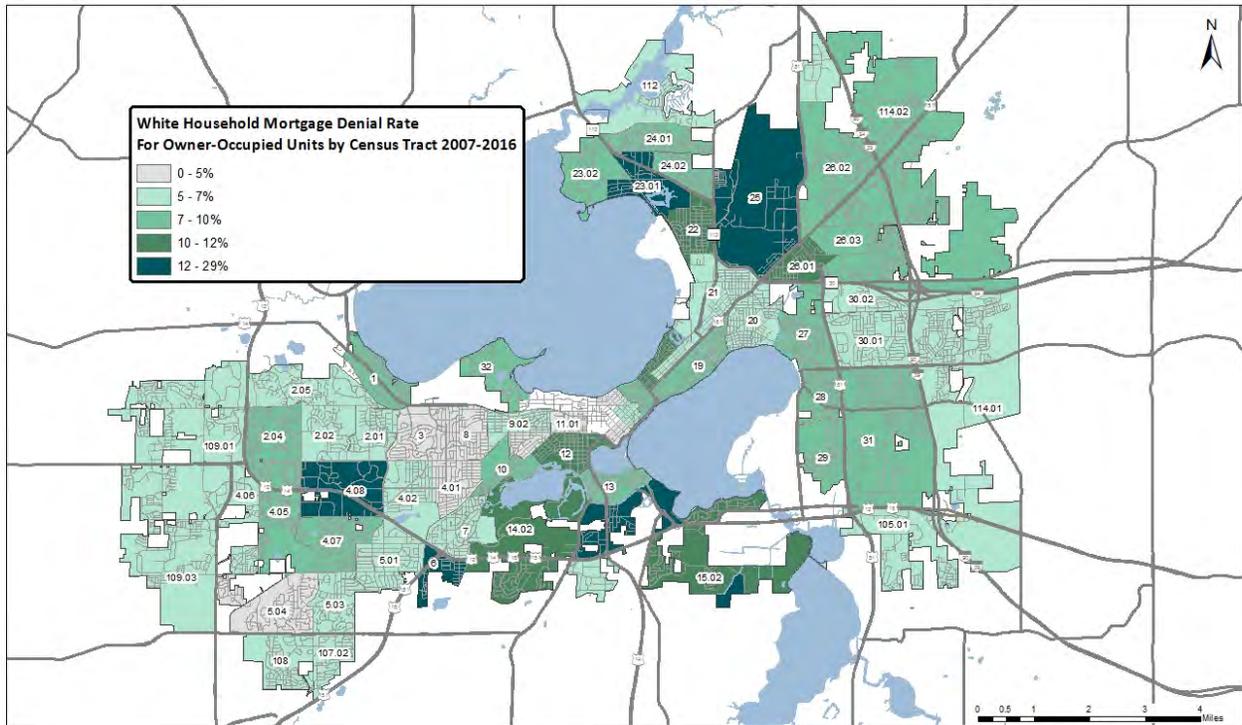
Figure 174: Hispanic/Latino Mortgage Originations



Source: 2007-2016 Home Mortgage Disclosure Act Data

Hispanic/Latino household originations from 2007-2016 were most prevalent in areas of south and southwest Madison as well as areas of north and east Madison. There were few originations in central Madison, Midvale Heights, or North Lake Mendota, each averaging less than one Hispanic/Latino household origination every other year as denoted by gray on the above map.

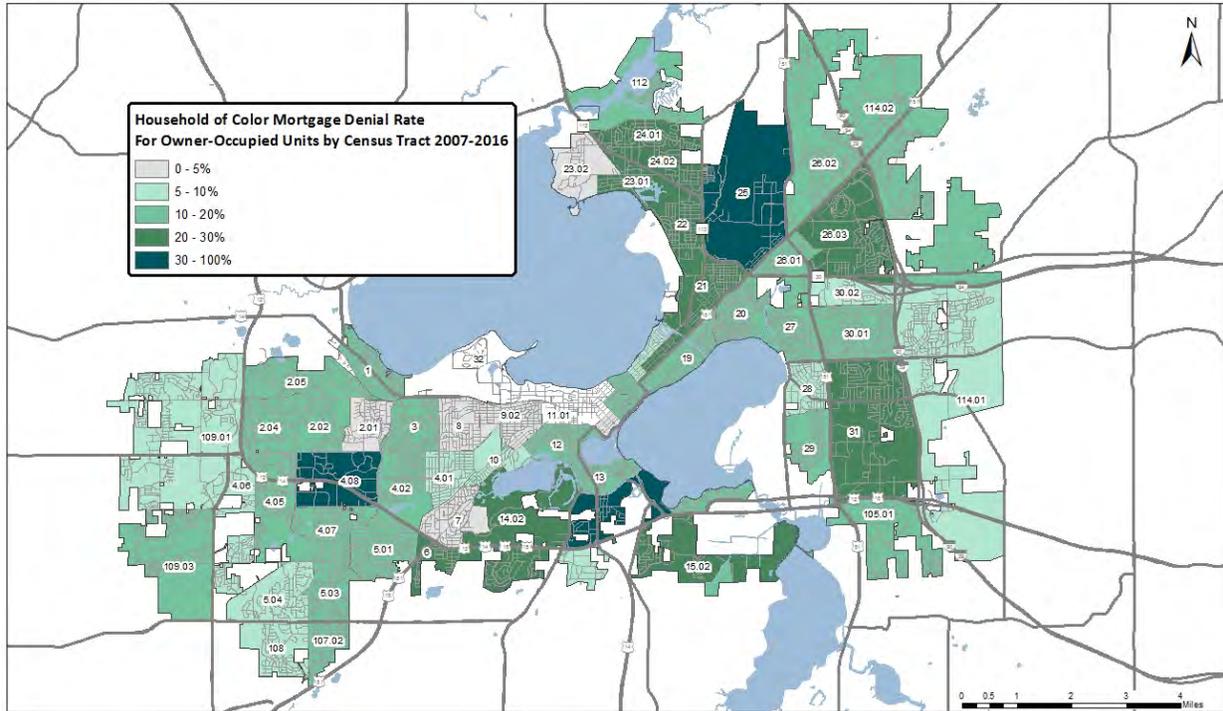
Figure 175: White Borrower Denial Rate by Census Tract



Source: 2007-2016 Home Mortgage Disclosure Act Data

The only neighborhood in the City of Madison in which White households had a significantly higher denial rate compared to Households of Color is the North Lake Mendota neighborhood of north Madison, in Census Tract 23.02. While other areas showed similar rates of denial, the range of overall rates is much greater for Households of Color; there was only one Census Tract in Madison in which the denial rate for White households exceeded 14% (4.08), while there were 24 Census Tracts that exceeded this denial rate for Households of Color, not including Tracts that cover other jurisdictions.

Figure 176: Household of Color Denial Rate by Census Tract

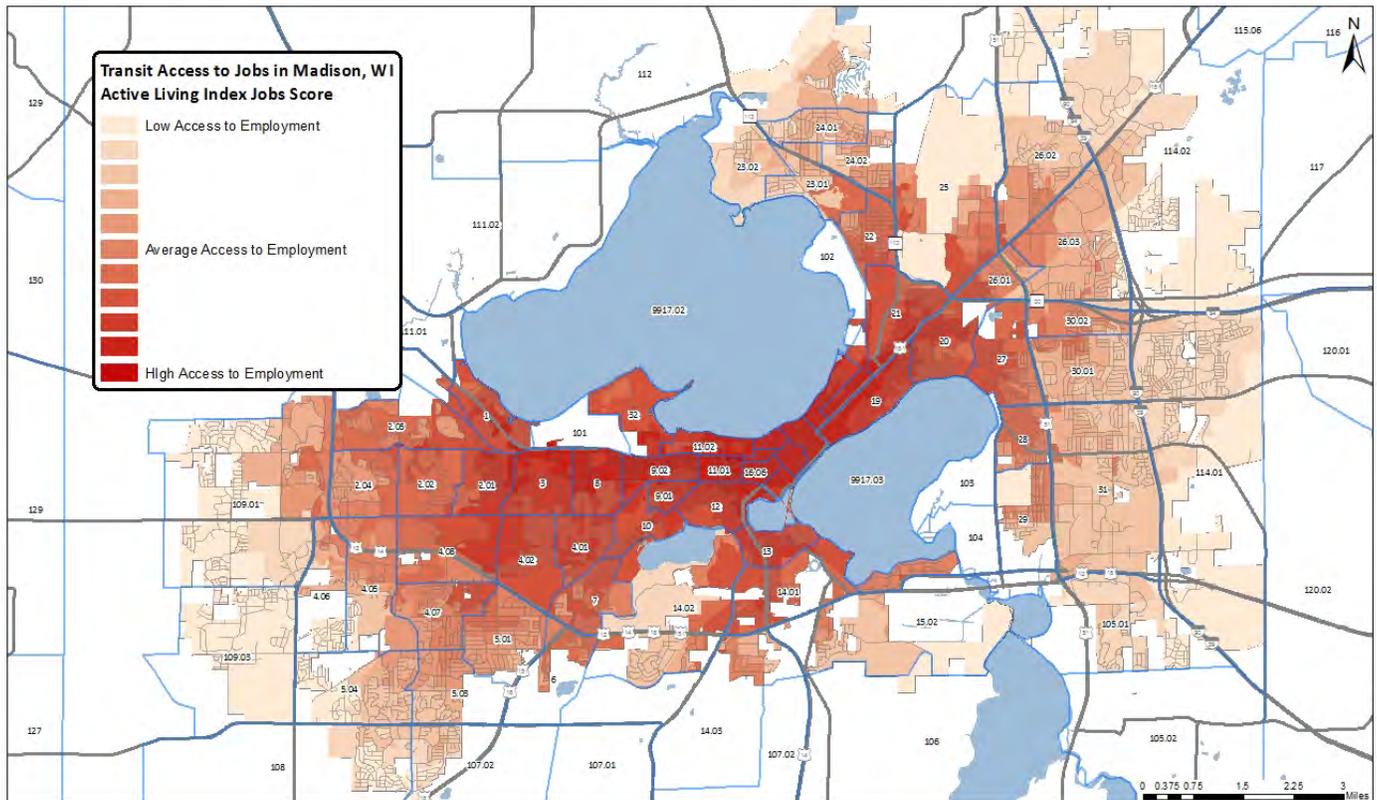


Source: 2007-2016 Home Mortgage Disclosure Act Data

## TRANSIT ACCESS

When considering the ability of a household to generate income, employment within a region is an important consideration is access to jobs. For households with car access, many Madison employment centers are accessible. For many low-income households, place of residence is likely impacted by availability and affordability of units, and public transportation becomes an important factor in maintaining affordability in access to employment.

Figure 177: Transit Access to Employment Centers



Source: Active Living Index

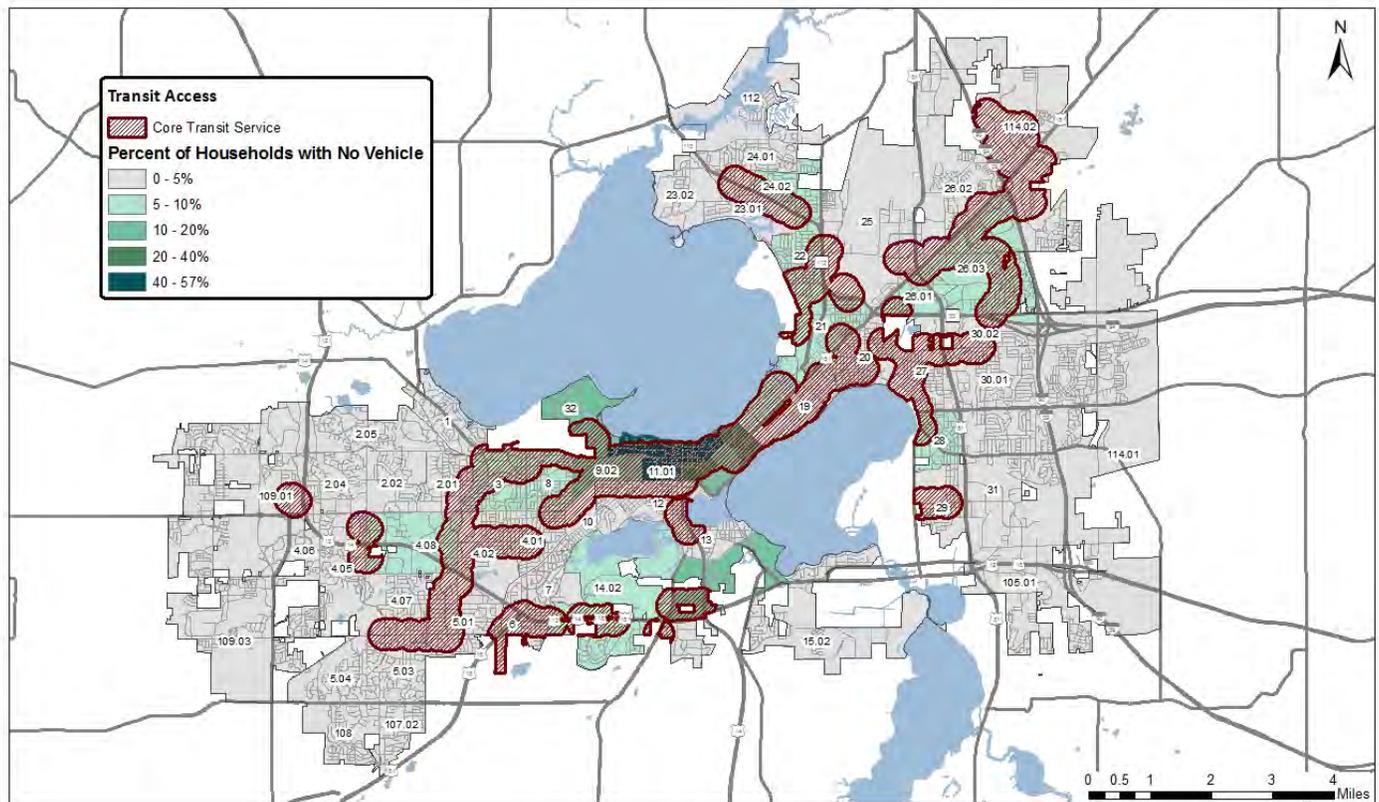
Due to Madison’s unique geography, nearly all public transportation routes bisect the isthmus, creating areas that have extremely high levels of access to employment through public transportation. In general, the closer a household lives to the central isthmus, there corresponds a higher level of accessibility. While many protected classes as discussed in prior sections are dispersed throughout the City, of concern are Census Tracts with high percentages of both low-income (sometimes transit-dependent) households and Households of Color.

Census Tracts 4.05, 4.06, 4.07, 14.02, 15.02, 24.01, 24.02, 25, and 26.03 all contain Census Block Groups in which the median income is classified as Very Low-Income, and all have below average access to employment through public transit as analyzed by the Active Living Index.

Census Tracts 4.05, 4.07, 5.03, 14.02, 15.02, 23.01, 24.02, and 30.02 all contain higher than the City average percentages of Households of Color, and all have average- to low-access to employment opportunities through transit options by this measure.

A measure of transit as applied through the City’s Affordable Housing Fund allocation process, “core” transit service is defined as areas within 0.25 miles of a transit stop served by 30-minute, seven days per week service. As applied to maps previously published by the City of Madison, it is possible to determine areas with concentrations of specific groups, and general access to transit that operates within 30 minute lead times on a seven day per week basis.

Figure 178: Transit Access for Households with No Vehicle



Source: 2012 – 2016 ACS 5-Year Estimates, City of Madison Data

The largest concern in availability of transit is for households that have no access to a vehicle – and are therefore transit-dependent households, opposed to households which may be transit users by choice.

Vast areas of Madison have relatively low numbers of households without access to a vehicle, especially areas which are higher-income areas, and areas farther from the center of the City. In areas surrounding the University of Wisconsin – Madison campus, there are areas in which as many as 57% of households do not have access to a vehicle – but as they are located within the central isthmus, they have exceptional connectivity through Madison solely via transit.

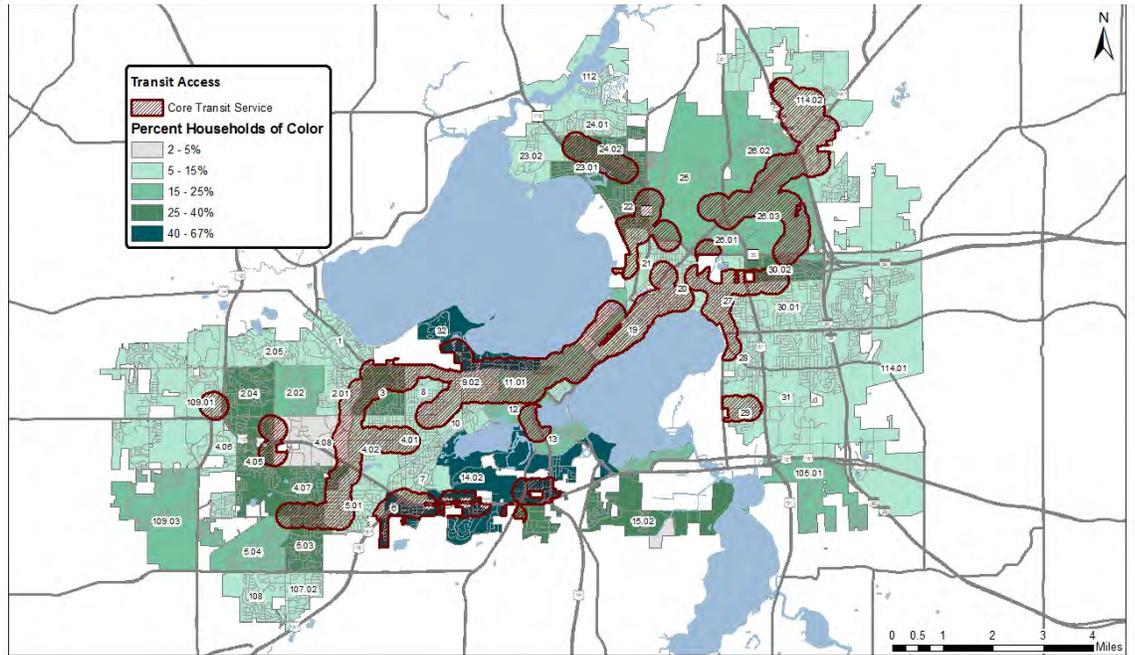
There are areas of Madison with increased numbers of households both without access to a vehicle and without access to core transit service. These areas include Leopold and Arbor Hills neighborhoods, as well as areas of Burr Oaks, Bram’s Addition, and Capitol View neighborhoods on the south side of Madison. All of these neighborhoods display concentrations of Households of Color, and may indicate that the lack of transit connectivity has a higher likelihood to be a disadvantage to Households of Color by demographic makeup of these neighborhoods. Other areas, which display increased households without access to a car and intermittent transit service, include areas of the north and east sides of Madison – Brentwood Village, Worthington, and Hawthorne neighborhoods. Additionally, all of these neighborhoods have significant numbers of low-income households, which may limit the mobility of households and individuals based upon income. Specifically, Burr Oaks, Bram’s Addition, and Capitol View show the highest concentrations of low-income households aside from campus-associated neighborhoods, yet these neighborhoods do not have access to core transit service, which for many households may be a necessity. At the very least, this represents a disparity in scheduling that disadvantages lower-income households in specific areas of the City.

Metro has, in the past, petitioned through budget appropriations processes and supplemental budget requests to expand core transit in the Fish Hatchey – Park Street and East Washington Avenue corridors, but these expansions have not been included in final budget passed by Common Council.

As outlined above, overlays of core transit service with percentages of Household of Color and extremely- and very low-

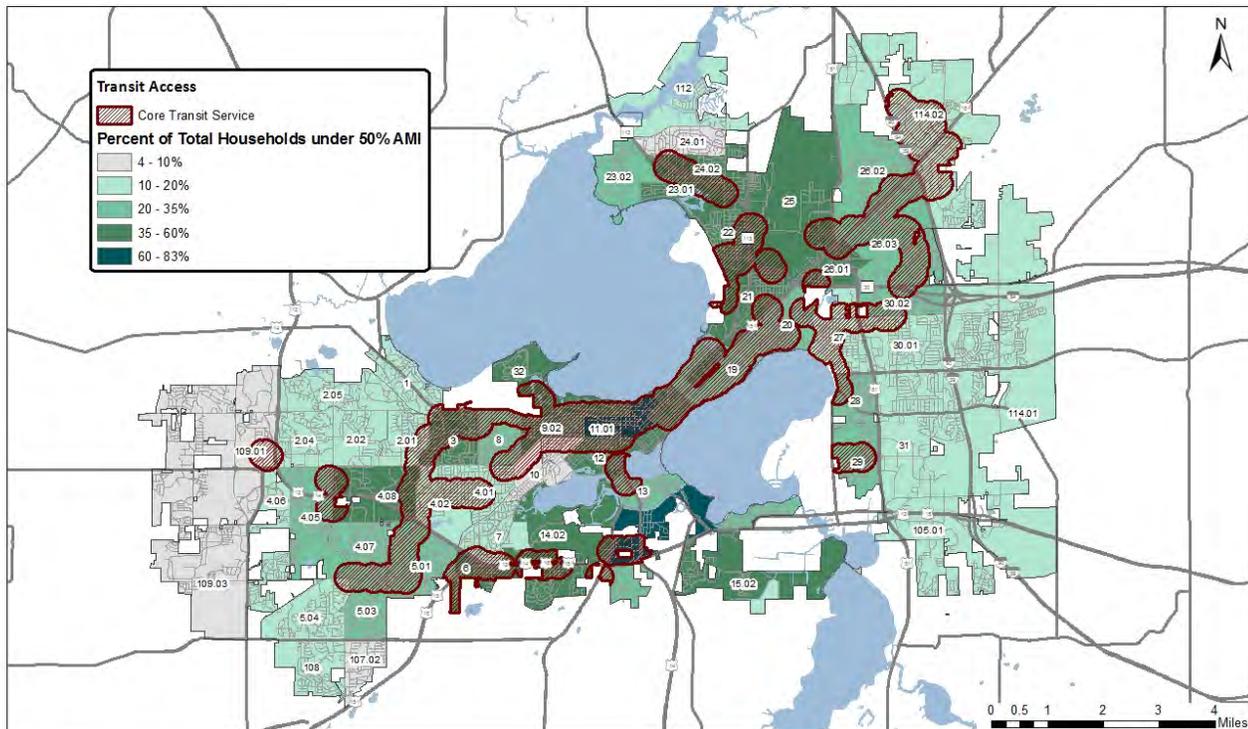
income households are available on this page. While not included in the prior section due to level of vehicle access, these maps also illustrate Census Tract 15.02, which has higher than average numbers of both Households of Color and Low-Income Households, while not receiving core transit service, likely due to the more suburban nature of the tract.

Figure 179: Core Transit Access for Households of Color



Source: 2010-2014 HUD CHAS, City of Madison Data

Figure 180: Core Transit Access for ELI/VLI Households

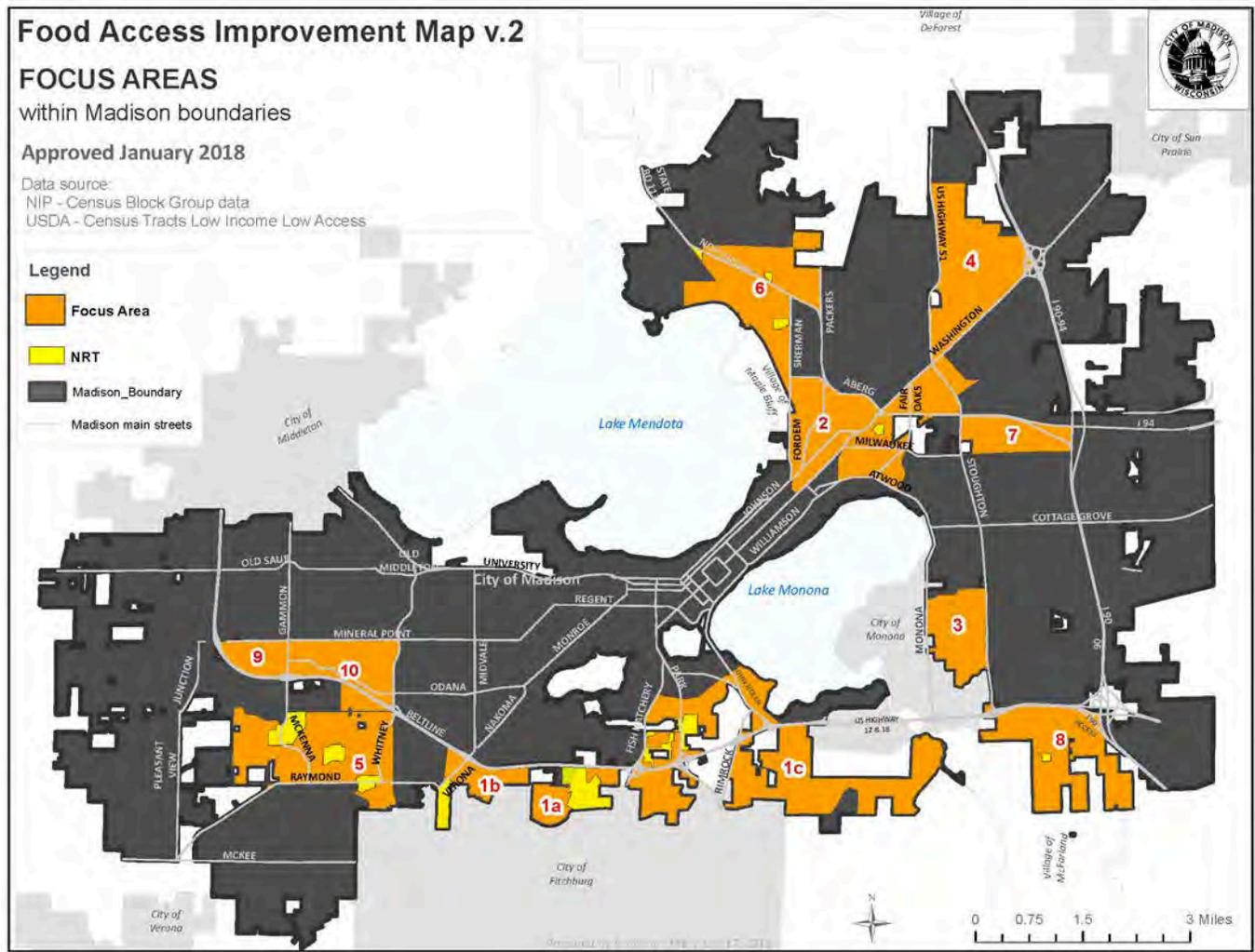


Source: 2010-2014 HUD CHAS, City of Madison Data

As identified in the 2013 Analysis of Impediments to Fair Housing Choice, there are areas of the City that do not have access to fresh food items within a reasonable distance, defined as one-mile from a grocery store. Earlier in 2018, the City of Madison adopted a new Comprehensive Plan, which identified a strategy to “Ensure access to food that is affordable, nutritious, and culturally specific.” One of the main drivers to food access is income, with low-income households sometimes displaying varying levels of food insecurity even when within the one-mile proximity from a grocery store.

In January of 2018, the Madison Food Policy Council released the Food Access Improvement Map v.2, which highlights areas of the City impacted by high levels of food insecurity. This map highlights many areas that have both low access to grocery stores and high rates of poverty, and is a City-level interpretation of the USDA Food Access Indicators; ACS vehicle ownership rates; and physical barriers that may be built into the landscape, such as roads or bridges that restrict access. As this map factors in areas that have higher concentrations of low-income households and areas with lower rates of access to a car, this map will inherently give more weight to these areas, which is appropriate as food insecurity is often associated with poverty, lack of economic stability, and severe cost-burden in low-income households, among other markers.

Figure 181: Food Access Improvement Map



Source: City of Madison

These neighborhoods are generally consistent not only with the markers identified above, but also with neighborhoods that have higher percentages of Households of Color – most notably in southwest, south, and north Madison, which all have above City average shares of these households, indicating disparities in food access and stability in the City.

**III. FAIR HOUSING PROFILE**

This section provides a brief overview of the current fair housing funding, programs and activities including public programs administered by the City of Madison and the efforts of private entities that support or affect fair housing choice.

## PUBLIC AND PRIVATE GROUPS AND THEIR ROLE IN HOUSING

Table 34: Public and Private Housing Organizations

Group	Development	Sale	Rental Management	Preservation/Rehab	Education and Advocacy	Fair Housing Enforcement
<b>FEDERAL</b>						
HUD		X	X	X		X
FHA		X				
Fannie Mae		X				
Freddie Mac		X				
Health and Human Services			X			
Internal Revenue Service	X	X	X			
<b>STATE</b>						
DOA (NSP, HCRI)	X	X				
WHEDA	X	X				
State of Wisconsin Equal Rights Division						X
<b>MUNICIPALITY/COUNTY</b>						
Dane County Equal Opp. Commission						X
Dane County Corporation Counsel						X
City of Madison Dept. of Civil Rights						X
City of Madison Equal Opp. Comm.						X
Madison CDA	X	X	X			
Madison PCED	X			X	X	
<b>STATEWIDE GROUPS</b>						
Wisconsin Partnership for Housing Development	X	X	X			
<b>LOCAL GROUPS</b>						
Tenant Resource Center					X	
Fair Housing Center of Greater Madison					X	X
Access to Independence					X	
Community Action Coalition of SCW					X	
Common Wealth Development	X	X	X	X		
Meridian Group	X		X	X		
Goodwill Industries	X		X	X		
Habitat of Humanity of Dane County	X	X		X		
Housing Initiatives	X		X	X		
Independent Living	X		X	X		
Madison Area Community Land Trust	X	X		X		
Madison Development Corporation	X		X	X		
Movin' Out	X	X	X	X		
Operation Fresh Start	X	X		X		
Porchlight, Inc.	X		X	X		
Project Home	X		X	X		
St. Vincent de Paul			X	X		
The Salvation Army			X			
Tellurian UCAN	X		X			
Urban League of Greater Madison		X		X		
YWCA			X			

## NON-PROFIT AGENCIES

Many affordable housing providers, housing counseling service providers, and fair housing counseling and enforcement activities are administered by local, regional, and statewide non-profits serving the Madison area. This list is current at time of writing, but may potentially be non-exhaustive of all housing-related providers in the region.

- **Common Wealth Development**

[www.cwd.org](http://www.cwd.org)

Common Wealth Development is a Madison-based non-profit working to “preserve the vitality of Madison’s neighborhoods” through art, business, community, housing and youth-focused projects. Specifically, Common Wealth provides affordable housing opportunities to low- and moderate- income households through affordable rental apartments and a lease-purchase home ownership program.

- **Community Action Coalition for South Central Wisconsin, Inc.**

<http://www.cacscw.org/>

The Community Action Coalition (CAC) provides services in Dane, Jefferson and Waukesha for those needing housing assistance. CAC specifically works with the homeless or nearly-homeless individuals and families, those with HIV/AIDS, and recent immigrants. Services include assistance locating and securing housing, housing consultation, information and referral, case management, landlord/tenant mediation and budget consultation. CAC also administers a supportive housing program for homeless persons with a disability.

- **Fair Housing Center of Greater Madison**

<http://www.fairhousingwisconsin.com/>

The Fair Housing Center of Greater Madison (FHCGM) is a satellite office of the Metropolitan Milwaukee Fair Housing Council. This organization is a private non-profit that provides a full-service fair housing program. Programs and services include:

- Enforcement- intake of fair housing complaints, counseling on administrative or judicial options, investigative services for potential complainants, referrals to attorneys and government agencies, systemic investigations
- Outreach and Education- presentations to housing consumers and advocates, fair housing training for housing providers, fair housing technical assistance, development and distribution of fair housing educational materials
- Fair Lending- counseling, investigation of predatory lending/ fair lending violations, monitoring of financial institutions, technical assistance to lenders/policymakers, information to financial institutions on improving service to low/moderate income communities and people of color
- Inclusive Communities- technical assistance to community organizations, developers, policymakers, housing consumers on inclusionary housing, access to pro-integrative housing, research and analysis of fair and affordable housing opportunities and impediments

- **Habitat for Humanity**

<http://habitatdane.org/>

Habitat for Humanity works with families in need to build and maintain new homes. Homeowners must help build their homes and attain educational courses regarding homeownership. In exchange, Habitat provides volunteer labor and a 0% interest mortgage. Habitat homes are sold to partner families at no profit, financed with affordable, no-interest loans. The homeowners' monthly mortgage payments are used in construction of more Habitat houses.

- **Housing Initiatives**

<http://housinginit.org/>

Housing Initiatives works to provide permanent housing for homeless persons affected by severe and persistent mental illness. Their programs include The Shelter-Plus-Care Program which provides permanent housing for clients who are homeless under the HUD definition, have been diagnosed with severe mental illness and are unable to live independently without supportive services and are receiving permanent and ongoing case management services to facilitate care for their illness. The Section 8 Program through the Veteran Affairs Supportive Housing (HUD-VASH) program and Housing Development Program also assist in finding housing for person with mental illness.

- **Independent Living, Inc.**

<http://www.independentlivinginc.org/>

Independent Living is a non-profit based in Madison that supports independent living for adults with a disability. Independent Living provides several in-home services including home safety modification, “Home Share”, homelessness prevention, “Home Chore”, and financial management. In addition, Independent Living also operates four independent and assisted living housing developments.

- **Madison Area Community Land Trust**

<http://www.affordablehome.org/>

The Madison Area Community Land Trust’s goal is to promote affordable housing for first time home buyers at or below 80% of the local/regional median income. Under the Community Land Trust’s model, homeowners purchase their house, but the land is leased from the Trust. When the homeowner sells their home, 75% of the appreciated value stays with the house so it is more affordable for the next buyer.

- **Madison Development Corporation**

<http://www.mdcorp.org/>

The Madison Development Corporation is a non-profit corporation that assists in providing affordable housing for Madison and Dane County residents.

**Meridian Group Inc.**

<http://meridiangroupinc.net/index.asp>

Meridian Group Inc. produces, structures, finances and manages apartment communities. Meridian offers assistance to help seniors and persons with disabilities to locate housing catered to their needs. Meridian also supports Section 8 and 42 housing programs and structures financing with the help of HUD programs and other state and federal grants.

- **Movin’ Out**

[www.movin-out.org](http://www.movin-out.org)

Movin’ Out works to increase the stock of integrated, affordable housing for people with disabilities. Services include education and resources, housing counseling, homeownership subsidies, and accessibility planning. Movin’ Out also develops or acquires rental property and rehabs them to include individualized accessibility modifications, and works with partners to set aside units for individuals with disabilities in new developments. In addition, Movin’ Out offers a tailored trust for families to ensure that individuals can remain in their home when their care-takers pass away.

- **Porchlight, Inc.**

<http://www.porchlightinc.org/>

Porchlight, Inc. provides emergency shelter, food, employment services, counseling, and affordable transitional and permanent housing to homeless people in the Dane County area. Porchlight operates emergency shelters and housing for adults with serious mental illnesses.

- **Project Home, Inc.**

<http://www.projecthomewi.org/>

Project Home’s mission is to “improve the quality and affordability of housing for low-to-moderate income residents in Dane and Green Counties...through services that improve comfort, safety and reduce energy bills.” Programs include weatherization, major and minor home repair, and lead abatement. Project Home also operates affordable housing, as well as an independent living development for HIV positive individuals and families.

- **Tenant Resource Center**

[www.tenantresourcecenter.org](http://www.tenantresourcecenter.org)

The Tenant Resource Center provides information and referral for tenants and landlords, housing counseling about rights and responsibilities, mediations at small claims court for eviction cases, weekly vacancy lists of available housing, lists of affordable housing programs, information about emergency and transitional housing, workshops for community organizations, eviction prevention dollars, third-party mediators for out of court disputes and provides extensive information about tenant and landlord laws through its website, brochure series and workshops.

- **Tellurian UCAN, Inc.**

[www.tellurian.org](http://www.tellurian.org)

In addition to addiction services, Tellurian UCAN also provides housing services for adults and families including a Supported Housing Program, a Transitional Housing Program, group homes, and the Start on Success program. The Start on Success program provides housing to families with children who have a history of chronic homelessness.

- **Urban League of Greater Madison**

<http://www.ulgm.org/>

The Urban League of Greater Madison operates several programs across the live/learn/work spectrum, including the Single Family Home Ownership Program. This program purchase and remodels homes in Madison for larger, low-income families to lease with an option to purchase.

## FUNDING SOURCES RECEIVED IN MADISON

The City of Madison administers several federal, state and local funding sources for the benefit of fair housing. Priorities for these funds are outlined in the one-year Consolidated Plan Management Process (CPMP) Action Plan, submitted by the City to HUD annually. The 2018 Action Plan outlined goals, objectives, outcomes, and estimated funding for approximately \$12.5 million in anticipated funding. The following is a brief description of these funding sources.

- **Community Development Block Grant (CDBG)- Entitlement**

The Community Development Block Grant (CDBG) program is administered by the Department of Housing and Urban Development. Grants are awarded to entitlement communities for a variety of community development activities that develop “viable urban communities by providing decent housing and a suitable living environment, and by expanding economic opportunities, principally for low- and moderate-income individuals and families.

In Madison, the CDBG Committee establishes policies and makes funding recommendations to the Mayor and Common Council. The use and allocation of CDBG funds is determined through the five-year Consolidated Plan, of which this report is a prerequisite of submittal. For 2018, the City anticipates approximately \$7.4 million to be available for funding.

- **HOME Investment Partnership Program (HOME)**

The HOME program provides grants to states and cities to fund a range of activities that develop, buy or rehabilitate affordable housing. HOME funds are often used in partnership with non-profits. In the 2018 Action Plan, the City anticipates approximately \$6.1 million available for funding.

- **Emergency Solutions Grant (ESG)**

Emergency Solutions Grants, awarded by HUD, are to be utilized in partnership with non-profits to operate shelters, transitional housing, provide homelessness prevention outreach, and rapid re-housing services. In the 2018 Action Plan, the City estimates approximately \$156,000 in available funding.

- **Continuum of Care (CoC)**

Continuum of Care is a program with the goal of ending homelessness through grants awarded by HUD, with federal guidelines to utilize funding for rapid rehousing both individuals and families, as well as to reduce the trauma often associated with displacement and houselessness.

- **Public Housing Capital Fund**

HUD awards Public Housing Capital Fund monies annually to Public Housing Agencies (PHA) for the development, financing, modernization and management improvements of public housing developments. The funds cannot be used for luxury improvements, direct social services, costs funded through other programs and other ineligible activities.

- **Housing Cost Reduction Initiative**

The Wisconsin Department of Administration, Division of Housing (DOH) makes Housing Cost Reduction Initiative (HCRI) program funds available. The program is designed to provide direct financial assistance to reduce the housing costs of low- and moderate-income households.

- **Affordable Housing Fund**

The Affordable Housing Fund is supported by City of Madison general budget allocation to help meet the housing needs of low- and very low- income households. Allocation to the fund comes through the municipal budget process, although recent closures of TIF Districts have allowed for additional generation of money into the fund through by one-year extension of the district. The Fund provides loans and grants to housing developers (profit and non-profit) for acquisition, capital and soft costs associated with new affordable housing. Projects are awarded funding allocations through a competitive application process, guided by a preference for specific areas to target new development, the project's mission furthering City priorities (ex: ending homelessness), and feasibility of the development. This program is administered by the Community Development Division, and has substantially increased the ability of developers to secure LIHTC awards through WHEDA.

## MAJOR CITY-ADMINISTERED PROGRAMS

The City of Madison administers various programs aimed at ensuring fair and equitable housing for the City's residents. Support is provided for these programs through both municipal funding and the above mentioned federal and state sources.

- **Home Rehabilitation Loans**

Administering Agency: Economic Development Division

Funding Source(s): HOME, CDBG, City Levy

Beneficiaries: Homeowners (Income restricted), Investors

The purpose of the Homebuyers Rehabilitation Loans is to provide financial incentives to upgrade housing units in need of rehabilitation, resulting in an improved housing stock. There are three types of loan products; two of the rehabilitation loan types are reserved for households earning no more than 125% of the area median income, while one is reserved for short-term financing for developers operating or construction one-to-eight unit properties to be sold to owner occupants. Deferred payment loans are offered to households earning under 80% of the area median income. These deferred loans become payable in installment on the tenth anniversary date of closing the loan, with a below-market interest rate and 15-year amortization. Households between 80% and 125% of the area median income do not qualify for deferred loans, but are offered installment loans. Loans that are initially installment loans accrue interest at a rate equal to the cost of City borrowed funds annually, plus one-percent (1%).

- **Home-Buy the American Dream**

Administering Agency: Community Development Division

Funding Source(s): HOME, WI DOH-HCRI, City Levy (Revolving Loan Fund)

Beneficiaries: LMI first-time homebuyers

Home-Buy the American Dream provides down payment assistance to low-income first-time homebuyers, defined as individuals who have not owned property in the past three years, and single parents. This program offers up to \$20,000 in down payment assistance to homebuyers who wish to purchase a home within the City of Madison, and up to \$5,000 to homebuyers who wish to purchase a home in Dane County, but outside of the City. This program operates as a deferred loan, and is not due until the title is transferred, home is sold, or the borrower refinances their mortgage in a cash-out transaction.

- **Property Tax Assistance for Seniors**

Administering Agency: Community Development Division

Funding Source(s): Revolving Loan Fund

Beneficiaries: No income or geography restrictions

The City offers property tax assistance for seniors through a reverse-mortgage program, capped at the amount of property tax, and not usable for living expenses. This program allows senior homeowners (65+) to age in place without the added monthly expense of budgeting for annual property tax. The program is income-restricted to 80% AMI households, with maximum liquid assets of \$30,000.

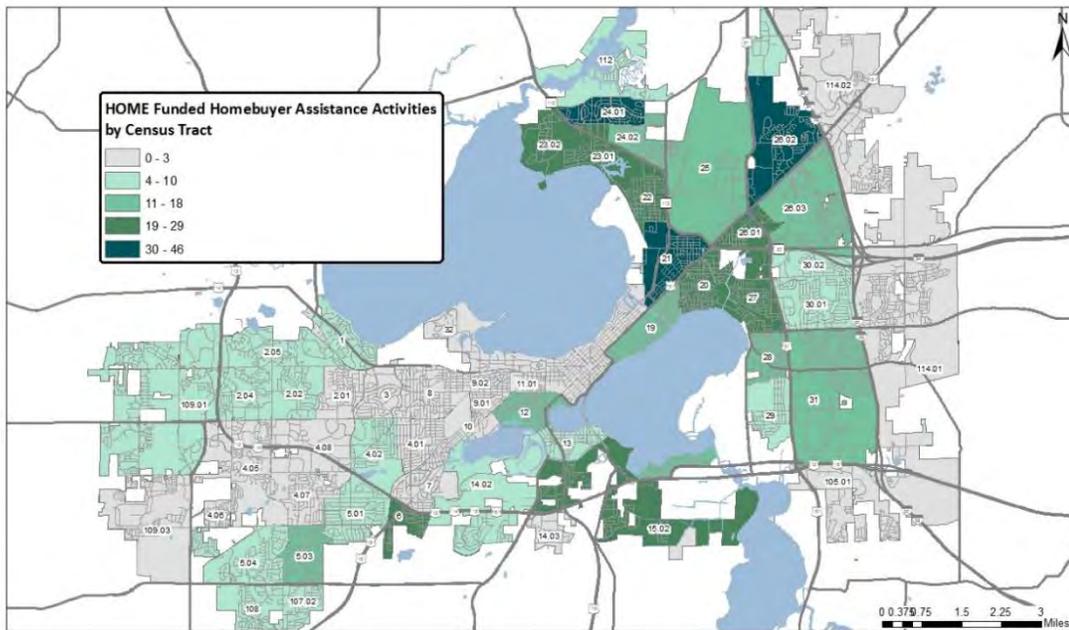
## IV. CITY OF MADISON HOUSING POLICY

### COMMUNITY DEVELOPMENT DIVISION

One of the major aspects to consider in furtherance of fair housing is the City's use of housing funding sources spatially. HOME funding specifically is

Figure 182: Homebuyer Assistance Activity

primarily for the use of low-income households, but also for mixed-income developments. HOME funds do not need to be used in low-income neighborhoods, but due to the availability of development and owner occupied households affordable to low-income households, HOME funds are used disproportionately in North, South, and East Madison.

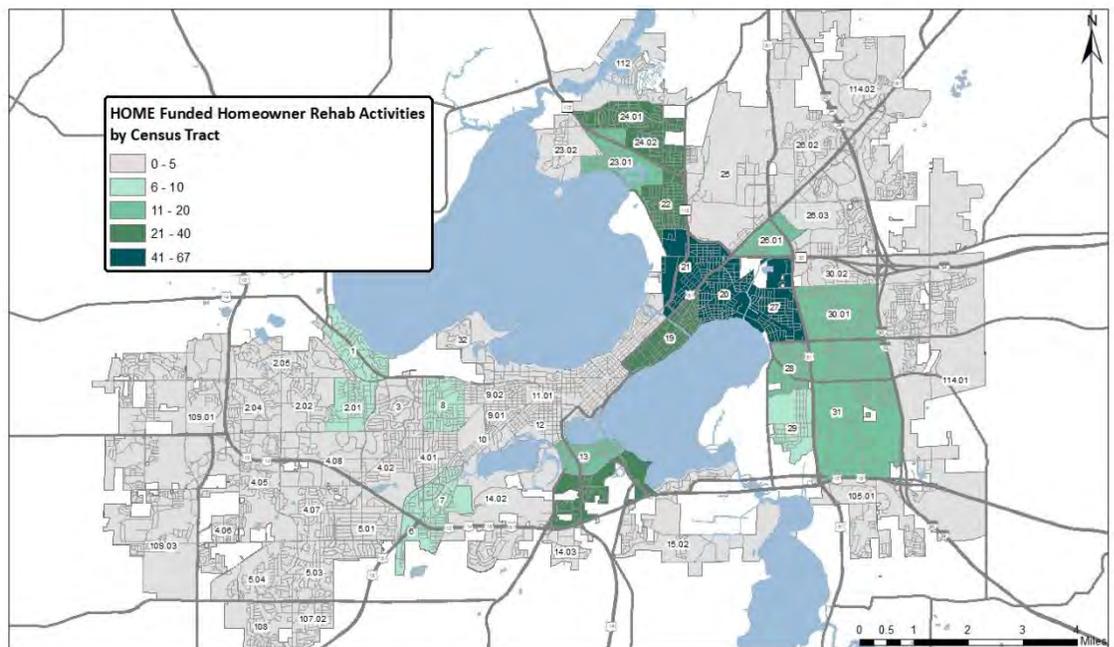


Especially with home-purchase and rehab assistance activities through the HOME program, funds are most commonly used in areas which have higher amounts of low-income housing opportunities, and thus more qualifying homeowners. As this is required within the program, there are many areas which see less HOME investment due to higher property cost than would be affordable to a program participant.

Source: HUD CPD 2017

Figure 183: Homeowner Rehab Activity

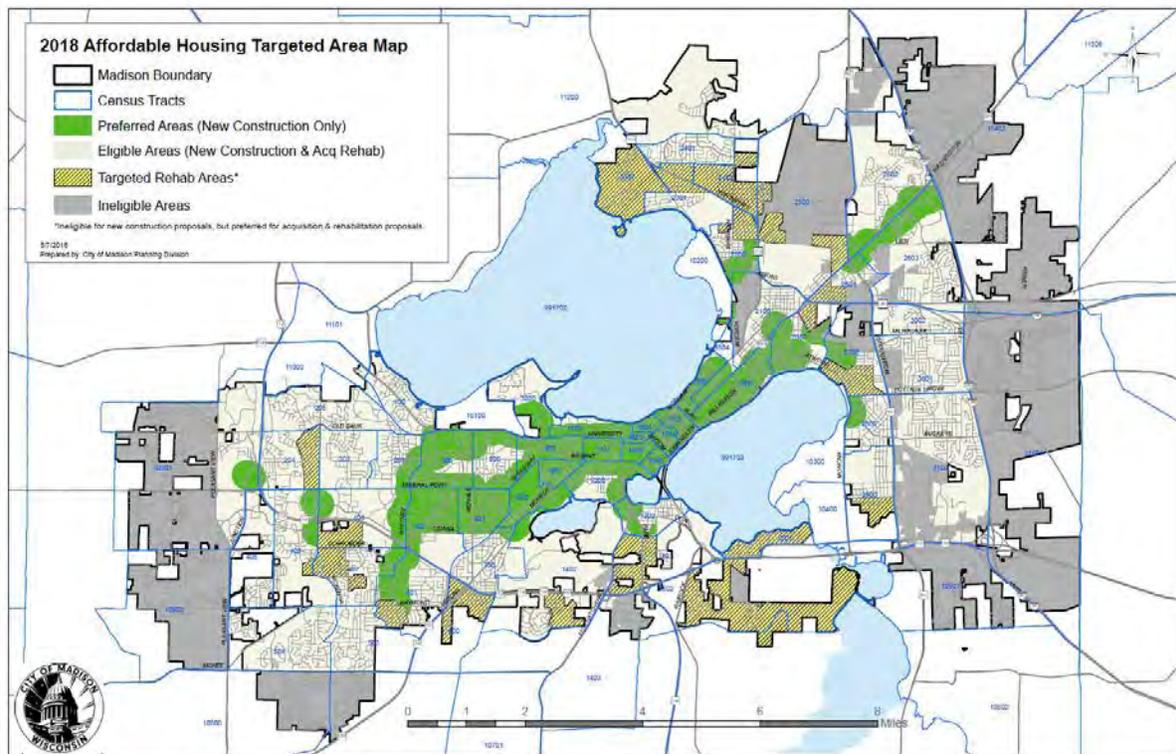
Due to the structure of City of Madison homeowner assistance, these maps do not encompass all assistance given, as loans disbursed are deferred, depending on the specific loan, for later repayment. The receipt of repayment is deposited into a revolving loan fund for future assistance through the program. Reporting requirements show only properties that have direct investment using federal dollars.



Source: HUD CPD 2017

A major source of funding within the City of Madison to direct fair and affordable housing within the City of Madison is the previously-detailed Affordable Housing Fund, or AHF. This fund provides gap financing which allows developers to be more competitive in LIHTC applications to WHEDA, and the additional source of funds allows for slightly lower median rents in the development. The City of Madison annually updates areas of the City in which developments are able to receive funds by using a Targeted Area Map, through which developers are selected in a competitive application process.

Figure 184: AHF Target Area Map



Source: City of Madison Community Development Division

This map takes into account many variables to determine priority – namely percent assisted housing, poverty rate, and proximity to “core” transit service. These considerations inform the Preferred areas of the map, and has provided guiding policy to developers.

In assessing the impact of Affordable Housing Fund developments, the number of new units created is one of many metrics that can be used. Of particular interest to fair housing is the demographics and conditions of the neighborhood in which these developments are being constructed – as developments both impact and are impacted by the surrounding neighborhood. There are multiple options in national best practice for prioritizing siting of affordable housing through the LIHTC program, which most simplified consist of:

1. Siting developments in amenity-rich, moderate- to high-income areas with “access to opportunity”
  - a. Commonly referenced as the “Geography of Opportunity” model
  - b. Promotes integration of household incomes on a neighborhood level
  - c. Similar to a “Moving to Opportunity” model of HUD programming
  - d. Often
2. Siting developments in low- to moderate-income neighborhoods, providing healthy and safe housing in low-income areas
  - a. Commonly referenced as the “Development in Place” model
  - b. Can provide opportunities for households to enter new, healthy housing in their neighborhood
  - c. Possible concerns over concentrating poverty

The 2018 Request for Proposals released by the City lists the Scope of the program as to further these primary goals:

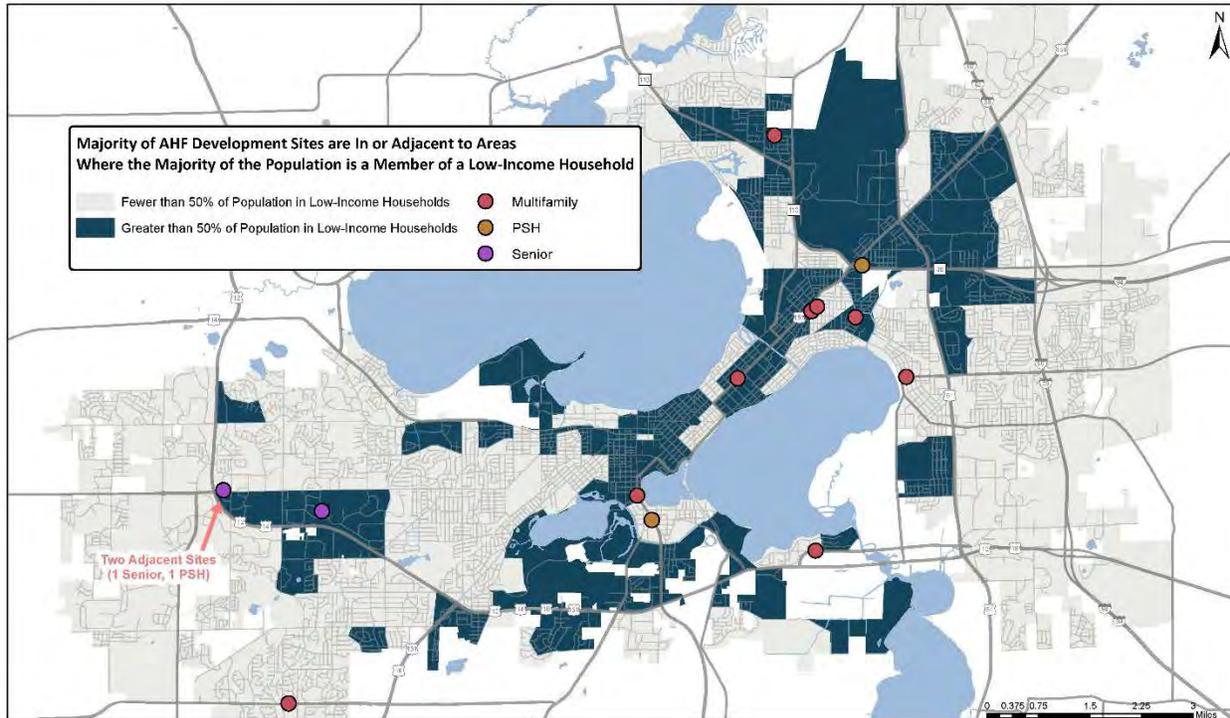
1. Increase the supply of safe, quality, affordable rental housing
2. Preserve existing income- and rent-restricted rental housing to ensure long-term affordability and sustainability.
3. Improve the existing rental housing stock in targeted neighborhoods through acquisition/rehab to create long-term affordability and sustainability.

With further spatial objectives of:

1. Achieve a wider dispersion of affordable rental housing throughout the City and discourage development of additional supply of income- and rent-restricted units in areas with high concentrations of poverty and/or assisted housing
2. Incentivize new development in areas of the City with strong connections with or in proximity to key amenities such as employment opportunities, public transit, full service grocery store, health facilities, schools, parks, and other [] amenities.

The City of Madison Affordable Housing Fund has substantially increased the supply of affordable rental units in the City of Madison since inception, and preferred areas are updated annually. While the City guides development to exclude concentrations of poverty and assisted housing, other indicators deserve careful consideration in future funding processes.

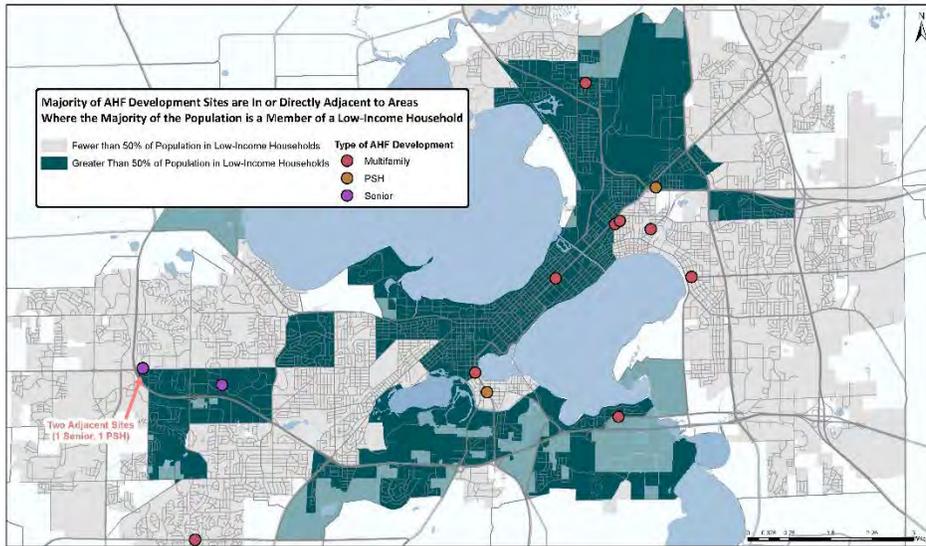
**Figure 185: AHF Developments and Low-Income Populations by Block Group**



Source: City of Madison CDD, Author's Calculations

The above map highlights Census Block Groups in which more than 50% of the population lives in households that are under 80% AMI, a variation of the City's CDBG Target Areas Map (below). Overlaying AHF supported developments onto this map shows that six of the fourteen funded developments are in areas where the majority of individuals reside in low-income households. While not concentrations of poverty, it is possible that these developments are increasing low-income households in areas that are already predominantly low-income. Due to political geographies of Block Groups and Census Tracts not clearly encompassing neighborhoods, it is possible that in total, eleven of the fourteen (11/14) developments may be in predominantly low-income areas, as six (6) are within, and five (5) more are within 0.25 mile radius of census-defined low-income areas.

**Figure 186: AHF Developments and Low-Income Populations by Census Tract**

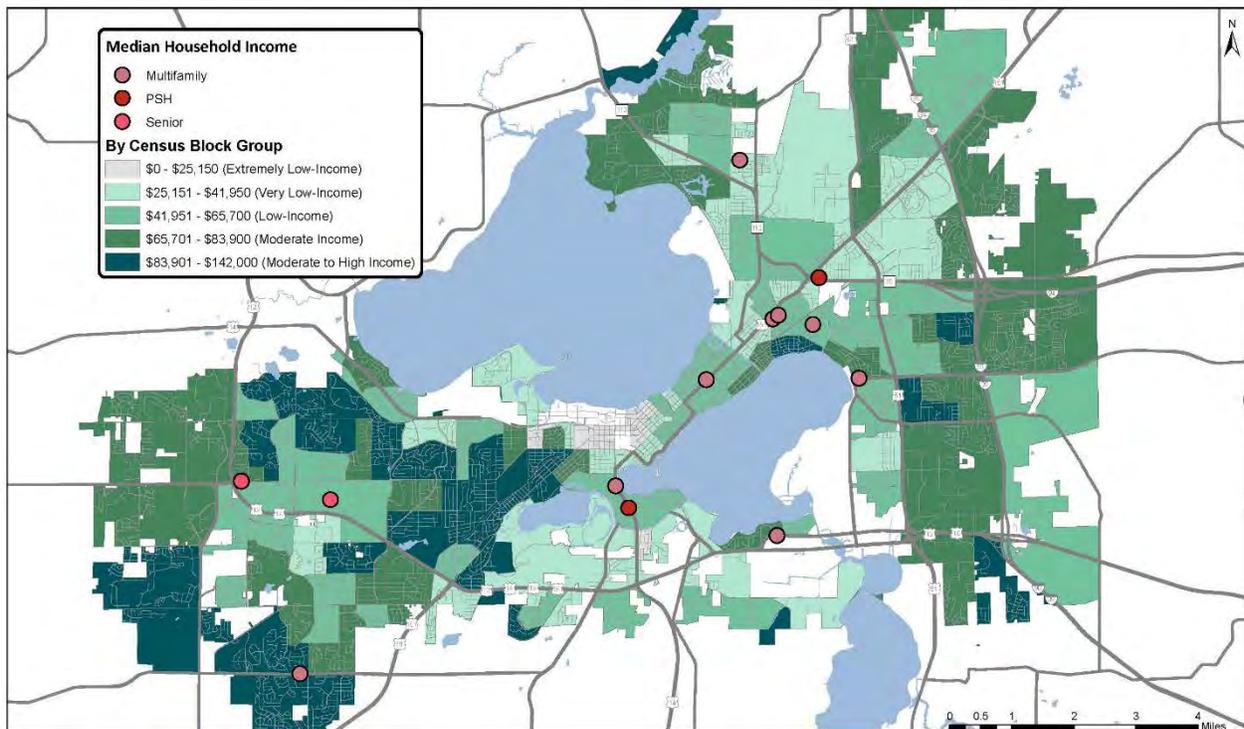


Source: City of Madison CDD, Author's Calculations

When overlaying directly by the City's CDBG Target Areas Map, which uses Census Tracts, ten (10) of the fourteen (14) Affordable Housing Fund assisted developments are in areas where the majority of the population is determined to be a member of a low-income households. There are five (5) sites developed within Census Tracts that carry this designation, although due to sample and reference size some are different developments than appear in the Block Group overlay.

Other considerations include median household income, median gross rent, or the availability of already affordable units in an area.

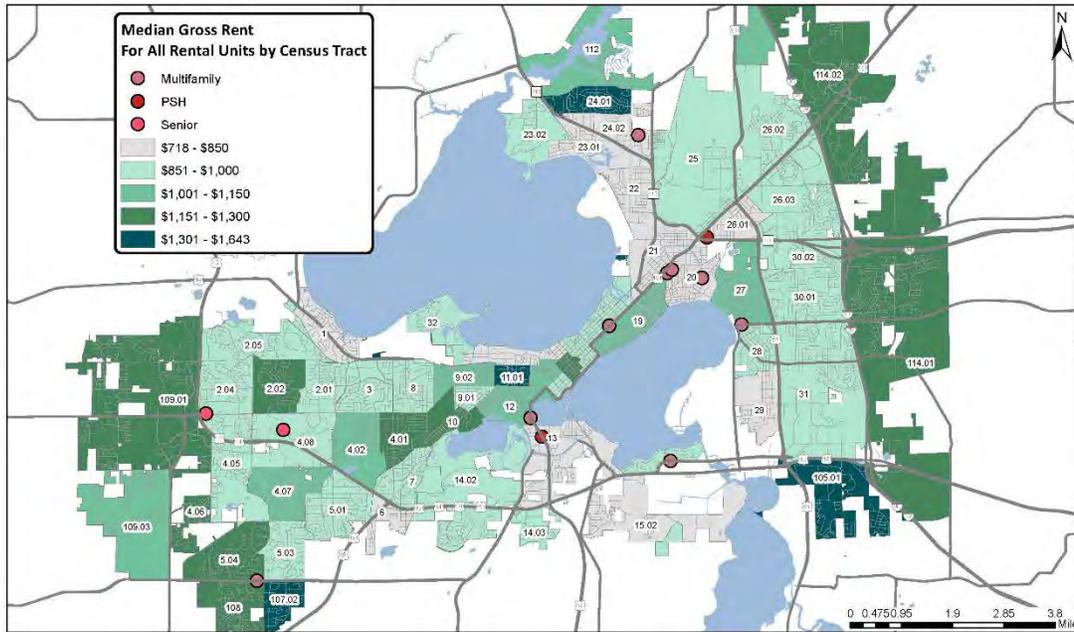
**Figure 187: AHF Developments and Median Incomes by Block Group**



Source: City of Madison CDD, 2016 ACS 5-Year Estimates

Only two AHF developments are sited in areas that have a median household income of \$41,950 or lower – a figure which would be classified as a very low-income household in 2016. Conversely, 5 of the AHF funded developments are in areas in which the median household by income would classify as a moderate- or high-income household, which indicates that many projects funded through this process work to effectively integrate affordable housing into neighborhoods with higher relative incomes. Only one of the fourteen (1/14) projects has been awarded in an area in which the median household earns more than 100% HAMFI.

Figure 188: AHF Developments and Median Gross Rent



Source: City of Madison CDD, 2016 ACS 5-Year Estimates

As mentioned previously, LIHTC can serve to effectively raise median rents within a neighborhood, and Madison property values display increase larger than expected under normal market conditions when in proximity to new affordable housing developments.<sup>7</sup> While

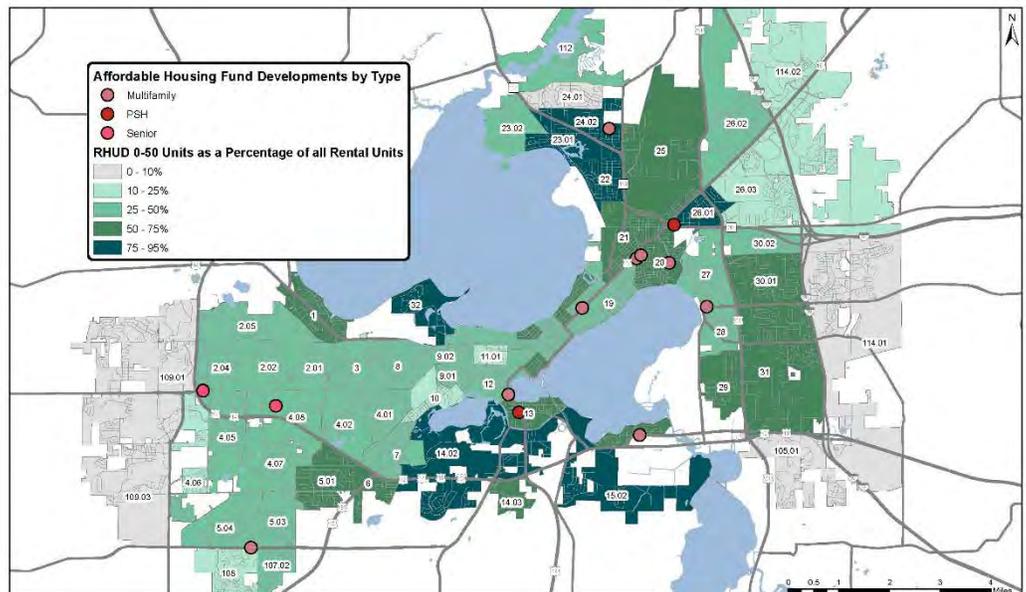
Source: City of Madison CDD, 2016 ACS 5-Year Estimates

rising values often signify increased equity to owners, for renters in the surrounding neighborhood, increased property values often correlate to rent increases to offset higher owner tax burden. For that reason, siting LIHTC developments in lower-rent neighborhoods can create a domino effect that raises rents at faster rates than prior.

Six of the fourteen (6/14) developments awarded through the Affordable Housing Fund have been placed in neighborhoods in the lowest quintile of rents for the City as a whole (grey areas in Figure above), indicating an increased likelihood of having a more pronounced effect on other potentially affordable units and increasing rents at a greater rate in the surrounding area and ten of fourteen (10/14) are in areas with a median gross rent of less than \$1,000.

To illustrate, the figure below takes rental units adjusted for rent by bedroom size to determine the affordability level for households of differing sizes. Areas in both the darkest green and blue have an abundance of already affordable rental units, with over 50% of all units being affordable to households earning somewhere between 0-50% HAMFI.

Figure 189: AHF Developments and RHUD 50 Units

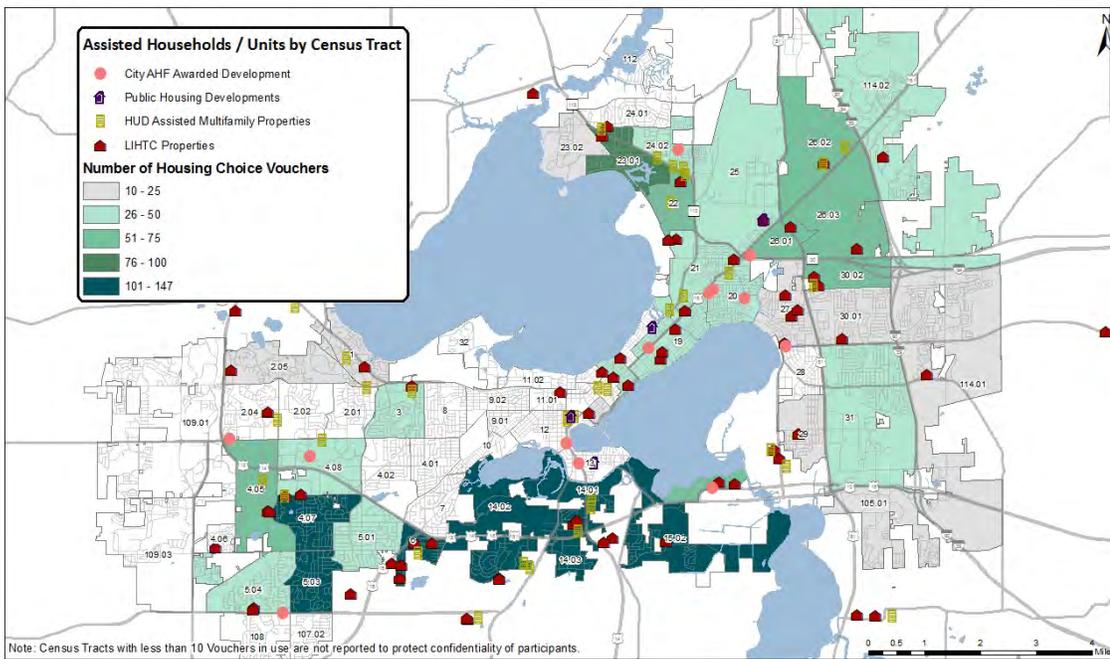


Source: City of Madison CDD, 2010-2014 HUD CHAS

Half of all AHF developments have been these areas, where the majority of rental units are already affordable to very low-income households.

<sup>7</sup> "Low Income Housing Tax Credit Housing Developments and Property Values" – University of Wisconsin Center for Land Economics Research

Figure 190: All Assisted Units and Private Market Voucher Use

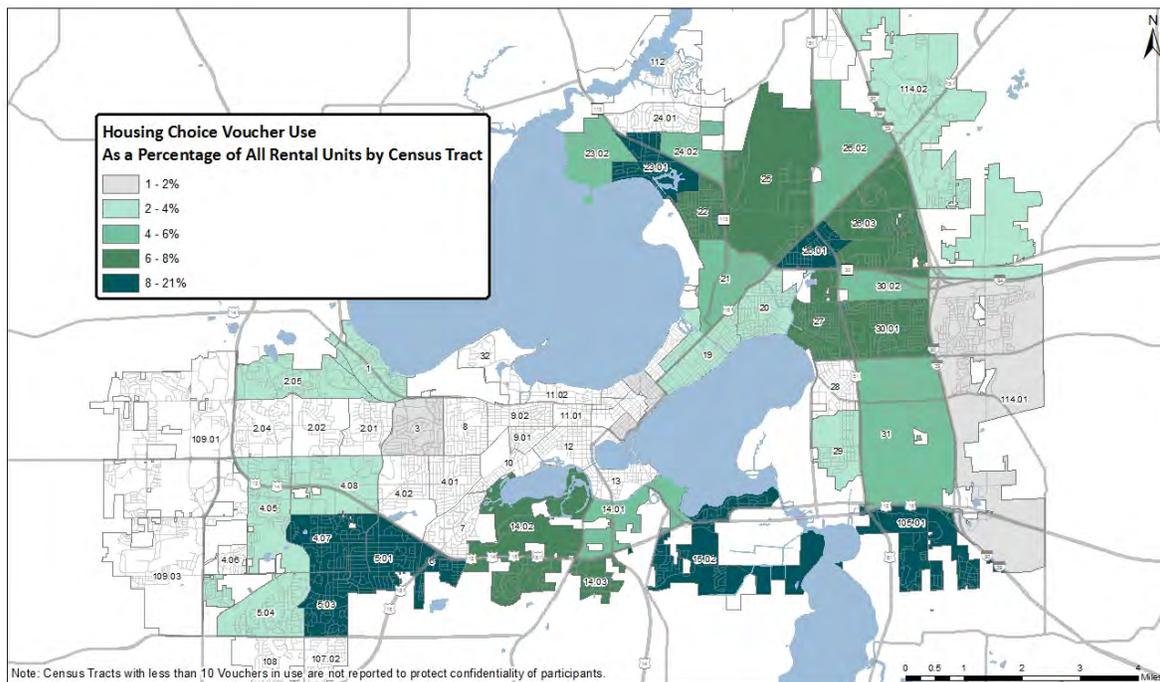


Source: HUD CPD, Voucher Count as of 12/2017

Housing Fund properties, they also have little to no use of Housing Choice Vouchers. Aside from Census Tract 23.01 in North Madison, Tracts 4.07, 5.03, 6, 14.01, 14.02, 14.03, and 15.02, all in South Madison, have more than double the Voucher use of any other tract in the municipality.

In rate of use, approximately 1.3% of Madison households receive supplement housing payments through the CDA administered Housing Choice Voucher program – and with very few exceptions, nearly all occupy rental housing. As a percentage of all rental units in a Census Tract, similar areas see increased rates of use – with the exception of Hawthorne, Tract 26.01, in which 1 in 5 rental units are rented to households participating in the Housing Choice Voucher program.

Figure 191: Areas of Highest Housing Choice Voucher Utilization

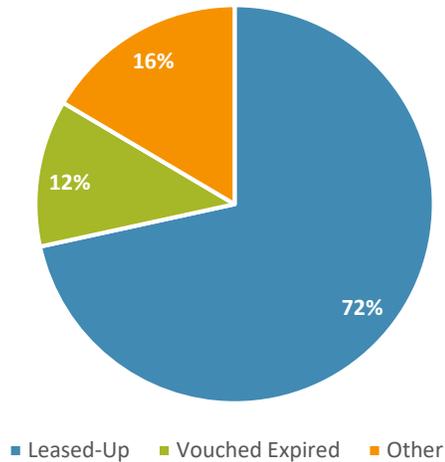


Source: HUD – Voucher Count as of 12/2017

When assessing all units considered by HUD to be “assisted” within the jurisdiction, there are clear areas which have a lack of developments, notably areas from Regent west to Sunset Village, south to Crawford-Marlborough-Nakoma, and west to Midvale Heights, areas with relatively-high incomes and larger White populations compared to other core areas of the City. These areas not only have no notable HUD, LIHTC, or City-Affordable

Public Housing and Housing Choice Voucher Programs offer clear benefit to low-income families through rent subsidy, which ensures that participating households do not become cost-burdened in securing housing. While there are areas which do not have a variety of assisted housing option (near-west Madison), for the City as a whole the lease-up rate for those receiving vouchers is relatively high. From 2012 to 2018, only 12% of Vouchers issued expired before securing housing – indicating relatively high levels of success in securing housing that met both quality and payment standards.

**Figure 192: Voucher Lease-Up / Success Rate**  
**Vouchers Issued by Madison CDA 2012-2018**



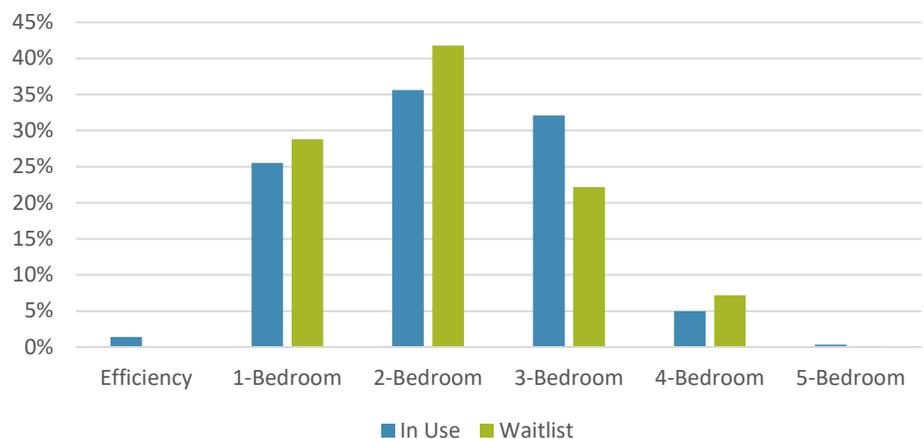
Within the category of “other” are vouchers issued to households which ported-out to another jurisdiction, had their voucher withdrawn, or cancelled their voucher. The majority of the “other” category are households which ported-out to another jurisdiction (55%). Twenty-five percent (25%) of this category voluntarily withdrew their voucher, and nineteen percent (19%) cancelled their voucher. While limited by geography, this success rate indicates a steady supply of landlords who readily accept voucher holders, which increases the chance that low-income families participating in the program will be able to find stable housing within the allotted time from issuance.

Source: Madison CDA

Voucher use by household size is relatively consistent with what other data shows in terms of need for low-income households, with the greatest voucher use occurring in 2-bedroom units (36% of all households), followed by 3-bedroom (32% of all households) and 1-bedroom units (26% of all households). All other unit sizes comprise only 6% of total voucher use in the City of Madison.

While lease-up and occupancy standards differ from the unsubsidized tenant rental units, there is general consistency with what would be expected based on City demographic need. HUD Occupancy standards provide guidance that children of an opposite gender are not required to share a bedroom, nor are persons of different generations. This may slightly overinflate numbers of larger bedroom sized units as compared to private market “housing problems”, as HUD considers overcrowding to only be a problem should there be more than 1.5 or 2 persons per room depending on the definition, regardless of gender.

**Figure 193: Rental Bedroom Size for in-use Vouchers**  
**Distribution of Housing Choice Vouchers by Unit Size**



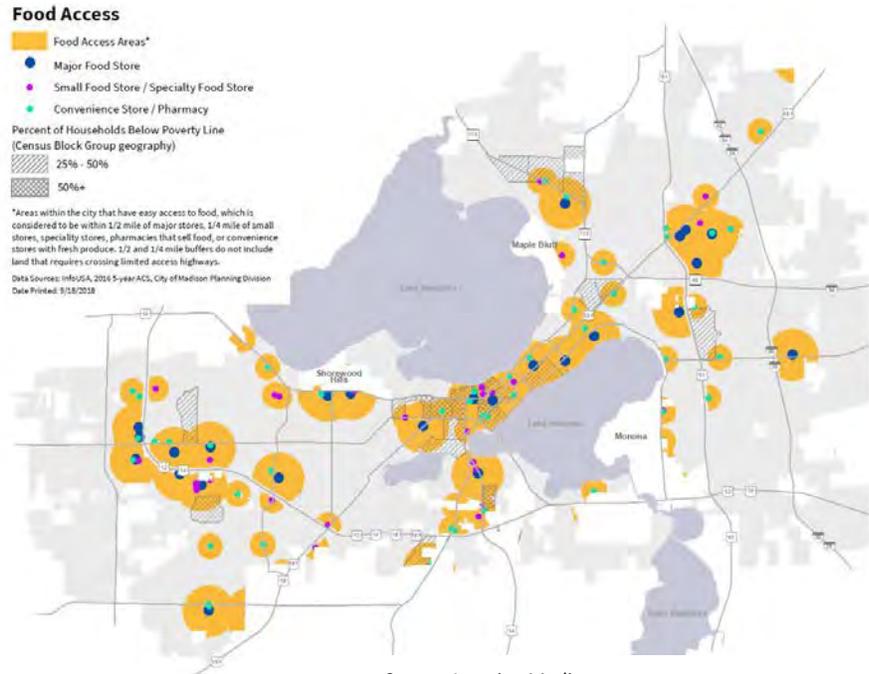
Source: Madison CDA, Count as of August 2018

By households waiting to receive a Housing Choice Voucher (waitlist) there are nine percent (9%) more households waiting for 1-Bedroom and 2-Bedroom units than the distribution of vouchers currently in use. This may indicate a continued trend in Madison of smaller household sizes, or it may indicate Madison CDA preference to place families with a minor child further up on the waitlist, meaning they are potentially assigned vouchers more quickly than other, likely smaller households that apply to the program are.

For fair housing activities directly administered by the City, aside from direct programs run through the Community Development Division, fair housing commitments are generally shaped through the regulatory processes of the City’s Planning Division. As the division primarily responsible for the development of the City’s Comprehensive Plan and land use decisions, fair housing should remain a key priority in determining best practice in both policy and implementation.

The recent update to the City’s Comprehensive Plan is generally a positive step toward furthering fair housing – it indicates disparities in ownership based on race/ethnicity, cost burden by race/ethnicity, and food access by geography. Within food access areas, the Plan considers convenience stores with fresh food and pharmacies with any type of food to contribute to food access – it should be noted within future plans while many pharmacies and convenience stores offer access to food, they are likely not the main store households must rely on for healthy and nutritious options at price points affordable to area residents. Without these stores, food access in the City would be much more limited.

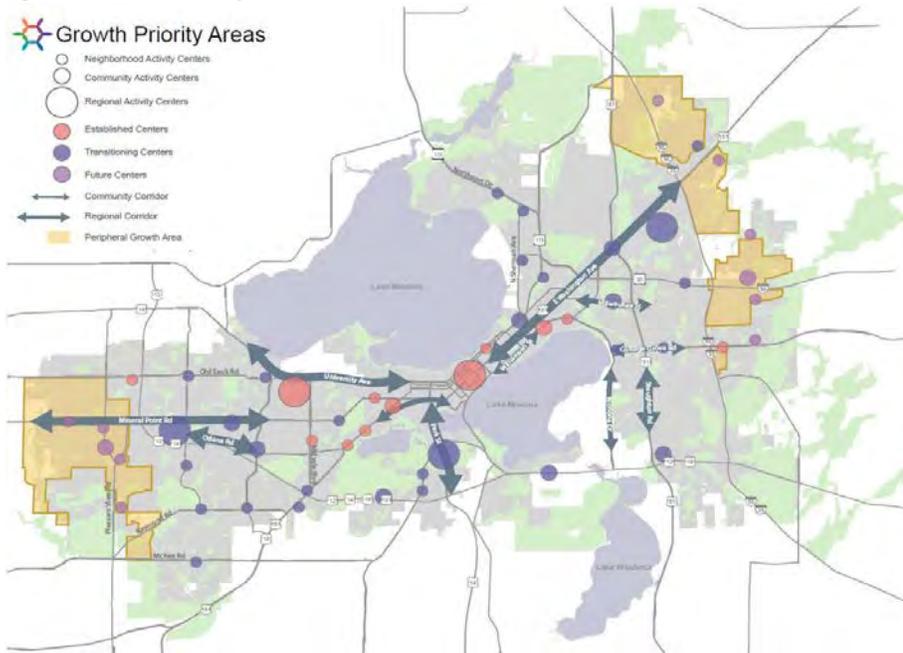
Figure 194: Food Access Areas



Source: Imagine Madison

In general, these stores should not be considered primary food access points, and the City should continue to encourage expansion of food access into neighborhoods with continued lack of access as they have done.

Figure 195: Growth Priority Areas



Source: Imagine Madison

Another focus of the Comprehensive Plan is Growth Priority Areas – areas that are prioritized for mixed-use infill development. One of the challenges of fair housing within a growing City, growth often occurs as a function of land prices and regulatory ability (zoning) that present favorable conditions for higher-density infill development.

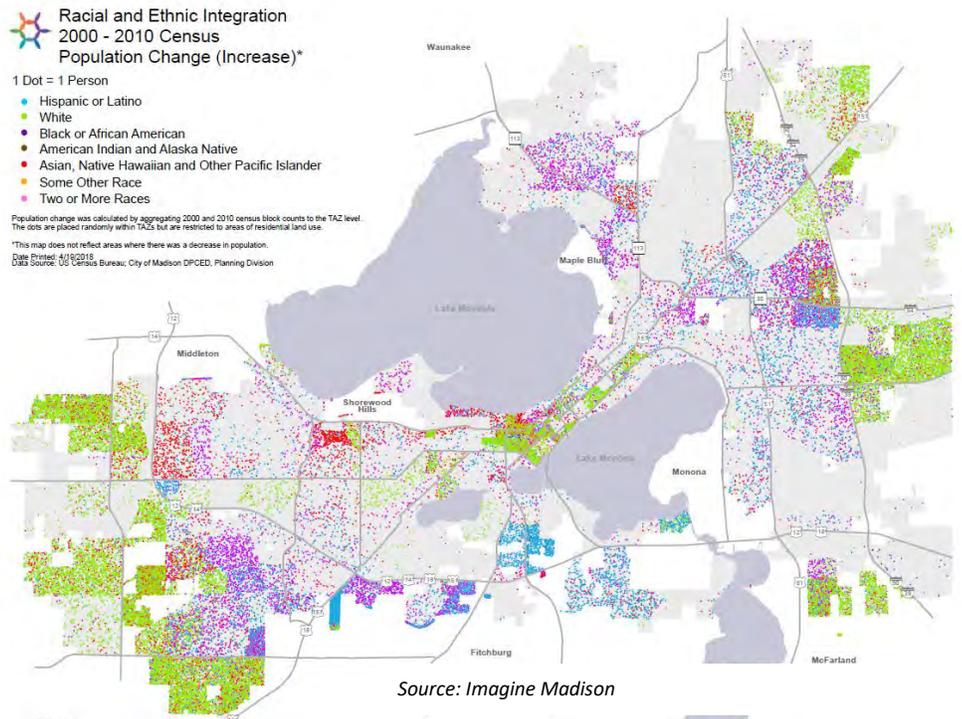
Many of these growth priority areas defined as “Transitioning Centers” provide challenge for the City in equitable development, as many of these centers are in or near neighborhoods with significant low-income populations or populations of Color, and redevelopment may bring gentrification pressures to current residents of these neighborhoods. The City should prioritize

anti-displacement measures in conjunction with expansion of economic opportunity to ensure residents’ right to remain within these Transitioning Centers. Gentrification pressures have been shown in

research to possibly exacerbate pressures to individuals within existing communities, including (but not limited to) social, economic, health and environmental impacts such as:

- Stress due to rising rent and food costs
- Loss of social connections for displaced and remaining residents
- Economic instability associated with relocation
- Educational instability for displaced youth
- Increases in rates of anxiety and depression
- Decrease in amount of affordable housing opportunity
- Higher health risk associated with displacement to older housing stock
- Existing business financial challenges due to increased competition
- Increases in negative contact with law enforcement officers

Figure 196: Racial and Ethnic Intergration



There is also opportunity for the Comprehensive Plan to acknowledge segregation within the City, as well as to provide concrete anti-displacement measures for Transitioning Centers in the future. Overall, the importance placed on complete neighborhoods should be continued.

Finally, the City’s Generalized Future Land Use categories, especially the category of Low Residential (LR) may impact future development and fair housing choice by allowing increased density along arterial streets, but not within neighborhood interiors. Housing on arterial streets generally face increased risk of environmental hazards from traffic, and allowing 3-4 unit buildings within neighborhood interiors could further fair housing by increasing access for groups more likely to be renters than owners, lower-income residents, and other protected class groups otherwise precluded from living in neighborhood interiors due to low-vacancy rates, accelerating ownership markets, and other housing market conditions.

Figure 197: Residential Future Land Use Categories

**Residential Future Land Use Categories**

Residential Building Form	Low Residential (LR)	Low-Medium Residential (LMR)	Medium Residential (MR)	High Residential (HR)
Single-Family Detached Building				
Civic/Institutional Building				
Two-Family, Two-Unit				
Two-Family - Twin				
Three-Unit Building	*			
Single-Family Attached	*			
Small Multifamily Building	*	**		
Large Multifamily Building		**		
Courtyard Multifamily Building		**		
Podium Building				
Number of Stories	1-2*	1-3	2-5	4-12~
General Density Range (DU/acre)	≤15	7-30	20-90	70+

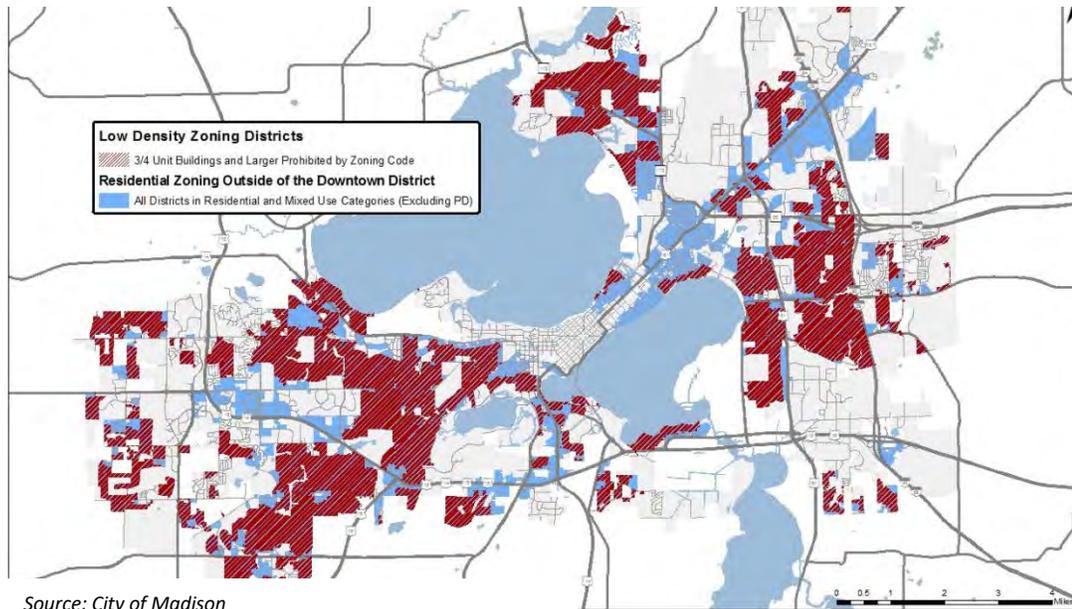
\* Permitted in select conditions at up to 30 DU/ac and three stories, generally along arterial streets or where these types of buildings are already present or planned within an adopted sub-area plan as part of a pattern of mixed residential development.

Source: Imagine Madison

**ZONING**

Similar to LR designation within the Generalized Future Land Use map, the current zoning code for residential areas largely prohibits small multi-unit structures from development within neighborhood interiors.

Figure 198: Low Density Residential Zoning



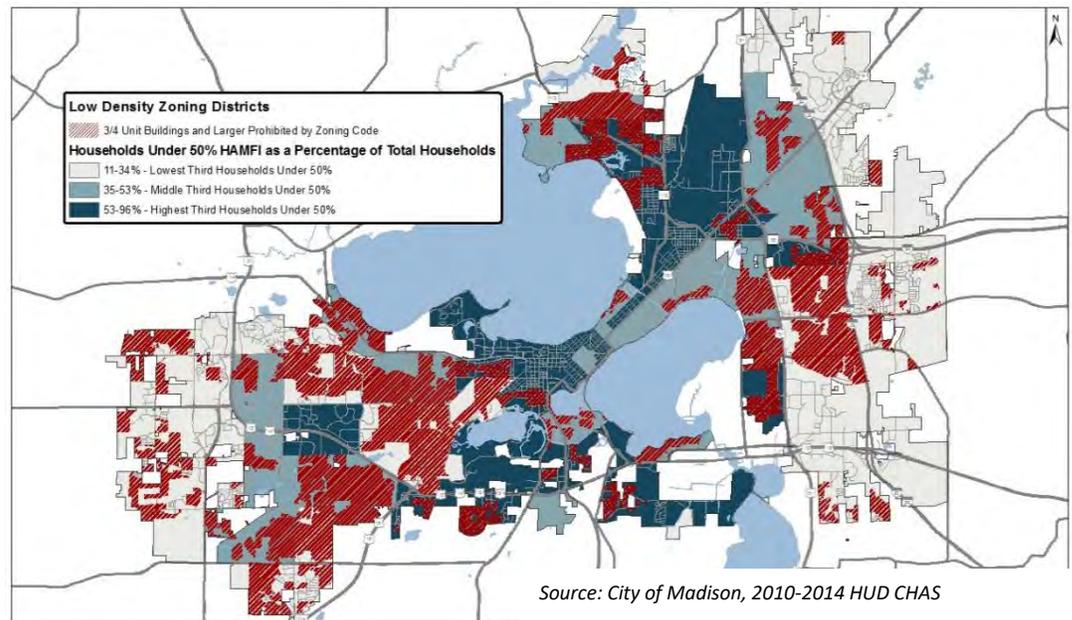
Source: City of Madison

As of the writing of this this analysis, 79% of all residential zoning outside of the downtown district prohibits 3- or more unit structures. As a whole, 76% of all residential zoning outside of the downtown district is zoned for single-family detached homes only. This impacts the ability for many residents to make housing choices that may be beneficial, limiting the ability for many residents to live within neighborhood interiors across the City by enforcing

zoning policy which decreases potential small increases in density in context with existing structures. Zoning primarily for single-family detached housing can also serve to inflate market housing costs by restricting supply in desirable areas, causing inflated rates of appreciation for residents in a position to own their homes, and increasing rents for homes in proximity to established neighborhood interiors. This potentially not only perpetuates inequities in wealth building opportunities through ownership, but increases rates of cost burden as well, disproportionately affecting low-income groups.

Figure 199: Low Density Zoning and Area Income

Geographically, zoning is generally more restrictive to multi-unit structures on the West side of the City of Madison. With the exception of areas near the Beltline, and along select arterial streets, there are less allowed opportunities for increases in density on the West side of the City within the Zoning Code. This could potentially serve to further geographic barriers to access discussed in earlier sections, including affordable housing opportunities afforded



Source: City of Madison, 2010-2014 HUD CHAS

unequally due to disparities in ability to generate income. With a lack of affordable rental units on the West side of the City (affordable to 50% AMI), and lack of ownership opportunities affordable to 80% AMI and lower populations, shifts in zoning policy could allow for more affordable forms of development in areas on the West side of Madison in need of new units. Currently, many areas zoned to prohibit 3-unit or larger buildings have low numbers of low-income households, and some areas are economically segregated.

One way in which many cities, counties, and states are attempting to address housing shortages and affordability issues within neighborhood interiors is through the increased allowance of Accessory Dwelling Units. The City of Madison has added Accessory Dwelling units into the zoning ordinance, however the development of ADUs is currently complicated by many regulatory requirements. For instance, in order to construct an Accessory Dwelling Unit, the owner of a property must meet the following requirements:

1. Occupy the property as an owner-occupant
2. The primary structure must be a single-family detached structure
3. The accessory dwelling unit must fall between minimum and maximum area requirements
  - a. Including finished basement space
4. Pay single-family impact fees for development

Additionally, many residential areas are zoned so that ADU construction would require a conditional use permit, complicating the ability of homeowners to construct an additional residence on their property. There are many states and municipalities which have waived or are in the process of waiving many of these restrictions, as a result seeing large increases in the development of ADUs. Increased residential accessibility to neighborhood interiors across the City should be a large component of further fair housing opportunity, and the City should consider adjustments that would ease ADU construction and increase access for residents and potential residents. This increased accessibility would not only work toward the complete neighborhood goals of the Comprehensive Plan, but would allow a range of life-cycle housing choices for small families, seniors wishing to age-in place, and households which generally would prefer access to high-ownership areas but are priced out of the market.

## BOARDS AND COMMISSIONS THAT IMPACT HOUSING POLICY

The City has several committees that routinely make decisions that may affect fair housing choice in Madison. These include the Plan Commission, the Housing Committee, the Community Development Block Grant Committee, the Equal Opportunities Commission, the Commission on People with Disabilities and the Community Development Authority. These boards should be representing the interests of all Madison residents, and should be aware of and responsive to the needs of the City's protected classes.

### ***Plan Commission***

It is the function and duty of the Plan Commission to make and adopt a master plan for the physical development of the municipality. The commission makes reports and recommendations to the Common Council related to the plan and physical development of the city and on the location and architectural design of public buildings and other public projects. The commission also reviews and makes recommendations on any sale or lease of land, rezoning requests, annexations of land, subdivision plats and ordinance text amendments. The Plan Commission has final approval authority on land divisions (certified survey maps), conditional use requests and appeals of certain Urban Design Commission decisions.

### ***Landlord and Tenant Issues Committee***

The Landlord and Tenant Issues Committee serves as a forum for discussion and communication about landlord-tenant issues. It is charged with making recommendations to the Mayor and Common Council on all aspects of landlord and tenant policies and issues, including landlord and tenant issues in Chapters 27 & 32 of the Madison General Ordinances, and performing functions formerly exercised by the Rent Abatement Oversight Committee. (Ordinance ORD-12-00076, File ID# 25836, effective date 6-21-2012)

### ***Housing Strategy Committee***

The Housing Strategy Committee was established in 2012 to serve as a forum for discussion and communication about housing strategies. According to the resolution, the HSC shall establish a schedule for the Dept. of Planning & Community & Economic Development to prepare and submit a biennial housing report to the Mayor and the Common Council, which will include the following:

- Current data on Madison and regional housing supply and trends;
- Strategies for maintaining a broad range of housing choices for all households and income levels; and
- Strategies for maintaining and increasing affordable owner-occupied and rental housing in Madison and the region.

#### ***Community Development Block Grant (CDBG) Committee***

The duties of the CDBG Committee include: recommending policies, goals and objectives of the Community Development program which includes the development of affordable housing, creation of jobs for low income individuals, creation or support for neighborhood centers and gardens that serve as focal points for neighborhoods, assistance to homeless individuals to help them move towards self-sufficiency and support of neighborhood development activities; review of proposals for funding and recommend budget allocations based upon an assessment of the proposals, including evaluation of performance on other projects, compliance with City policies, goals, objectives, federal, state and City regulatory requirements and assessment of financial needs and commitments.

#### ***Zoning Board of Appeals***

The Zoning Board of Appeals hears and decides appeals where it is alleged there is error in any order, requirement, decision or determination made by the Zoning Administrator in the enforcement of the ordinance; hears and acts upon applications for variances from the terms provided in the ordinance in the manner prescribed by and subject to the standards established; hears and acts upon all other matters referred to it upon which it is required to act under the ordinance. NOTE: Mayor appoints the chair.

#### ***Board of Review***

Conducts public hearings and adjudicates contested city assessments; has the authority to subpoena witnesses and records; hear oral testimony from the Assessor and the taxpayer; and raise, lower or sustain assessments.

#### ***Community Development Authority***

The Community Development Authority (CDA) is a public, corporate and political body that exercises public power, duties and functions conferred on housing, redevelopment and community development authorities.

#### ***Affirmative Action Commission***

The Affirmative Action Committee reviews, approves and recommends the city-wide action plan as proposed by the Affirmative Action Director on a yearly basis. The committee advises affected or under-represented groups of their rights under the Affirmative Action Program. This committee makes recommendations to the mayor and Common Council on various matters related to Affirmative Action issues.

#### ***Commission on People with Disabilities***

The Commission on People with Disabilities (CPD) recommends policy to the Mayor, Common Council, and Department of Civil Rights regarding matters that affect disabled people and their families. The CPD also solicits the suggestions of citizens and organized groups regarding access issues to facilities and services, in order to provide recommendations to all City departments.

#### ***Equal Opportunities Commission***

The Equal Opportunities Commission studies existence, causes, character, and extent of denial of equal opportunity because of protected class designation, recommends solutions to problems relating to discrimination, and has recently adopted a housing focus to the issues of equal opportunity aligning closely with this analysis.

The City of Madison’s 2013 Analysis of Impediments to Fair Housing Choice identified five major categories of impediments, and recommended 34 action items to address impediments across the five categories. The categories included:

- I. *Supply Impediments (Private Sector)*
- II. *Affordability Impediments (Private Sector)*
- III. *Financial Impediments (Private Sector)*
- IV. *Spatial Impediments (Public and Private Sector)*
- V. *Administrative Impediments (Public Sector)*

The following sections contain a summary of action items for each impediment and the progress the city has made toward achieving those goals.

## I. SUPPLY IMPEDIMENTS

### **PROGRESS UPDATE: INADEQUATE SUPPLY OF RENTAL HOUSING**

2013 AI: “Based on stakeholder interviews and analysis of available data, the most important impediment to fair housing was determined to be low supply of rental units. A 5% vacancy rate has been established as the appropriate balance between interests of both tenants and landlords, yet the rate was 2.5% when assessed in late 2012 for the 2013 Analysis of Impediments.”

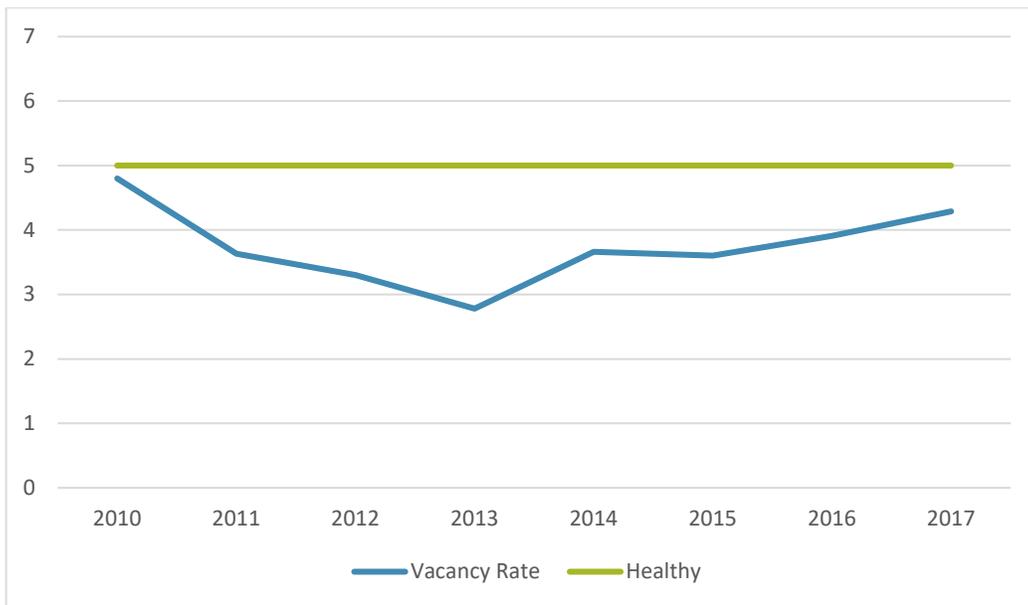
*2013 Action 1.1.1: The city should establish policies that seek to establish and maintain a 5% city-wide rental vacancy rate, this target should be noted in the comprehensive plan and the vacancy rate should be noted in planning staff reviews of proposed new rental units.*

City Planning Division performed an update to Madison’s Comprehensive Plan in 2018, and as a measure of that process have implemented increases in allowable height and density for some future land use categories. This will enable and encourage a larger number of dwelling units per acre than previously allowed for in many areas, directly addressing a need for increased production of units in key corridors, notably those areas well-served by transit. These target areas for increases in height and density by land use designation overlay favorably with the City of Madison’s current Affordable Housing Targeted Area Map as used for assessing Affordable Housing Fund allocations. These programs when coupled together will allow for increased unit production aimed at increasing the rental vacancy rate.

In 2012, MGO 33.34 created a permanent Housing Strategy Committee with the designated goals of “*serv[ing] as a forum for discussion & communication about housing strategies; shall establish a schedule for the Dept. of Planning & Community & Economic Development to prepare and submit a biennial housing report to the Mayor and the Common Council, which will include the following: current data on Madison and regional housing supply and trends, strategies for maintaining a broad range of housing choices for all households and income levels; and strategies for maintaining & increasing affordable owner-occupied and rental housing in Madison and the region.*”

The Housing Strategy Committee, Common Council, and City staff all operate under the direction that 5% is a desirable and healthy vacancy rate for the growth of fair housing choice within the City. This recommendation has resulted in an increase in total housing units, which has raised the vacancy rate toward the targeted level (Figure 1).

**Figure 1: Madison Multifamily Rental Vacancy Rate 2010 – 2017, 2<sup>nd</sup> Quarter**



Source: Madison Gas & Electric  
 Measure of apartments vacant as determined by gas & electric service inactive or returned to owner's name.

*2013 Action 1.1.2: The city should encourage building and development designs that accommodate and allow either rental or condominium use, or both at the same time, to improve flexibility in response to market shifts.*

While there remains no official policy to encourage fluidity of development between either condominium or rental units, construction type and quality of units are comparable for both types. Under recent market conditions, according to the Planning Division the demand has largely been for increased amounts of rental housing. From 2008 onward, the largest single year for construction permits for condominiums was for 25 units, compared with the largest amount of rental permits for 1,842 units. Building permit records in recent years display a large discrepancy between numbers of apartment and condominium units overall from 2008 forward.

The City of Madison Planning Division places extreme emphasis to developers on access to amenities and durability of buildings in construction. Regarding access and durability of construction, it is possible that some units would convert from rental to condominium should market demand shift in the future, allowing a larger amount of flexibility for developers and management companies to respond to market demands in ways that best serve the interests of households in the City.

*2013 Action 1.1.3: The City should consider various programs and incentives to encourage new rental unit development. Consider programs implemented by the city of Vancouver, including required development of demolished units, incentives and ideas to encourage accessory dwelling units, and incentives to protect units for rental use for 60 years.*

The Vancouver model of program refers to a required 1-for-1 replacement of any demolition of rental housing, as well as “fast tracking” city approvals for any developments that are 100% rental housing, including relaxed zoning requirements and density bonuses. Given preemptions by the State of Wisconsin, the City is currently unable to require or offer any Vancouver-style model of program or incentive.

**PROGRESS UPDATE: INADEQUATE SUPPLY OF LARGER ASSISTED RENTAL UNITS**

2013 AI: “Based on stakeholder feedback and Public Housing Authority data, there is unmet demand for large rental units available to lower-income residents affecting the ability of larger families with limited incomes to find housing. This is having a disproportionate effect on Hispanic residents due to the prevalence of larger families, making it an indirect impediment to fair housing choice.”

*2013 Action 1.2.1: The City should encourage the inclusion of a wider variety of unit sizes in new multifamily developments, especially including three-bedroom options in affordable housing projects. Incentives should be considered as an option to encourage such units, such as a density bonus or cash contribution to compensate for the loss of smaller units.*

The City of Madison Affordable Housing Initiative was developed in 2014 as a \$4.5 million dollar fund to support the development of a range of affordable housing options within the City. This initiative requires any family development receiving a loan of Affordable Housing Funds to create a unit mix that includes large-units (three bedrooms or larger) as a component of the development. While the City also encourages and in some cases requires larger bedroom units within market-rate developments, new data and observation of demand for units in new developments has indicated that the area of greatest need is for one- and two-bedroom units. An analysis by City staff utilizing CHAS, ACS, and PUMS data indicated that the largest need for extremely low-income household is for 1-bedroom units (63% of all households in need), followed by 2-bedroom units (25% of all households in need), and 3+ bedroom units (12% of all households in need).

The City of Madison completed a complete update to the Zoning Code in 2013 which requires a set mix of unit sizes for developments within the Downtown Residential District in order to accommodate ample housing opportunity for families in the Downtown core of the City. Outside of the Downtown Residential District, planning staff encourage developers to incorporate larger units when development is occurring in areas of the City which do not already have a large number of large-unit housing options, as well as areas in which there is a high-level of access to key family amenities.

#### **PROGRESS UPDATE: INADEQUATE SUPPLY OF SINGLE ROOM OCCUPANCY UNITS**

2013 AI: "Single room occupancy units provide choices for residents that may have few other choices. An adequate supply helps to prevent homelessness. The apparent decline in the supply of these units is an indirect impediment to fair housing choice of low-income and disabled residents, and it increases the risk of prevalence of homelessness. "

*2013 Action 1.3.1: The Housing Strategy Committee should further study this supply gap and offer strategies to fill it. The City should focus especially on the supply of units for residents with special needs in its various programs and policies to reduce homelessness.*

Study of the supply gap in Single Room Occupancy Units was addressed by a 2013 SRO Study which provided concrete strategies the City could use to address the gap in demand and supply. An analysis of SRO need is also updated every two years as a part of the staff-produced Biennial Housing Report, a study of housing market gaps within the City across differing demographics and geographies. Recognizing this gap, the City has prioritized and built heavily subsidized permanent supportive housing units which addresses this need, specifically among chronically homeless individuals in Madison. These developments provide supportive services onsite to serve homeless and formerly homeless populations.

The most notable development from this action item is Rethke Terrace, a 60-unit permanent supportive housing development for at-risk and formerly homeless singles and Veterans, utilizing 25 VASH vouchers to serve and address veteran homeless populations. This development utilized \$1.45 million from the City's Affordable Housing Fund as a commitment to helping end homelessness in Madison. There are two other permanent supportive housing developments for the City's homeless population currently planned or under construction, leveraged with \$3.7 million of City funding. These developments will supply 163 new units to house and serve Madison's homeless residents by 2020.

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## **II. AFFORDABILITY IMPEDIMENTS**

#### **PROGRESS UPDATE: INADEQUATE SUPPLY OF AFFORDABLE HOUSING**

2013 AI: "Affordability is not by itself a fair housing issue, as income is not a protected class. However, due to the strong local correlation between income and race and ethnicity, such that minority residents make up a disproportionate part of the City's low-income population, the limited supply of affordable units has the effect of restricting housing choice for minority residents. This is an indirect impediment to fair housing."

*2013 Action 2.1.1: The City should evaluate and define housing demand at various income levels as part of a Comprehensive Housing Strategy that sets targets and strategies for new unit creation.*

The City of Madison, under the authority of the Housing Strategy Committee and Common Council, publishes a Biennial Housing Report to serve as a comprehensive guide and strategy for setting and tracking housing goals within the City. This biennial report is an analysis of the City's entire housing market with an emphasis in the affordability of housing and breadth of housing options. Chapters within the report detail individual segments of the housing market in Madison that attempt to:

- Clearly articulate how supply and demand function in the market segment
- Identify the primary challenges impacting the market segment
- Highlight ongoing local initiatives and national best practices to address challenges in the market segment
- Develop specific recommendations to guide City of Madison-related programs and policies to address these challenges

The following segments of the market are analyzed and addressed in the Biennial Housing Report:

- Homelessness
- Low-Income Rental
- Market Rate Rental
- Low-Income Homeownership
- Market Rate Ownership
- Student Housing
- Senior Housing

The City of Madison's Affordable Housing Fund is a result of one of the recommendations identified in the Biennial Housing Report to incentivize the development of low- and very low-income units. This fund has assisted in the creation of 365 units of low-income housing in Madison to date with an additional 474 affordable units currently under construction or scheduled to begin construction by 2019. Beyond the Affordable Housing Fund, the City's Community Development Division has contributed approximately \$7.3 million dollars in additional funding for affordable housing since 2013, creating or preserving 273 units, including units currently under construction.

*2013 Action 2.1.2: The City should continue to encourage the inclusion of affordable units in development and redevelopment plans in all parts of the City, at least including units deemed affordable to low income (80% of County Median Income) and very low income (50% of County Median Income) residents.*

The City of Madison continues to encourage, and in some cases incentivize the development of low-income and very low-income units throughout the City. This is most clearly achieved through the annual Affordable Housing Fund allocation process, which awards funds to proposals through a competitive process that are located in areas identified in the Targeted Area Map.

City Planning and Zoning policy clearly demonstrates and emphasizes the need for unit mixes of all income levels across the City, and actively encourages developers to produce a healthy mix of unit sizes and price points in all areas. Additionally, low-income units are eligible for Park Impact Fee waivers from the City of Madison, providing substantial cost savings for developers who include these units in developments.

*2013 Action 2.1.3: The City should implement policies and programs to mitigate the replacement of affordable market rate housing by high-end market rate housing. Aging units that remain safe serviceable are an important aspect of the local housing market. Programs may include incentives for rehabilitation and a requisite analysis of demand for housing whenever a new project would eliminate units, to include demand for the units to be lost and the units to be created.*

The City of Madison's Affordable Housing Fund provides a direct incentive to developers in the creation of new units of affordable housing, as well as making funds available for proposed rehabilitation of units. Due to state limitations in policy for protecting "naturally occurring affordable housing" in the private rental market, the City is unable to directly address the market need for preservation of this unit type. The City of Madison Plan Commission actively encourages developers to preserve existing affordable housing by relocating small rental structures to nearby lots when under review for large development projects. Considering the share of household growth in Madison has largely occurred in the highest and

lowest income brackets, it is reasonable to assume that there is a demand for both market rate as well as affordable new unit creation.

*2013 Action 2.1.4: The City should encourage and facilitate the development of non-traditional housing types and ownership structures to increase affordable options in both new and existing neighborhoods, including community land trusts, co-housing, cooperative housing, and accessory dwelling units. This may include the relaxing of the permit process for cooperative housing in 1-3 family units outside the downtown area.*

The City of Madison completed a zoning code update in 2013 that eased regulation and application for many non-traditional housing types. The City has consistently relaxed restrictions and the permitting process for many types of non-traditional housing, including co-housing, cooperative housing, and accessory dwelling units. While the City has not seen a large increase in proposed units of non-traditional housing, it has eased requirements to expedite the approval of non-traditional units and recognizes the importance of such. Considering the inability of the City to directly influence market demand, the basis for facilitating the creation of such units exists and is ready to be implemented should market demand increase.

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### III. FINANCIAL IMPEDIMENTS

#### **PROGRESS UPDATE: LACK OF LOANS TO MINORITIES**

2013 AI: “The HMDA data shows that minorities, especially African Americans and Latinos, are less likely to originate a conventional loan and more likely to be denied. If they secure a loan, it is more likely to be a non-conventional loan. The inability to secure a mortgage, refinance, or home improvement loan is clearly a barrier to housing choice. This is an indirect impediment that the City should work to eliminate.”

*2013 Action 3.1.1: The City and Homebuyers Roundtable should collaborate to provide more credit and home-buying education to citizens, especially minority residents. Training should address how condominiums work, and all training should be offered in both English and Spanish.*

City staff, as members of the Homebuyers Roundtable, host homebuyer education classes once per month and three Saturdays per year. Each class lasts two days and consists of seven hours of instruction, comprehensively covering the home buying process including: credit, money management, down payment assistance, mortgage lending, choosing a realtor, shopping for a home, hiring inspectors, insurance agents, and closing agents. All class attendees undergo a full housing counseling process to inform and direct their specific situational needs to best serve the long-term success of the first-time homebuyer.

The City of Madison also partners with the University of Wisconsin - Extension to provide ongoing home buying education in Spanish, utilizing experts from the University of Wisconsin to provide education, services, and situational counseling to non-English speaking populations. Funding resources have been allocated in 2018 and are expected to continue in subsequent budgets to provide continuing, long-term homebuyer education in the City. Homebuyer education is considered a priority of the City to promote first-time homeownership, and is anticipated to remain a priority for 2019 onward.

*2013 Action 3.1.2: The City and Homebuyers Roundtable should provide education and information for local lenders on predatory lending practices and common pitfalls for new buyers, to ensure that efforts to reduce the racial disparities in loan origination do not have the unintended consequence of increased rates of default and foreclosure among minority borrowers.*

The City provides an annual training session for Realtor and lender education on predatory lending practices and common pitfalls for new buyers so that all participants of the home buying and lending practice may be aware of disparities and requirements. Aside from the annual training, the City presents to the Homebuyers Roundtable once per year on lending practices and pitfalls for new buyers to ensure consistency and reach of this information.

Independently, the Realtors Association of South Central Wisconsin has a standing committee on Affordable Housing and Equal Opportunities, which addresses homeownership opportunities for persons of color and persons with disabilities. Aiming to increase equal ownership opportunity through education, community outreach, fundraising, increasing affordable housing, the committee fosters connections with non-profit organizations that offer buyer assistance.

*2013 Action 3.1.3: The City could address the apparent lesser interest in homeownership among minority residents by doing more to improve the success of minority homebuyers post-purchase. The City could offer workshops and training on the physical aspects of maintaining a home, energy conservation, budgeting, rehabilitation programs, home improvement loans, refinancing, money management, and foreclosure prevention.*

Recognizing the need and positive correlations of post-purchase assistance, the City has signed contracts with several non-profit organizations to provide workshops and trainings on the physical aspects of maintaining a home, energy conservation, budgeting, rehabilitation programs, home improvement loans, refinancing, money management, and foreclosure prevention with the goal to better assist all low-income purchasers post-closing. These non-profit partners (Project Home, Habitat for Humanity of Dane County, and Movin' Out) specialize in both housing counseling as well as continued counseling and assistance post-purchase, allowing the organizations to tailor their programs to long-term individual needs.

*2013 Action 3.1.4: The City and Homebuyers Roundtable should collaborate to encourage local lenders to take steps themselves to Affirmatively Further Fair Housing and to ensure they are extending credit to underserved communities.*

The City encourages this action item by providing an annual training session for Realtor and lender education on predatory lending practices and common pitfalls for new buyers, that lenders may address fair housing in their daily work. The City presents at the Homebuyers Roundtable annually in order to promote and encourage fair housing practice from all parties.

*2013 Action 3.1.5: The City should further target its home loan programs toward racial and ethnic households and neighborhoods.*

A new marketing strategy for down payment assistance programs will be launched in 2019 to better serve populations underrepresented in the owner-occupied housing market.

*2013 Action 3.1.6: The City's web-based loan program and information should be made easier to find and understand.*

The City is currently in process of redesigning websites and print materials which make loan program and information easier to find and understood by the general public.

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## IV. SPATIAL IMPEDIMENTS

### **PROGRESS UPDATE: ASSISTED/SUBSIDIZED HOUSING PROJECTS DIRECTED TOWARD LOW INCOME NEIGHBORHOODS**

2013 AI: "Multiple factors have tended to result in the development of assisted and subsidized housing units in low income neighborhoods, including the perception that that is where the units should be, stronger resistance from neighbors in other neighborhoods, and the relatively lower cost of land in those neighborhoods. It would be a greater benefit to low-income residents if proximity to concentrations of jobs employers, transit, schools, and other community amenities were considered in the siting of such units."

*2013 Action 4.1.1: Plan Commission and Council Members should resist the influence of strong groups if and when those groups seek to block affordable housing projects in existing neighborhoods. The new zoning ordinance should be used to streamline the approval process when appropriate.*

The Plan Commission and City Alders have been vocal in their support for the development of affordable housing initiatives in all areas of the city. The creation of the Biennial Housing Report to serve as a guiding document has emphasized the need for improving the availability of affordable units, and the approval process has been adequately streamlined to promote healthy rental vacancy rates. The Common Council has worked to encourage developers to include affordable units in all

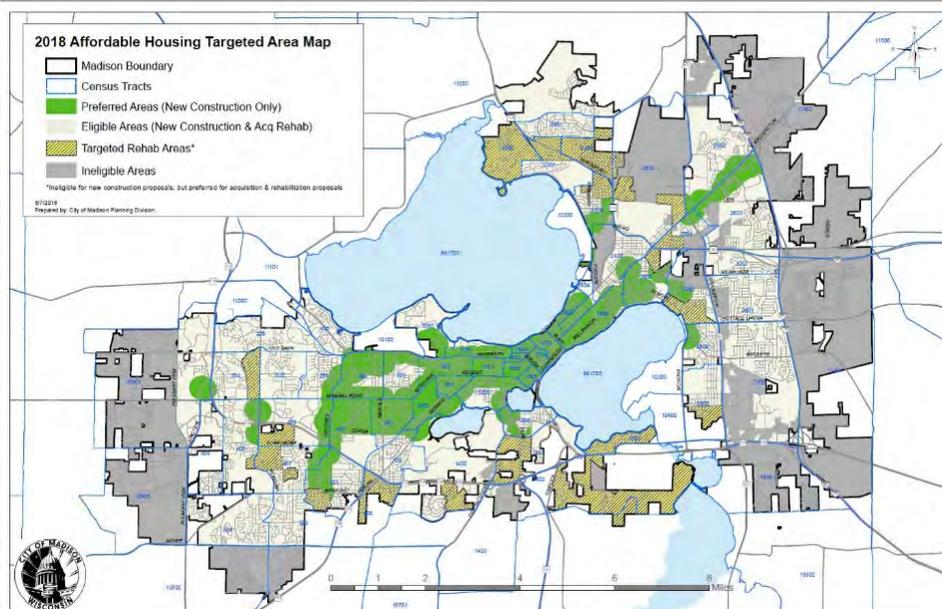
appropriate areas. Additionally, City Alders recognize the need and importance of partnering with community and neighborhood groups. Developers are required to meet with neighborhood groups as part of the zoning entitlement process. Mandating this process has streamlined communication among all stakeholders, proactively alleviating concerns regarding increases in affordable housing development.

While not universal, many neighborhood associations in key transit and amenity corridors of Madison in recent years have registered at Plan Commission and Common Council meetings not to block affordable development, but to register in favor of more affordable units within market rate developments. Through public engagement processes, it seems there is a desire among residents at a neighborhood level to preserve housing and rental prices that will remain accessible to the current members of the community, even as the neighborhood becomes more densely populated over time.

*2013 Action 4.1.2: City planning staff should collaborate with the CDA, WHEDA, and other housing subsidy funding entities to direct new assisted and subsidized units to neighborhoods that do not already have concentrations of such units.*

Due to the nature of affordable housing development, there are few tools which the City can leverage to influence the spatial nature of development location. Among these are the Affordable Housing Fund, HOME, CDBG, and TIF. The Affordable Housing Fund is administered through a joint process comprised of many stakeholders, including members of City staff from CDD, the Planning Division, and the Economic Development Division. This fund infuses needed gap financing in the form of loans to developments that apply for competitively allocated Low-Income Housing Tax Credits through WHEDA. A key component of the Affordable Housing Fund's RFP process in analyzing proposals is the Affordable Housing Fund's Targeted Area Map, which prioritizes areas of the City for development. This map is a direct action to guide the placement of assisted and subsidized units within the City, having created and approved 839 units of affordable housing in 14 developments since inception.

**Figure 2: 2018 Affordable Housing Targeted Area Map**



*2013 Action 4.1.3: The city should develop a Comprehensive Housing Strategy to design and facilitate thoughtful housing development. This may include the identification of High Opportunity Zones and Low Opportunity Zones where new affordable units (market rate or subsidized) are either specifically encouraged or specifically discouraged.*

The Biennial Housing Report serves as a full comprehensive housing strategy for the City of Madison, analyzing all aspects of the City's housing market condition, including identifying housing needs and actions to address those needs. The analysis from that report influences the Affordable Housing Targeted Area Map as developed for the Affordable Housing Fund, serving as a means of identifying areas of high opportunity within the City.

*2013 Action 4.1.4: The City should consider the creation of a tiered development review permit system that ties the permit cost to the price point of the proposed units (rental or owned).*

The City has explored alternative permitting costs, instead utilizing a Park Impact Fee waiver to provide substantial savings to developers building low-income housing units. This allows for continued affordability of units, which may not feasibly be built without municipal cost reduction features such as this waiver.

#### **PROGRESS UPDATE: RACIAL SEGREGATION**

2013 AI: “The City has mild to moderate racial and ethnic segregation. This indicates a real or perceived lack of housing choices for African American and Hispanic residents outside of neighborhoods where each minority group is concentrated (primarily north and south sides of the City). This is a symptom of other issues, especially the income disparities for African American and Hispanic residents, but it is also a cause, an impediment itself, because the physical segregation perpetuates the conditions that lead to differing outcomes and fewer housing choices for African American and Hispanic residents. It should be noted that many of the actions recommended in this report have the potential to reduce racial segregation, especially the actions to increase the supply of rental housing and affordable housing throughout the city, and all of the actions in this section addressing spatial disparities and impediments. “

*2013 Action 4.2.1: The City should specifically acknowledge and address racial segregation and concentrations of racial and ethnic minorities, especially on the north and south sides, in the Comprehensive Plan, neighborhood plans, the Comprehensive Housing Strategy, and the 5 year Consolidated Plan for HUD funding.*

The 2018 update to the City of Madison’s Comprehensive Plan addresses segregation as a theme throughout the document through a focus on racial equity within the City. City Planning also regularly updates and utilizes a database containing population by race for each neighborhood of the City, using this data to prioritize funding and resource allocation to individual neighborhoods. Planning staff actively promote and encourage a mix of housing and unit types across neighborhoods to encourage mobility and choice throughout the City.

The Biennial Housing Report serves as the City’s comprehensive housing strategy. While initially focused primarily on market outlook by income, staff have written supplemental reports to enhance demographic data contained within the research as compiled. One of these supplements as requested by the Housing Strategy Committee and Common Council is a report on housing and opportunity by racial and ethnic group within the City, with focus on geographic distribution of those demographics.

This AI will influence the City’s Five-Year Consolidated Plan as it will be submitted to HUD in 2019. While the Consolidated Plan has historically addressed segregation as required, it is the City’s goal to better utilize available data sources to analyze and address segregation and disparities through targeted and proactive policies.

#### **PROGRESS UPDATE: TRANSIT COMMUTING DIFFICULT AT SOME TIMES AND LOCATIONS**

2013 AI: “The relative difficulty of reaching some parts of the City by bus in a timely manner is an impediment because it limits where a transit-dependent resident can choose to live and/or work. Schedule limitations affecting some 2<sup>nd</sup> shift employees are also a concern.”

*2013 Action 4.3.1: The City should continue to evaluate changes to the transit routing system and schedules, including the potential for later routes that better support second shift employment and development of express modes such as bus rapid transit. This evaluation should address the needs of and impact on neighborhoods with concentrations of low-income and minority residents.*

The City of Madison is currently analyzing transit routes as they best serve all communities, and is actively analyzing the ability to implement multiple bus rapid transit corridors. In addition to extending the availability of core bus service (bus stops and stations served by a bus route every 30 minutes, seven days per week) to areas with concentrations of low-income and minority residents, the City has prioritized distance from core transit as a key data point in determining allocation of Affordable Housing Fund awards, placing priority to areas within a 0.25-mile buffer around core transit stops.

2013 Action 4.3.2: The City should direct new assisted & subsidized units toward key transit corridors, to put more residents close to transit lines for improved access to school and jobs.

The City of Madison’s Affordable Housing Fund emphasizes transit access as a primary factor in developing Preferred Areas used to evaluate proposals seeking an allocation of funds. These Preferred Areas consist of land located within a 0.25-mile radius of core transit stops to encourage affordable development in areas readily accessible by all forms of transportation. For the purposes of the Affordable Housing Fund, Core Transit is defined as 30-minute, 7-days per week service. Beyond affordable housing development, the market-rate housing market has shown a strong interest in current and future transit corridors. Over the past ten years (2007-2017), approximately 40% of all new development has occurred within walking distance (0.25 miles) of a core transit stop.

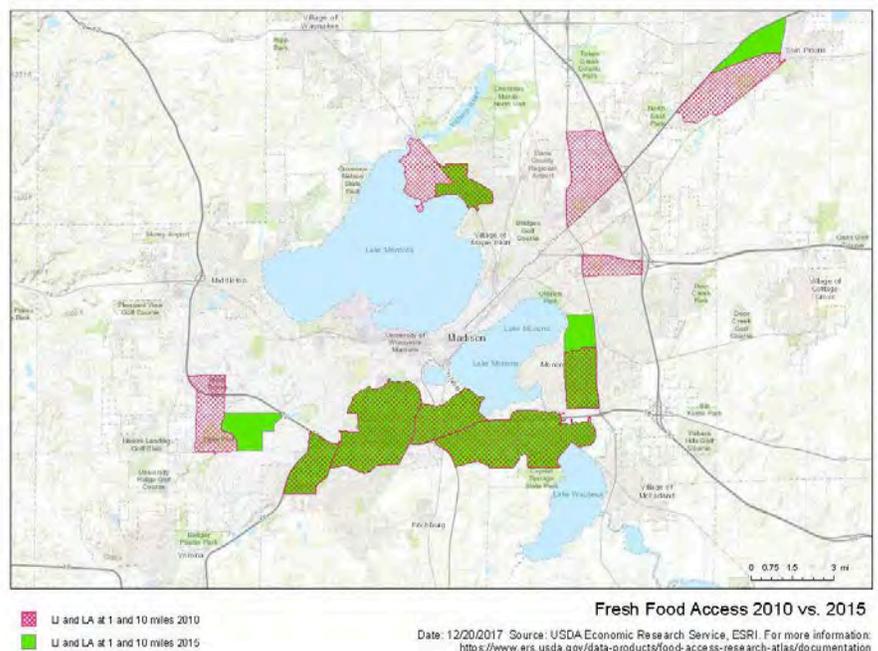
The City has also implemented a Transit Overlay District designation, the use of which allows increased height and density in transit corridors. As transit expands throughout Madison over the next ten years, necessitated by population growth and implemented through bus rapid transit, these zoning tools and special designation districts will be available as ways to increase both density and affordability in core transit ways.

### PROGRESS UPDATE: POOR GROCERY STORE ACCESS IN SOME MINORITY NEIGHBORHOODS

2013 AI: “There are areas on the south side of the city where minority residents are concentrated and that are not within walking distance of a grocery store. This is an indirect impediment to fair housing choice, as it may be disproportionately limiting the ability of racial/ethnic minority residents to maintain healthy diets.”

2013 Action 4.4.1: The City should support development and/or services that enable daily access to fresh food in all neighborhoods.

The City has explored several strategies for development that enables access to daily fresh foods in all neighborhoods, most notably through the use of TIF and land banking in neighborhoods throughout the City. Additionally, the City operates a Healthy Retail Access Program to encourage the development and availability of fresh foods to all neighborhoods of the City. This program has assisted in opening stores in select neighborhoods that provide access to fresh, healthy foods in areas that previously did not have access.



The data in the map above is displayed as low-income census tracts (>20% poverty or <80% HAMFI) where a significant share of residents live more than one mile from the nearest grocery store. Qualifying 2010 tracts are denoted by red and qualifying 2015 tracts denoted by green. As demonstrated, there are several areas in which the City has made progress in enabling expanding access to fresh food. More areas are being analyzed for ways in which to implement or encourage access to fresh grocery through different planning processes, primarily through the work of the Food Policy Council in targeting creative small loan programs to improve access to options on a neighborhood level.

## V. ADMINISTRATIVE IMPEDIMENTS

### PROGRESS UPDATE: LIMITED USE OF FAIR HOUSING COMPLAINT PROCEDURES

2013 AI: “The low number of complaints and feedback throughout the community survey suggest that residents don’t bother to file complaints because they don’t know how and/or they don’t think it will make a difference. Once initiated, the City’s process for handling complaints is actually quite easy and practical, with its focus on early mediation. However, it is difficult to figure out how to file a housing discrimination complaint using the City’s website. “

*2013 Action 5.1.1: The City should evaluate and simplify the presentation of materials associated with fair housing complaints, from the perspective of a complainant. Emphasize the ease of the complaint process and the City’s focus on quick, practical solutions.*

With regard to material simplification, the Equal Opportunities Division has updated and simplified all online fair housing information and physical marketing materials as of 2016. This update was performed to ease accessibility of information and options for anyone who may be discriminated against in the housing market. The City of Madison Department of Civil Rights is constantly analyzing the mediation process with the goal of increasing efficiency and highlighting the benefits of mediation to all parties. For example, the Department developed a new settlement option for parties wherein they may opt to have the Department of Civil Rights as a party to the agreement. This has assisted in ensuring smooth and efficient executions of settlement processes. The Equal Opportunities Commission regularly assess fair housing complaint procedures to better ensure quick, practical solutions.

*2013 Action 5.1.2: The City should optimize the organization of fair housing materials on the City’s website to ensure that a search for “housing discrimination Madison” or similar quickly leads to the City’s information and materials. Add a link from the Building Inspection Department’s Housing Complaint page for the benefit of people who land there when searching for fair housing information.*

The City Department of Civil Rights has partnered with the City’s Information Technology Office to fully reconstruct the Department’s website, including creating the ability to begin a housing complaint filing process on the Department’s homepage. There is clear access to materials on housing discrimination, including from a search for “housing discrimination” on the City’s website.

*2013 Action 5.1.3: The Building Inspection Department and the Department of Civil Rights should have coordinated training so that they know each other and recognize all types of housing related complaints and violations, and can smoothly guide and refer complainants to the appropriate office and staff person.*

The City has created a Certified Community Partner program, in which the Department of Civil Rights collaborates with other Departments and organizations to share available resources in identifying and referring residents to the Department of Civil Rights in instances of housing discrimination.

*2013 Action 5.1.4: The City should expand the “Report a Problem” system to include housing discrimination as a type of problem. Staff resources may need to be enhanced to identify and distinguish between fair housing and safe housing issues and direct each to the appropriate agency or department.*

Housing Discrimination was added to the “Report a Problem” system by the Department of Civil Rights in 2016.

*2013 Action 5.1.5: The City should consider contracting with a Qualified Fair Housing Enforcement Organization to provide additional investigative services, including testing.*

The City of Madison has contracted with the Fair Housing Center of Greater Madison, a satellite location of the Metropolitan Milwaukee Fair Housing Council to perform these services.

*2013 Action 5.1.6: The City and County should revise their fair housing ordinances to be consistent with state law, to reduce confusion.*

MGO 39.03, the referenced fair housing ordinance, is consistent with all core components of state law in terms of protections. The City furthers fair housing protections to several other protected classes as described in the City’s Equal Opportunity Ordinance, offering further protection from discrimination.

## **PROGRESS UPDATE: UNCERTAIN IMPLEMENTATION STRATEGY AND RESPONSIBILITY**

2013 AI: “An extended vacancy in the Community Development Division (CDD) Director position and a prolonged and continued vacancy (over a year) in the supervisor position of the Community Development Block Grant (CDBG) Office have created organizational deficiencies which, if unaddressed would raise concern about the ability to address impediments identified in this report.”

*2013 Action 5.2.1: The Director of Planning & Community & Economic Development should clearly identify and define staff roles and responsibilities for monitoring and implementing fair housing issues and initiatives. The lead role may be a CDBG Grants Supervisor, but other roles in various City agencies should also be defined and charged with implementation.*

Staff roles and responsibilities are currently assigned and defined by Biennial Housing Report findings, Consolidated and Annual Plan findings, and critical updates to this document, the Analysis of Impediments to Fair Housing Choice. The Community Development Division has staff assigned to Fair Housing, including monitoring and implementing initiatives.

*2013 Action 5.2.2: City staff should improve coordination and collaboration between the CDBG office (or other entity designated with responsibility for fair housing), the CDA, and the Department of Civil Rights, including clear identification of the roles of each agency in the effort to Affirmatively Further Fair Housing.*

As a direct result of the 2013 Analysis of Impediments to Fair Housing Choice, there have been increased levels of coordination between various City Departments, notably among the Community Development Authority, the Community Development Division, and the Planning Division. While the level of coordination and communication toward housing goals and actions have been beneficial, additional focus should be placed on ensuring that coordination and collaboration exists among these Departments and the Department of Civil Rights to further enforce and implement fair housing roles within the City.

*2013 Action 5.2.3: The City should consider streamlining all home ownership funding programs to put them under the management of one City department. Or, at minimum, collaboration and communication should be prioritized and information about the various policies, programs and housing resources should be presented in a more streamlined manner, such that the departmental structure supporting those programs is invisible and irrelevant to the end user.*

Due to the City of Madison Community Development Authority’s designation as a Public Housing Agency, several homeownership programs fall under the sole administration of the CDA, notably any homeownership programs involving public housing or Housing Choice Voucher participants. These programs are unable to be combined with other ownership programs due to federal regulation. The City of Madison Community Development Division has streamlined homeownership assistance into one program, resulting in the Home-Buy The American Dream program administered solely by CDD.

## **PROGRESS UPDATE: ZONING CODE PERMITS CONCENTRATION OF DISABLED RESIDENTS**

2013 AI: “The zoning ordinance allows Community Living Arrangements to have more than 15 residents, in some cases. This could result in an illegal segregation of these residents and could become an impediment to fair housing choice.”

*2013 Action 5.3.1: Planning and Civil Rights staff should monitor the development of larger group home establishments and consider revisions to the zoning ordinance to prevent violation of the “Olmstead Mandate.”*

The updated City zoning code as adopted in 2013 allows community living arrangements (CLAs) in a variety of areas across the City as a permitted use, allowing greater neighborhood choice for persons with disabilities in where they choose to receive services. The zoning code also allows for CLAs as a conditional use for most areas above a certain threshold, furthering this choice.

## **PROGRESS UPDATE: PROTECTED CLASSES UNDERREPRESENTED ON BOARDS AND COMMISSIONS**

2013 AI: “African Americans, Asian Americans, Hispanics, disabled persons and women are unrepresented or underrepresented in key boards and commissions, creating a higher risk for decisions that could result in impediments to fair housing choice. This is an

issue of concern for the Plan Commission, the Housing Strategy Committee, the Community Development Block Grant Committee, the Equal Opportunities Commission, the Commission on People with Disabilities, and the Community Development Authority.”

*2013 Action 5.4.1: The City should continue to actively recruit protected class representatives to each of these committees, including women, African Americans, Hispanics, and disabled persons.*

The active recruiting of protected classes to serve on City Committees is an integral part of representation and inclusion for all residents of the City, and as such, the process is ongoing and promoted to ensure equal representation. There is currently a well-represented demographic mix on city boards, commissions, and committees, and the City will work to ensure this remains as such in the future.